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**CASH-BASED TRANSFERS DIVISION**

**“ I FEEL SAFER, I CAN NOW SEND AND OR RECEIVE MONEY FOR BUSINESS AND FROM FRIENDS WITHOUT ANYONE KNOWING WHAT I AM DOING, THERE IS NO ACCUMULATION OF VISIBLE CASH, THEREFORE THE RISK OF THE RELATED SECURITY IS MUCH LOWER.”**

**—FARTUN, 33**

# Enhancing women's financial resilience through mobile money: Somalia

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**World Food Programme**

**SAVING LIVES  
CHANGING LIVES**

## LESSON 1

### DIGITAL PAYMENTS TO WOMEN'S ACCOUNTS SUPPORT THE FINANCIAL RESILIENCE OF HOUSEHOLDS IN THE FACE OF CLIMATE SHOCKS

Climate shocks are creating disruptions to the livelihoods of millions of people around the globe and causing greater suffering among women, who are often disproportionately affected. Working closely with the government, partners, and mobile money service providers, WFP Somalia provided anticipatory action assistance to women through mobile money, helping them to prepare before expected droughts. These mobile money transfers provided women with immediate access to essential resources and fostered their financial resilience by connecting them to inclusive financial products that were easy to use and access, including payments, savings and credit. When people receive money ahead of a crisis, it means that they are less likely to sell their agricultural assets or their harvests early to survive. This safety net enables people to preserve their means of income and livelihood and ensure they have money to buy essentials such as food and livestock.

Fartun, 33, is a mother to 12 children (7 boys and 5 girls) from Salanweyne Village in Galmudug, Somalia. Fartun receives mobile money assistance from the Ministry of Labour and Social Affairs' (MoLSA) shock-responsive Safety Net for Human Capital Project (SNHCP), or Baxnaano, funded by the World Bank. In a community where most women do not own mobile phones or have SIM cards registered under their names, Fartun and 100,000 other women were provided free SIM cards registered to their own mobile money accounts, and were trained on how to use these accounts with confidence.

One of WFP's focus areas under its new Cash Policy is ensuring that people are more financially resilient and that food-insecure women have greater economic power through digital financial inclusion. WFP is supporting the Federal Government of Somalia in enabling 220,000 chronically vulnerable households headed by women with children under 5 to meet their daily needs through mobile money. In close collaboration with diverse stakeholders from both the public and private sectors, including MoLSA, the Ministry of Employment Social Affairs and Family of Somaliland (MESAF), GSMA, and mobile service providers Hormuud, Telesom, and Golis, WFP contributes to building women's digital financial inclusion and economic power.

**Here are the main lessons learned:**



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## LESSON 2

### UNDERSTAND WOMEN'S LIVED REALITIES

To better understand the gaps, barriers, and enablers to women's digital financial inclusion in Somalia, WFP conducted two pieces of research. A user journey analysis captured the real-life experiences of women who received mobile money transfers as part of the Baxnaano programme and used first-hand accounts to understand barriers and opportunities. A gender analysis took a closer look at women's digital and financial lives and how they are influenced by social norms, providing greater insights into women's interactions with money and digital tools.

**“MY MAIN CHALLENGE IS THAT I STILL CANNOT READ AND WRITE. I DO NOT UNDERSTAND NUMBERS. IF I WOULD BE ABLE TO READ AND WRITE, I COULD LEARN HOW TO USE MY MONEY, AND IF POSSIBLE, SAVE AND START A SMALL BUSINESS.”**

**—NASRA, 43**

The studies demonstrated that women had low levels of basic and financial literacy and that they were heavily indebted. The studies also showed that insufficient income was a significant barrier to women's economic participation, resulting in low numbers of women owning mobile phones. While women in the study noted a high preference for mobile money when receiving social assistance payments, mobile phone ownership is prioritised for men in some households. In these cases, women only own a phone if their household income is sufficient and other household needs are met. Women, particularly mothers with low literacy levels, sought assistance to make digital payments from relatives, acquaintances within their reach, or local vendors who, at times, deducted amounts without the women's knowledge. Some women also mentioned that they disclosed their confidential PIN codes to merchants when making payments. Despite the widespread use of mobile money in Somalia, fraud is on the rise, with con artists devising more brazen schemes to defraud people. To counter this, WFP consulted with GSMA, cooperating partners and mobile money service providers to build women's digital literacy and raise awareness against fraudulent practices.

