



**SHIFT ASEAN PROGRAMME  
MID-TERM EVALUATION  
NOVEMBER 2018**



# TABLE OF CONTENTS

- **SHIFT ASEAN INTRODUCTION**
- **EVALUATION METHODOLOGY**
- **EVALUATION FINDINGS**
  - **RELEVANCE**
  - **EFFICIENCY**
  - **EFFECTIVENESS**
  - **LIKELY IMPACT**
  - **SUSTAINABILITY**
- **CONCLUSIONS and RECOMMENDATIONS**

# EVALUATION AT UNCDF



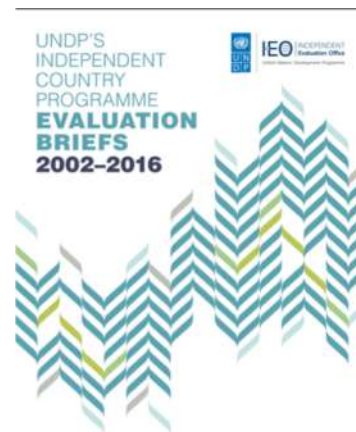
## UNDP EVALUATION POLICY

UNCDF is formally a party to UNDP's Evaluation Policy, which sets out the guiding principles, norms and key concepts for evaluation in UNDP, UNCDF and UNV.



## UN EVALUATION

UNCDF is an active member of the UN Evaluation Group, which is the custodian of evaluation quality across the UN system.



## UNDP INDEPENDENT EVALUATION OFFICE

In line with provisions in the Evaluation Policy, UNCDF benefits from a strong partnership with the UNDP Independent Evaluation Office, which provides additional coverage of our work and quality assesses our evaluations.



## WITHIN UNCDF

The Evaluation Unit reports directly to UNCDF's Executive Secretary in line with UNEG norms on independence for agencies of UNCDF's size.

# SHIFT ASEAN INTRODUCTION

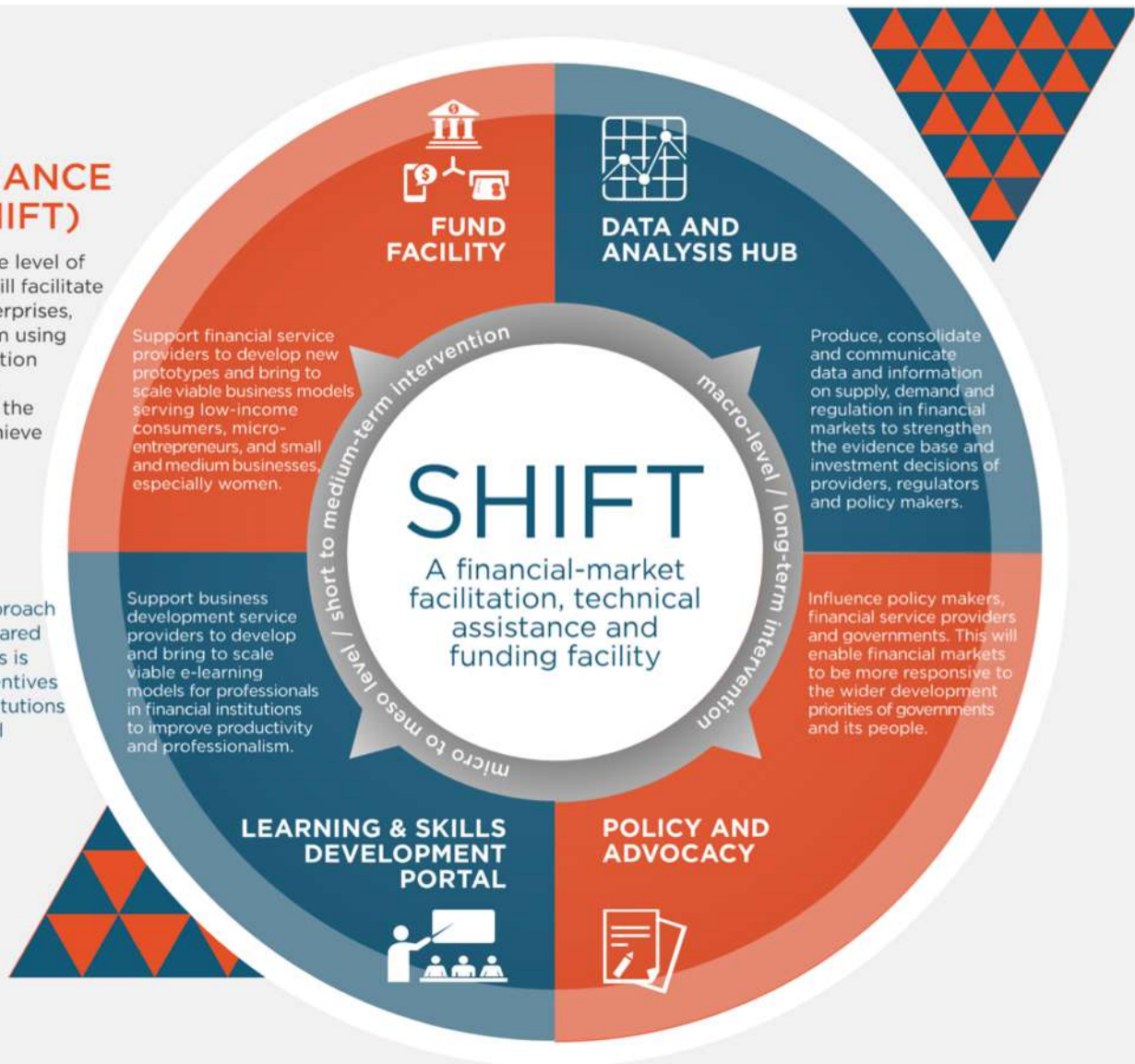


## SHAPING INCLUSIVE FINANCE TRANSFORMATIONS (SHIFT)

UNCDF's SHIFT programme aims to improve the level of financial inclusion in the ASEAN region. SHIFT will facilitate the transition of low-income individuals and enterprises, targeting women in these market segments, from using informal to formal financial services. This transition enables an increase in productive investments, consumption stability and asset ownership, with the goal of reducing poverty and vulnerability to achieve inclusive economic growth.

## PROGRAMME APPROACH

A regional and pro-poor market development approach that will achieve economies of scale to address shared policy, market constraints and opportunities. This is undertaken through the provision of market incentives and influencing behaviour change in financial institutions and the broader ecosystem supporting financial institutions in ASEAN.



**FUND FACILITY**

Support financial service providers to develop new prototypes and bring to scale viable business models serving low-income consumers, micro-entrepreneurs, and small and medium businesses, especially women.

**DATA AND ANALYSIS HUB**

Produce, consolidate and communicate data and information on supply, demand and regulation in financial markets to strengthen the evidence base and investment decisions of providers, regulators and policy makers.

**LEARNING & SKILLS DEVELOPMENT PORTAL**

Support business development service providers to develop and bring to scale viable e-learning models for professionals in financial institutions to improve productivity and professionalism.

**POLICY AND ADVOCACY**

Influence policy makers, financial service providers and governments. This will enable financial markets to be more responsive to the wider development priorities of governments and its people.

**SHIFT**  
A financial-market facilitation, technical assistance and funding facility

short to medium-term intervention / macro-level / long-term intervention / micro to meso level / short to medium-term intervention

# SHIFT ACTIVITIES ACROSS PILLARS AND COUNTRIES

	Policy & Advocacy	Challenge Fund Facility	Data	Learning & Capacity Building
ASEAN	Technical support to WC-FINC: big data, national financial inclusion strategies, integrating gender AFI - tool kits for NFIS strategy, Denarau Action Plan (gender and guidelines Engaged with WC-PSS (Payments and Settlements) ALM/CFT Guidance Note. ASEAN Coordinating Committee on Micro, Small and Medium Enterprises (ACCMSME) Co-organisation and participation in ASEAN, Mekong events to further advocacy on financial inclusion for women.	Visa Inc. and Monetary Authority of Singapore engaged for Window 3 (remittances into CMLV)	Research studies building on Finscope survey data Core themes-women's access to finance, remittances, MSME, youth- (in Finscope dashboard, 3 countries) 8 country infographics	Various workshops and presentations
CAMBODIA	Direct intervention for MAP - drafting roadmap targets Country gender strategy doc SHIFT/ESCAP - National Consultation and Study on MSME financing	4 projects W1 2 - both quit W2: 1 - quit W3: 1 - starting	Finscope Survey  Big data and Customer Journey Action research (with UN Pulse lab)	Training of FSP's and Regular staff on Finscope survey data and transactions data (4 MDI;s)
MYANMAR	UNCDF Myanmar leads on MAP. SHIFT provides strategic support as required i.e. integrating gender indicators, etc. Country gender strategic doc - taken forward within the National Plan for Advancement of Women support to National Strategic Plan for Advancement of Women (NSPAW) Technical Working Groups.	6 projects W1: 2 quit and 1 extended, but now getting established W2: 2 GEF plus 1 - early stage, all progressing	Challenge Fund case studies - 2 (including policy lessons from failure) Country data Analytics	Developed institutional gender self assessment tool, initial scoping Implementation of the tool with 10 FSP's
LAO	UNCDF Lao leads on MAP, SHIFT provides strategic support as required. Country gender strategy doc.	1 project W2 - 1, delayed and quitting	Joint policy brief with ILO on migration and remittances - data shared, brief in country data analytics	
VIETNAM	World Bank leads MAP process, SHIFT support on integratring gender and best practices into the process. SHIFT now directly engaging with the regulatoro (State Bank of Vietnam)	1 project W2 - 2 - 1 doing well	Challenge Fund Case Study - success and impact	

# CHALLENGE FUND WINDOWS 1 & 2 STATUS AND LOCATION

## Challenge Fund Windows By Theme

Window 1 (co-funded with UNCDF's Clean Start programme), launched in 2015 and focused on providing a financing mechanism to improve access to clean energy products by the poor.

Window	Time frame	Funded	On track/ beyond target	Continuing – delayed/reduced	Terminated/ Suspended
1 Clean energy	2015-18	5		1	4
2 Women/FI	2016/17-18	7	3	2	2

## Challenge Fund Windows By Country

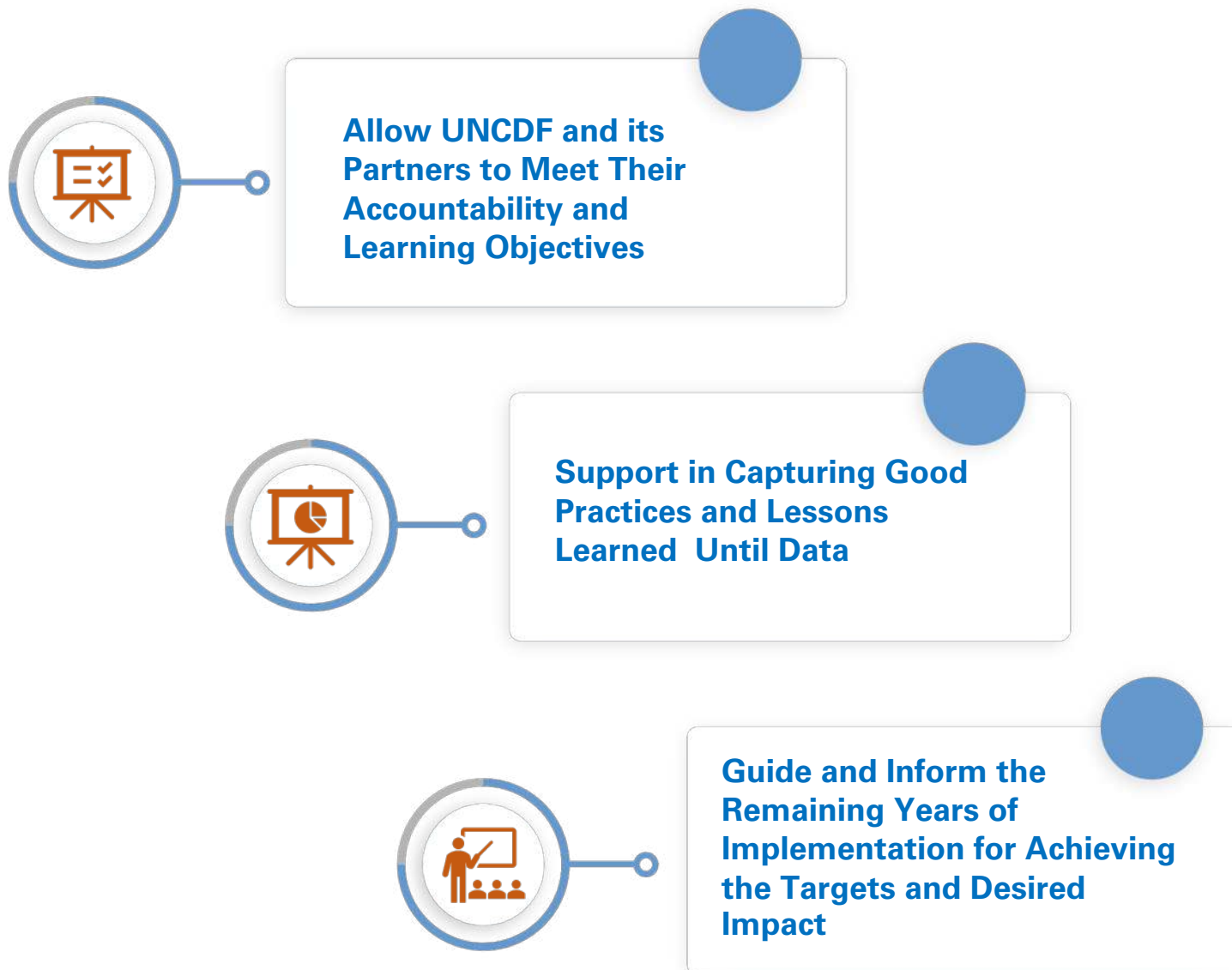
Window 2 investments launched in 2016 focused on supporting FSPs to develop and scale up sustainable products and business models for advancing women's financial inclusion.