## LESSON 3

### DIGITISE PAYMENTS & ADVOCATE FOR LIGHTER KNOW-YOUR-CUSTOMER (KYC) REQUIREMENTS

The shift to digitized safety net payments through mobile money was driven by the COVID-19 pandemic and the subsequent suspension of formal banking services at the time. Fartun was one of the women who did not have her own SIM card or mobile phone, relying on her husband instead. To address this, WFP advocated with regulators to enable women to open accounts with lower KYC requirements and worked with local leaders to allow community members to verify identity and confirm residency. This advocacy enabled 100,000 women like Fartun to obtain their own SIM cards and receive social assistance payments via mobile money.

**“I AM HAPPY THAT I RECEIVE MONEY DIRECTLY TO MY OWN MOBILE MONEY ACCOUNT. IF THE MONEY HAD BEEN CHANNELLED THROUGH MY HUSBAND’S SIM CARD, I WOULD HAVE A VERY LIMITED CHOICE ON THE USE OF THE ENTITLEMENTS, AS MY HUSBAND WOULD HAVE TO EQUALLY APPORTION THE MONEY TO ALL THE WIVES. I AM NOW ABLE TO MAKE MY OWN DECISIONS ON HOW TO USE THE CASH, SUCH AS BUYING FOOD, CLOTHES, AND EDUCATIONAL FEES FOR MY CHILDREN AS WELL AS PAYING OFF DEBTS AT THE SHOP. THE CASH TRANSFER HAS HELPED ME GAIN TRUST WITH THE SHOPKEEPER, FROM WHOM I BORROW OR BUY FOOD ITEMS ON CREDIT AND REPAY WHEN I RECEIVE THE ENTITLEMENT.”**

**—FARTUN, 33**

## LESSON 4

### BUILD WOMEN’S DIGITAL & FINANCIAL CONFIDENCE

After conversations with women across Somalia indicating the need to build women’s digital and financial confidence, WFP adapted GSMA’s [Mobile Internet Skills Training Toolkit \(MISTT\)](#) and trained 160,000 women through local cooperating partners. The training content included the benefits of mobile money and how to send and receive money, pay for goods and services, and use mobile wallets safely and securely. WFP currently uses bulk messaging to notify people of their payments in combination with fraud mitigation messaging. Plans are also underway to use radio broadcasts to amplify fraud prevention awareness.

Some men questioned the targeting criteria of the safety net, as women are the principal recipients, and some men were even resistant to having women participate in the project. To address this issue and attain community-wide support, cooperating partners engaged both men and women as community mobilizers to support digital literacy trainings and sensitization in the community. Based on cooperating partners’ feedback from the post-mobile money training reviews, the men in the community gradually shifted their mindset regarding the idea of women being the principal recipients of the cash assistance, and some men even accompanied women to the trainings. Some of the community leaders in Jubaland and Southwest regions who attended the mobile money trainings took a specific interest in the trainings and pledged to support women as needed in learning more about using mobile money.