Window	Time frame	Funded	On track/ beyond target	Continuing – delayed/reduced	Terminated/ Suspended
<b>Cambodia</b>		3			3
<b>Lao</b>		1			1
<b>Myanmar</b>		6	2	2	2
<b>Vietnam</b>		2	1	1	



EVALUATION  
METHODOLOGY

# PURPOSE OF THE MID-TERM EVALUATION

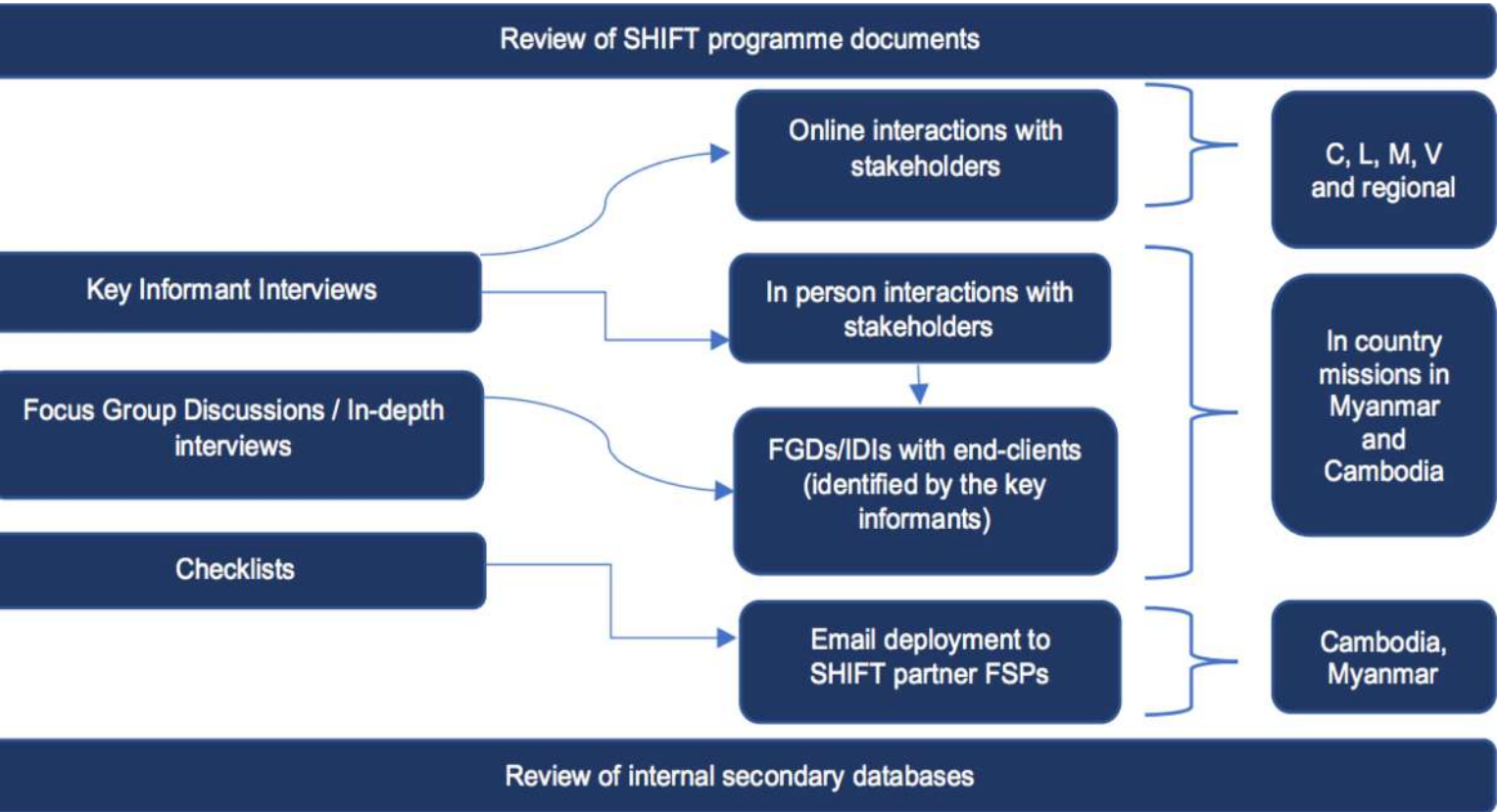


# OBJECTIVES OF THE MID-TERM EVALUATION



- 01** → Assist UNCDF and its Partners in Understanding the Relevance, Efficiency, Effectiveness, Likely Impact and Sustainability of the Programme
- 02** → To Provide Learning on Programme Functioning with Regard to Gender Equality and Inclusion
- 03** → Validate Programme Achievements and Identify the Likely Outcomes or Risks for Women's Economic Empowerment
- 04** → Validate and/or Refine the Programme's Theory of Change at this Stage of Implementation
- 05** → Situate the Programme in its Broader Environment and Context, Within Country and Regionally
- 06** → Provide Practical Forward-Looking Operational and Strategic Recommendations for Improvement
- 07** → Understand How Successful UNCDF's Partnerships with the Private Sector Are in Achieving Broader Programme Objectives

# EVALUATION TOOLS



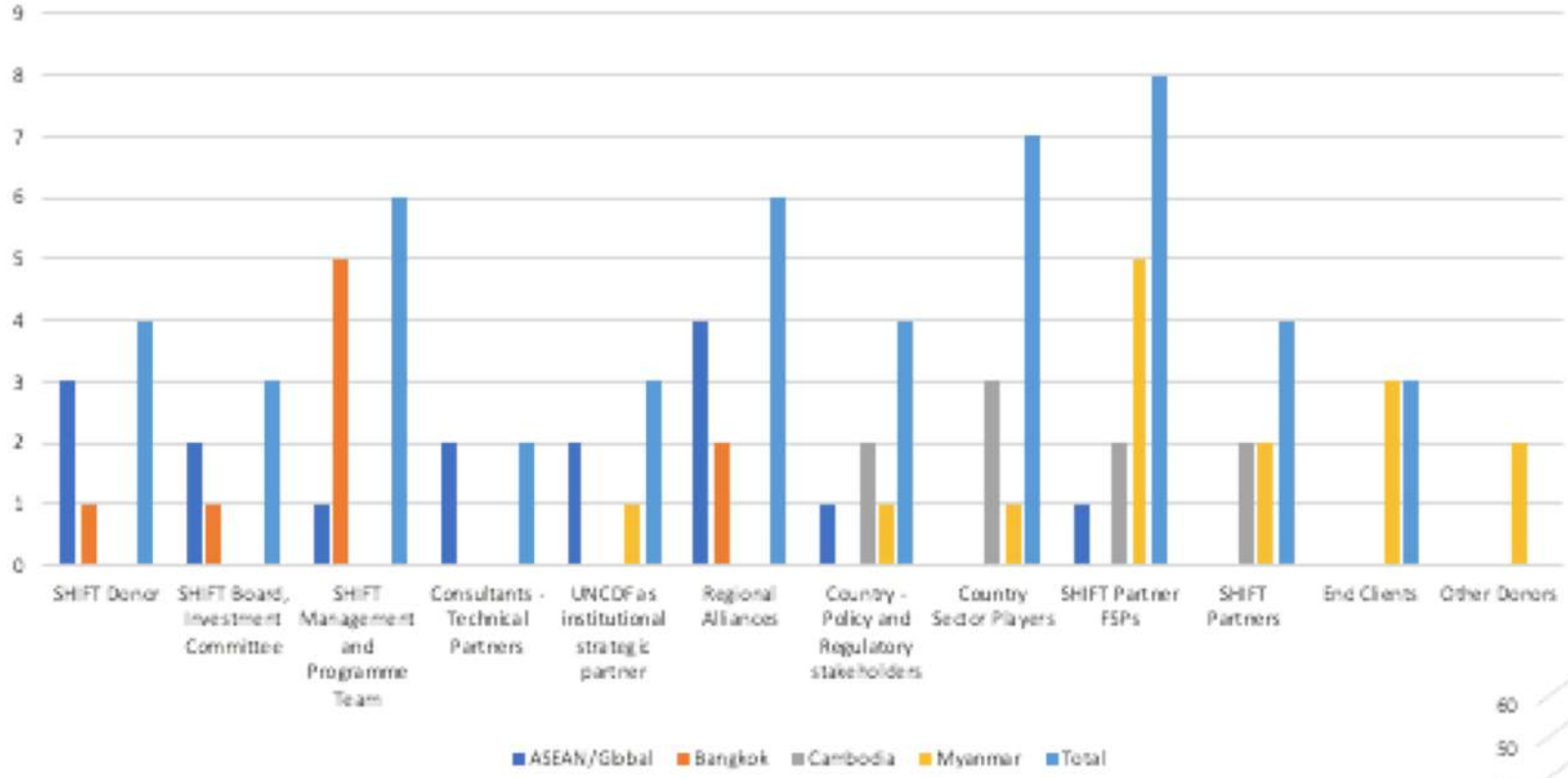
Evaluation used a theory-based approach, applying a market development approach, a contribution analysis and an outcome harvesting approach operationalized through the evaluation criteria and evaluation matrix. In order to answer the questions in the matrix operationalizing the theory backbone of the evaluation, a mixed method approach was used combining qualitative and quantitative techniques using the various lines of evidence.

The evidence from these lines was collected by tools: key informant interviews, focus group discussions, desk review and case studies.

# SAMPLING STRATEGY



## STAKEHOLDERS

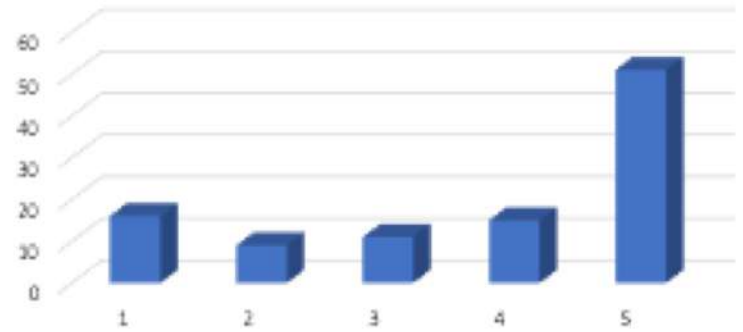


The evaluation, having relied substantially on qualitative interviews and consultations, followed a purposive sampling strategy. The sample of stakeholders was informed by the objectives and scope of the evaluation and derived consultatively with UNCDF.

Efforts were made to ensure country and regional representation of the sample, as well as diversity in terms of types of FSP (digital and fin-tech players, MFIs, banks). Partners, other donors and ecosystem level stakeholders for contextual understanding were also selected for the interview.

The aim was to derive a sample which provides a grounded and diverse perspective on programme activities.

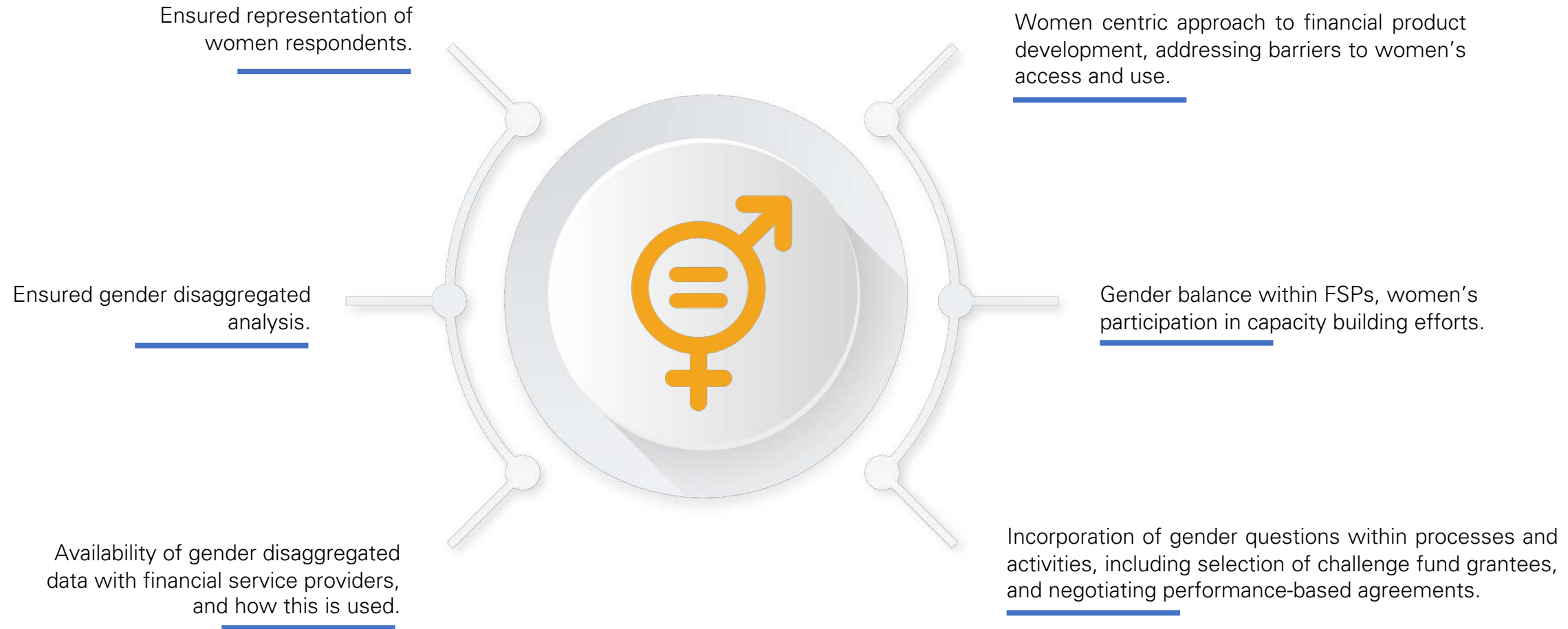
## TOTAL:



# GENDER EQUITABLE EVALUATION



The evaluation team developed gender-focused indicators at all levels of evidence (i.e. macro, meso, micro), as well as across the five DAC evaluation criteria. These indicators included:



# LIMITATIONS AND CHALLENGES OF THE EVALUATION



## ISSUES OF ATTRIBUTION

Outcome harvesting methodology was selected to address the challenge of overlapping programme mandates making attribution difficult. But it was too early to apply this systematically at the mid-term point.



## LACK OF COMPARATIVE FSP DATA

Additional data collected from financial service providers would have been useful to compare project related outreach with existing non-project outreach, or to analyse the client profile. However, FSPs treat such data as confidential, and were not willing share it with evaluators.



## GIVEN TIME CONSTRAINTS

The evaluation team has not been able to conduct all the interviews that would have been of interest; this has limited the scope for triangulation of information in different ASEAN countries.



## END-CLIENTS' INTERVIEWS

With deference to partner willingness as well as the logistics, just a small number of one-to-one interviews with end-clients of two partner FSPs were conducted, within or close to the capital city.

---

**EVALUATION  
FINDINGS  
RELEVANCE**



# PROGRAMME ALIGNMENT: COUNTRY & ASEAN CONTEXT



**SHIFT's design moved beyond the conventional approach of focusing support into MFIs to address wider market systems issues around policy and capacity across a range of financial services, whilst responding to the emerging technological opportunities.**



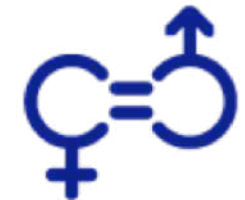
Directly addressed issues in the low levels of financial inclusion in CLMV: a need to strengthen regulatory and policy capacity, to coordinate across financial markets, and to apply a gender lens.