**“ ... I REALIZED THAT USING ZAAD IS SAFER AND EASIER TO USE THAN CASH. MY MONEY WILL NOT BE LOST AND IN CASE I LOSE MY PHONE, I CAN ACCESS MY MONEY ONCE I RE-ACTIVATE MY SIM CARD. AFTER THE TRAINING, I STARTED TO USE ZAAD CONFIDENTLY, HOLDING MY MONEY IN MY ZAAD ACCOUNT AS A SAFE BOX, AND PROTECTING MY PIN NUMBER...”**

**—HODAN ISMAIL, 37**

In response to the trainings, women reported increased confidence in using mobile money with little to no assistance, and over 30% of the women trained reported to have increased their use of mobile money in comparison to mostly cashing out their benefits and using phones for calls. While some women still seek help in accessing their mobile wallets, they limit it to family members who have also attended the digital literacy trainings. In addition, women reported an increased ability to identify and defend themselves from mobile money scammers, with several women successfully recognizing scam calls and others changing their PIN codes as a result of the trainings.

**“ BEFORE I ATTENDED THE TRAININGS, I HAD VERY LITTLE KNOWLEDGE ABOUT MOBILE MONEY AND I DIDN’T KNOW HOW TO USE THE MOBILE PHONE FOR SENDING OR RECEIVING MONEY, CHECKING MY BALANCE, OR PAYING MY SCHOOL BILLS. BUT NOW, THANK GOD, I UNDERSTAND IT WELL AND CAN MANAGE IT PROPERLY WITHOUT THE NEED FOR ANY SUPPORT.”**

**—FAHMO, 35**

However, it is important to recognize that digital literacy alone is not enough to address the underlying structural barriers that limit women’s economic empowerment. Economic empowerment is also about providing women with opportunities for skill development, entrepreneurship training and access to financial resources. In the coming months, WFP will focus on combining digital literacy with these additional interventions so that women can not only gain confidence in using mobile money but also acquire the necessary skills and knowledge to start and sustain their own businesses, ultimately leading to greater economic independence and resilience.



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## LESSON 5

### TRIGGER PRIVATE SECTOR INVESTMENTS AND LEVERAGE AGENT NETWORKS

WFP's partnership with Telesom, Golis and Hormuud is based on geographical location, presence, and network coverage. Telesom played a pivotal role in translating the GSMA MISTT training content into Somali, including the illustrative posters that were used as training aids for women with low literacy levels. Following the joint reviews of the digital literacy trainings, WFP made a recommendation to GSMA to integrate financial literacy skills training and the "Do No Harm" principle into the mobile money refresher trainings, resulting in the training of 49 Telco staff (Hormuud: 37, Telesom: 17). This recommendation was aimed at improving service delivery and expanding the role telecom agents can play in building people's confidence to use the digital financial products and services that they sell. Subsequently, cooperating partners in Somaliland were also trained on financial literacy skills by the GSMA.

## LESSON 6

### ENCOURAGE GOVERNMENT PEER-TO-PEER LEARNING & KNOWLEDGE EXCHANGE

WFP organized a five-day exchange learning visit to Kenya for Somaliland's Ministry of Employment, Social Affairs, and Family (MESAF), with Telesom's head of mobile money services and Somaliland Association for Youth Salvation (SAYS) also joining the delegation. The exchange focused on Kenya's growth in mobile money systems through enabling regulation and interoperability, with presentations from Kenya's Central Bank and Safaricom. Discussions were also held on the social protection set-up in Kenya, the roles of the national and local governments, monitoring strategies, and Kenya's enhanced single registry.

## THE WAY FORWARD:

The Ministry of Labour and Social Affairs (MoLSA) and Somaliland's Ministry of Employment, Social Affairs, and Family (MESAF) remain dedicated to collaborate with WFP in advancing the digital financial inclusion and women's economic empowerment agenda. Under MoLSA's leadership, WFP will facilitate an open dialogue with relevant policy stakeholders across the states, regions and government ministries, including mobile service providers, other financial service providers and key private sector actors to explore areas for further collaboration, including around interoperability.

WFP is also rolling out the gender transformative programming initiative in Somaliland. This focuses on increasing women's economic agency and livelihood resilience at the household level, by leveraging existing informal savings groups as structured learning platforms for women to learn more about numeracy, financial literacy, business development and ways to generate income and diversify their livelihoods.



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