Key public policy themes (women's role in financial inclusion, remittances, MSME) were identified through consultation with country governments (Myanmar and Laos), financial institutions and other stakeholders.



The challenge fund as an instrument is appropriate in stimulating private-sector led innovation for addressing social problems and poverty alleviation in underdeveloped markets with a lack of risk capital, such as in CLMV.



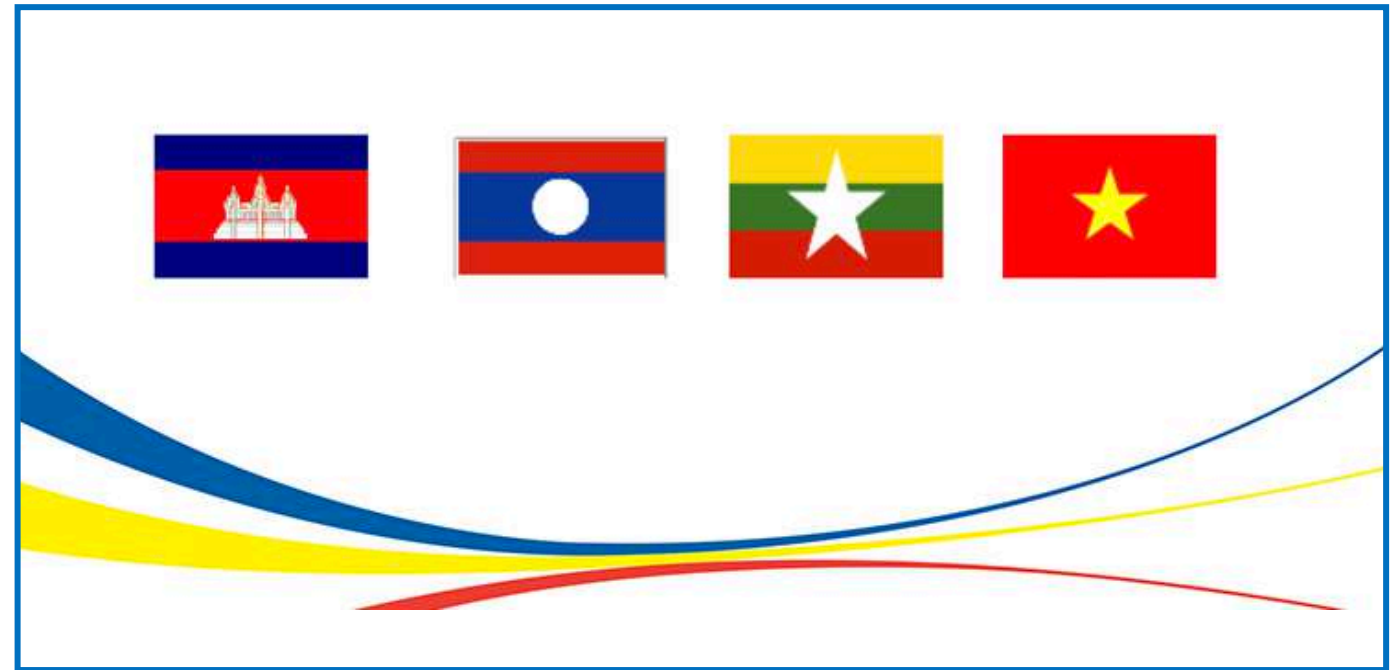
SHIFT's gender strategy reflected a grounded analysis of the realities of policy, culture, demography and the market economy affecting women's access and agency, and underlines the scope for leveraging the drivers of change across SHIFT's four pillars of engagement.

**The programme design is grounded in effective consultation in most countries of the region and responds to ASEAN Economic Community and individual country interest in financial inclusion as a key to economic growth.**

# MODULAR APPROACH: FLEXIBILITY IN IMPLEMENTATION

SHIFT was appropriately designed to be implemented in a 'modular approach' for flexibility in implementation over time. A modular approach is evident from the varying stages of implementation of the different pillars - both regionally and across the four countries, with an initial focus on two countries (Cambodia and Myanmar). This has been in response to a variation in the opportunities as well as complementarity to country activities of UNCDF and other financial development players.

The overall programme was well designed to adopt a regional approach for policy, data and research dissemination and coordination so as to support linkages across the ASEAN region, and to create potential for south-south cooperation that could benefit the smallest financial markets.



# CONVERGENCE AND COMPLEMENTARITIES



**SHIFT has converged well with global and regional programmes, as well as leveraged partnerships with various stakeholders of the region to build a wider network of tools and resources.**



Converged well with the Consultative Group to the Assist the Poor's (CGAP) work to define key elements of measuring a market development approach for financial inclusion, specifically building the technical guidelines to support the Denarau Action Plan under which members have all committed to women's financial inclusion ; and to providing substantial technical inputs to AFI's publications on gender.

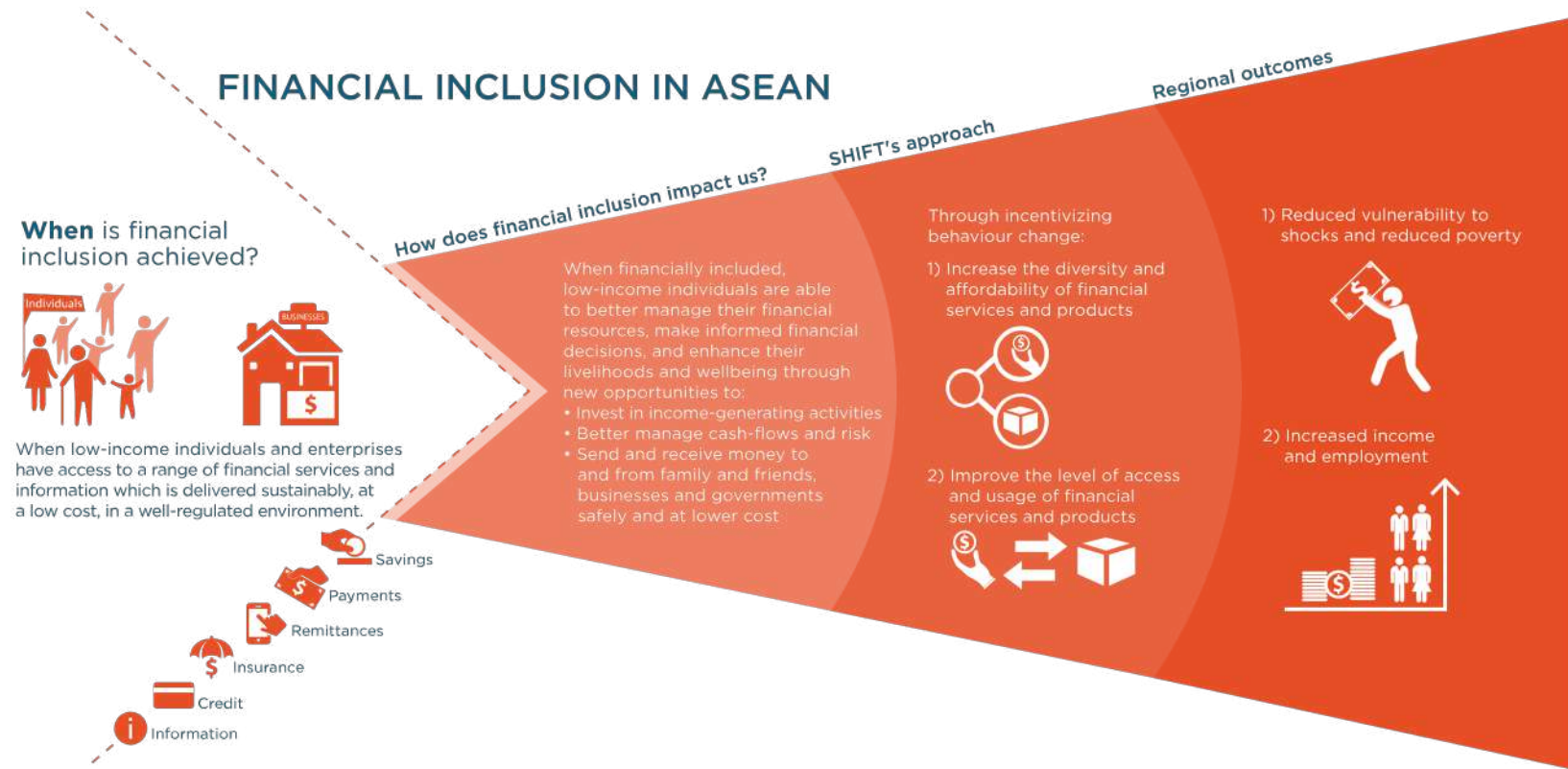


Policy and advocacy work at the country level follows the MAP approach developed by UNCDF in South Africa, drawing on the Finmark Trust and Cenfri country wide demand surveys and supply side mapping.



In CLMV, the international institutions - World Bank, the ADB, and the IMF – are already engaged in financial sector planning and development. SHIFT has targeted its activities to build on these initiatives, in Cambodia and in Vietnam (which does not have a UNCDF office), providing direct technical back up to the World Bank initiative

# THEORY OF CHANGE



SHIFT's theory of change focuses on increasing access and usage of financial products and services can only result from an increased number, diversity and affordability of such products and services that meet the needs of low-income consumers, microentrepreneurs, and small and medium business, especially women.

While the TOC does well to present what is a complex programme with a range of activities at different levels, there are a few issues in tracking programme results: The (2-way) interlinkages between regional activities and country activities are not clearly delineated; Outputs and outcomes are not clearly demarcated to track the pathways (from different activities) at country level; Tracking of policy related processes is set out but has not been introduced so far.

# INCLUSION, GENDER EQUALITY AND HUMAN RIGHTS



A focus on women and mainstreaming of gender has been reflected in SHIFT's targets (65% of outreach to be women, 100% of SMEs to be led by or primarily employing or serving women) along with reporting across all pillars. This is also the focus of DFAT's Gender Equality Fund investment through SHIFT being implemented in Myanmar since mid-2017.

SHIFT has focused on reducing the gender gap as part of NFISs24, presenting sex-disaggregated data on financial services for product related decisions<sup>25</sup> and advocacy on gender and sex-disaggregated data analytics at many forums, involving both private and public sector stakeholders.



Challenge Fund partners are required to target women as part of their business model, and to report on sex-disaggregated data on women as employees, agents or end clients. However, this is not always well reported and there are some conceptual issues as well as capacity gaps.



Issues of inclusion have been mostly well covered in terms of setting targets and reporting. End goals are articulated in terms of access to financial services for low income people, women, and including the "poor" and "vulnerable".

**EVALUATION  
FINDINGS  
EFFICIENCY**



# DESPITE UNDERFUNDING, RESOURCES WELL MANAGED



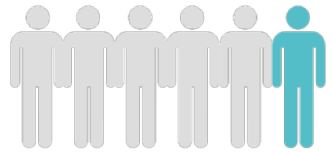
## Australian AID

SHIFT has adopted a mix of approaches to increase efficiency. This has influenced the priorities and spending patterns of SHIFT's intervention, particularly at the start: prioritisation of activities; lean shared staffing; cross-leveraging staff from other UNCDF programmes.

### Average Size of Challenge Fund



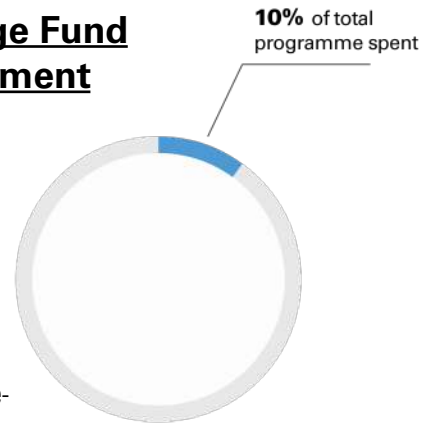
### Outreach Figures



Average Unit Cost to Reach an End Client - **USD 3.07**

\*Outreach is largely due to very high outreach of one project (e-wallets)

### Challenge Fund Investment



# MONITORING & RESULTS MANAGEMENT- POLICY/DATA

The MRM assesses performance on a range of activities and factors leading to outcomes at the level of the financial eco-system, in turn leading to development outcomes for end-clients: Process and risk issues; Going beyond access to usage of financial services; Activities, challenges, and risks following a special format as well as details of expenses; For challenge fund partners, details of (sex disaggregated) outreach achieved against the milestones; Partner reports and data are verified through in-person visits, with detailed Back to Office Reports (BTOR).



Policy and advocacy/data work in Cambodia has followed the steps of UNCDF's diagnostic methods but over a lengthy time frame, which still continues.

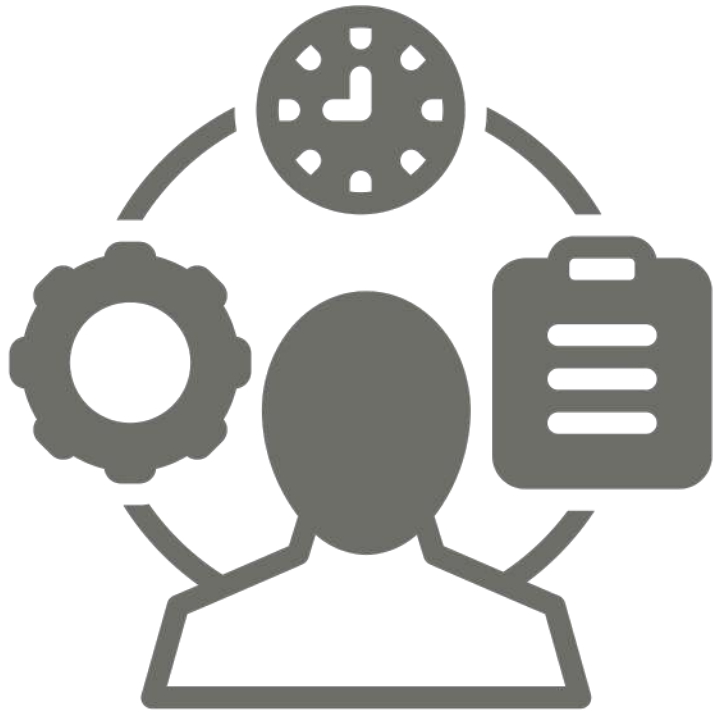


The FinScope survey was completed in 2015, but the consultations and approvals for drafting and Government acceptance of the Financial Inclusion Roadmap and Action Plan took another 2 years.



The NBC Governor's approval coincided with this mid-term evaluation (mid 2018). This length of time was in part due to a number of reviews and a reported need for data corrections by the NBC, indicating some inefficiency in the process.

# MONITORING & RESULTS MANAGEMENT-CHALLENGE FUND




---

The management procedures for the Challenge Funds have evolved over the subsequent rounds to ensure a more robust selection and agreement process. The experience with the first Window led the team to aim for a better degree of balance between higher- risk and lower-risk investments, together with comprehensive guidelines and strengthened agreements to include specific conditions (legal, establishments of partnerships), to be met before funding would start. Window 2 selection has the geographical coverage of all CLMV and a good spread of technologies and approaches compared to Window 1.

Nevertheless, there have been continuing issues related to timing and target setting which point to some inefficiency or lack of practical clarity in the planning and negotiation process (as well as a degree of optimism/ambition – for both SHIFT and the project organisations).

---

# MONITORING & RESULTS MANAGEMENT-CAPACITY BUILDING



---

Learning and capacity building was undertaken in Cambodia during 2017, through a few training programmes for FSPs and regulators. Whilst training served the purpose of initial exposure on data analytics and use of data, it is not by itself sufficient for building capacity – for which a more sustained and long-term support through regular trainings would be more effective, albeit at an additional cost. Reporting and direct feedback from participants indicates a need for better needs assessment and contextual understanding of different organisations so as to adjust the training content before it is delivered. More attention is required on the needs and capacities of participants, so that they should be in a position to take the training forward. SHIFT is learning from this as it explores opportunities for data training in Myanmar. Here, FSPs need to understand the basic tools for data analysis before venturing into big data. SHIFT will be reorienting the focus of trainings to involve more basic functions in its modules.

---

# BOTTOM-UP/TOP-DOWN TO MRM



## STRENGTH OF MRM

MRM has required partners to report on usage of services, not just access, which is an important requirement, given the well-known problem of dormant financial accounts.



## GENERAL CHALLENGE

Measurement of systemic change and 'top down' measurement of results, including an 'Adopt-Adapt: Respond-Expand (AAER) model and contribution analysis of SHIFT's role in such results is planned. But the interlinkages and contributory effects of policy and advocacy activities at ASEAN level are not yet being tracked.



## PARTNER AND GENERAL CHALLENGE

In partner and generally in financial reporting systems in not being able to capture the end-client profile, whether low income/BoP or even rural. SHIFT is planning to provide TA to partners in the future to address this.

# AGGREGATION OF NUMBERS BLURS DIFFERENT ELEMENTS



The MRM collects and consolidates quarterly reports from CF partners into the dashboard for each project, including qualitative feedback and quantitative data. The definition and data on access and usage is formulated differently for each type of financial service depending on the focus of the project.

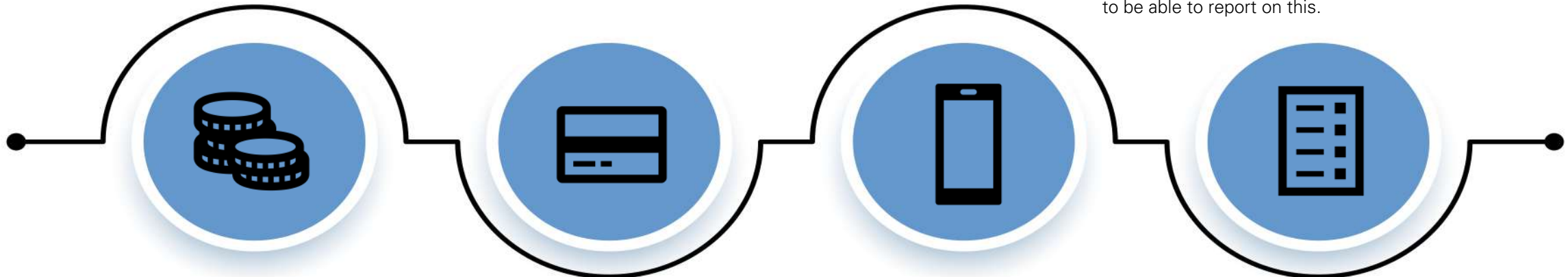
However, the simple aggregation blurs different elements of financial inclusion.

## DIGITAL FINANCIAL SERVICES

DFS often involve agents who handle the transactions. Reported data on outreach has combined both agents and customers (for instance AWBA, Myanmar – this has now been revised to cover only the agents, for whom the question of ‘usage’ will need to be defined e.g. in terms of the number and volume of transactions for each agent.)

## FINANCIAL EDUCATION FOR PRODUCT UPTAKE

The completed viewing of the app designed by WAVE money will be different from uptake of WAVE products. Both are relevant and important, and expected to be kept separate, once the project moves to be able to report on this.



### CREDIT PROJECTS

Credit projects report access in terms of being a borrower, and usage in terms of being an outstanding borrower. For clean energy the key issue is that once the credit is paid off, energy customers are still benefiting from the service.

### E-WALLETS

E-wallets have emerged as the fastest growing project, but with a very low and variable usage, adopting the definition for an active account of at least one transaction per quarter. Given this, usage, and not access appears to be the significant measure for financial inclusion.

# IS PROGRESS IN LINE WITH STAKEHOLDER EXPECTATIONS?



ASSOCIATION OF SOUTHEAST ASIAN NATIONS

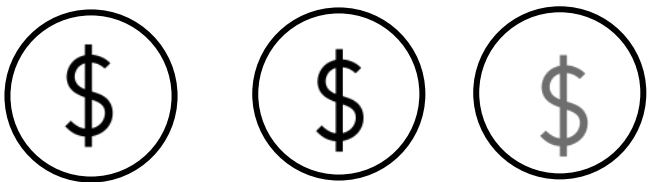
**ROLE IN CROSS COUNTRY NETWORKS**

SHIFT's role in cross country networks, such as AFI and ASEAN's WC-FINC, is seen as providing an important and stable basis for influence across the region and for leveraging the data and research work.



## CHALLENGE FUND

Lessons from the Challenge Fund are followed through. The new window for remittances is seen as a considerable achievement, building on data and research work, drawing in stakeholders across the region, and seeking to leverage banking and fintech for the benefit of rural, low income populations, including women.



## LIMITED FUNDING

Relatively slow progress is attributed to the fact that while SHIFT was able to mobilise some additional funding, a substantial gap remains.



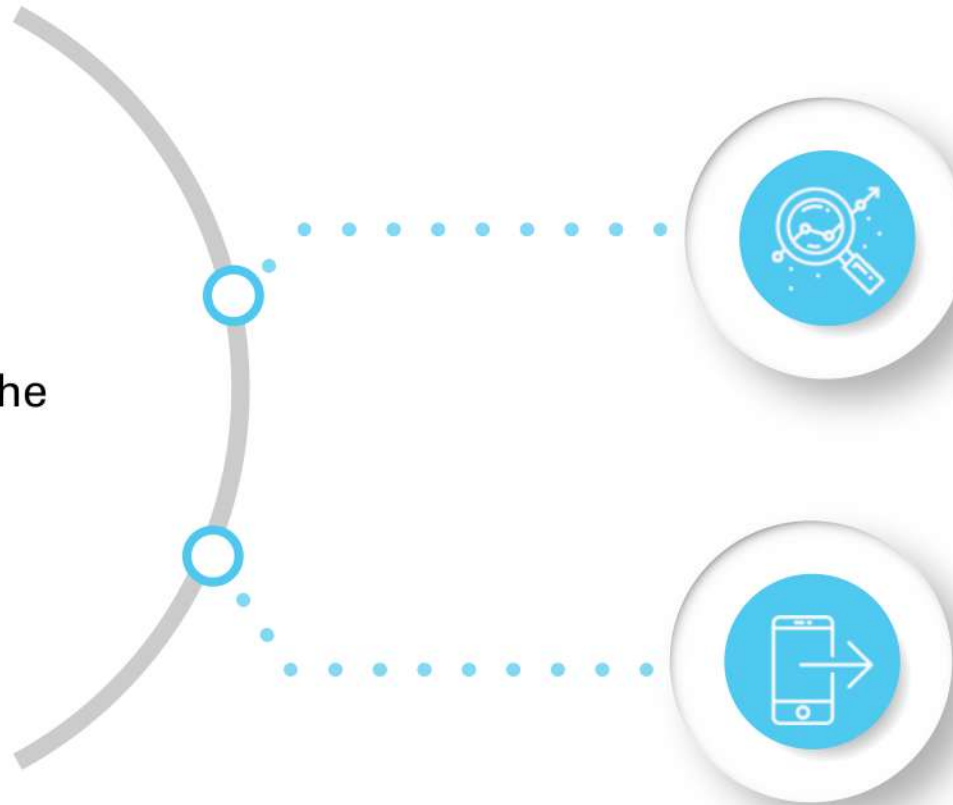
## CHALLENGE FUND

While the Challenge Fund received most of the SHIFT funding, the results so far have fallen short of expectations, apart from one investment.

# PARTNERS SATISFACTION ON RESPONSES TO BOTTLENECKS



Feedback from CF grantees indicates high degree of fit of projects with organisational priorities, effective communications with the SHIFT team and follow up support, but some issues in terms of realistic planning.



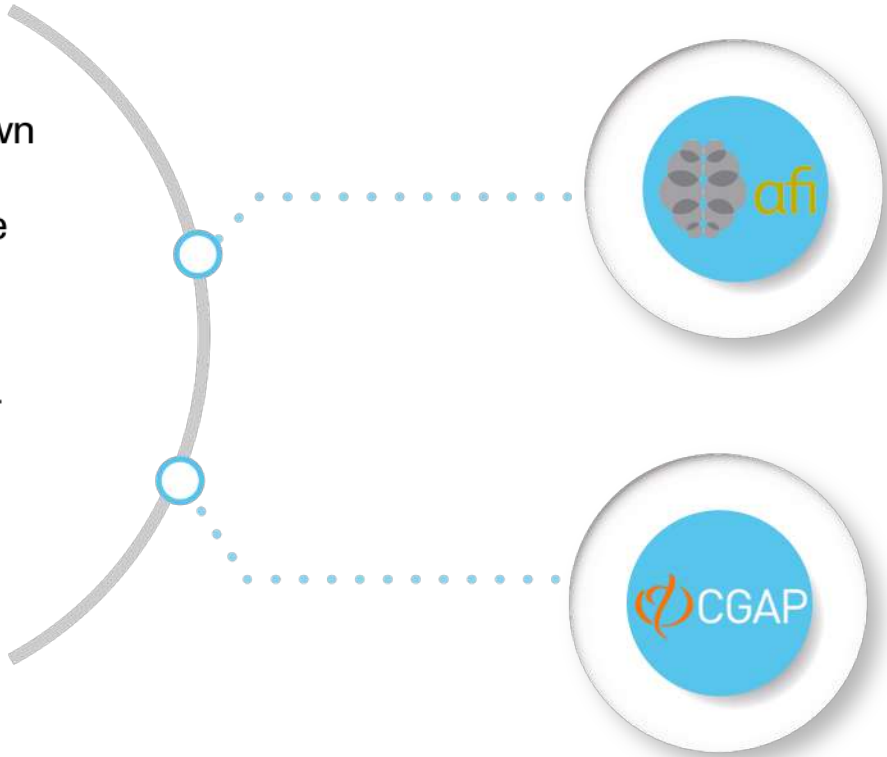
In case of PBA milestones, approvals for extension of reduction in targets is reported to take at least 4-5 months, which affects implementation and reporting.

In a (Window 2) project in Cambodia that is now suspended, SHIFT supported the grantee in making suggestions to adapt product terms and in facilitating linkages for digital finance, but appeared “totally inflexible” on the planned targets: (for SHIFT a proposed change in business model was a non-negotiable)

# PARTNERS AT NATIONAL, REGIONAL & LOCAL LEVELS



Partnerships have shown good engagement and contribution, with some variation depending on the focus of the partnership - and the bandwidth of the SHIFT team to pay attention to the partnership.



The AFI partnership has worked well to link in to SHIFT gender expertise for the development of practical gender guidelines for country regulators in its global membership. There is scope for SHIFT to draw on its country experience within ASEAN to share that too with AFI membership.



The CGAP partnership was an important step in building an effective system for monitoring a market systems development approach in financial inclusion, contributing both to a strong system for SHIFT and to a practical testing and demonstration of the CGAP guidelines.



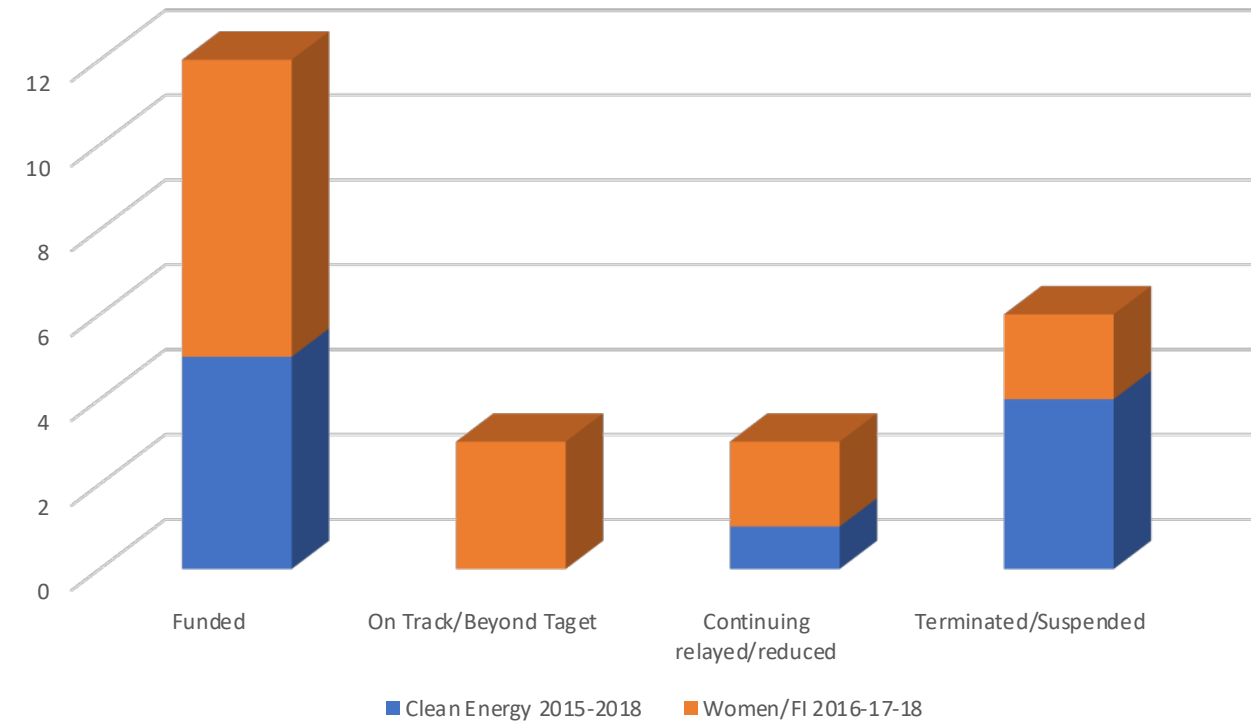
---

**EVALUATION  
FINDINGS  
EFFECTIVENESS**

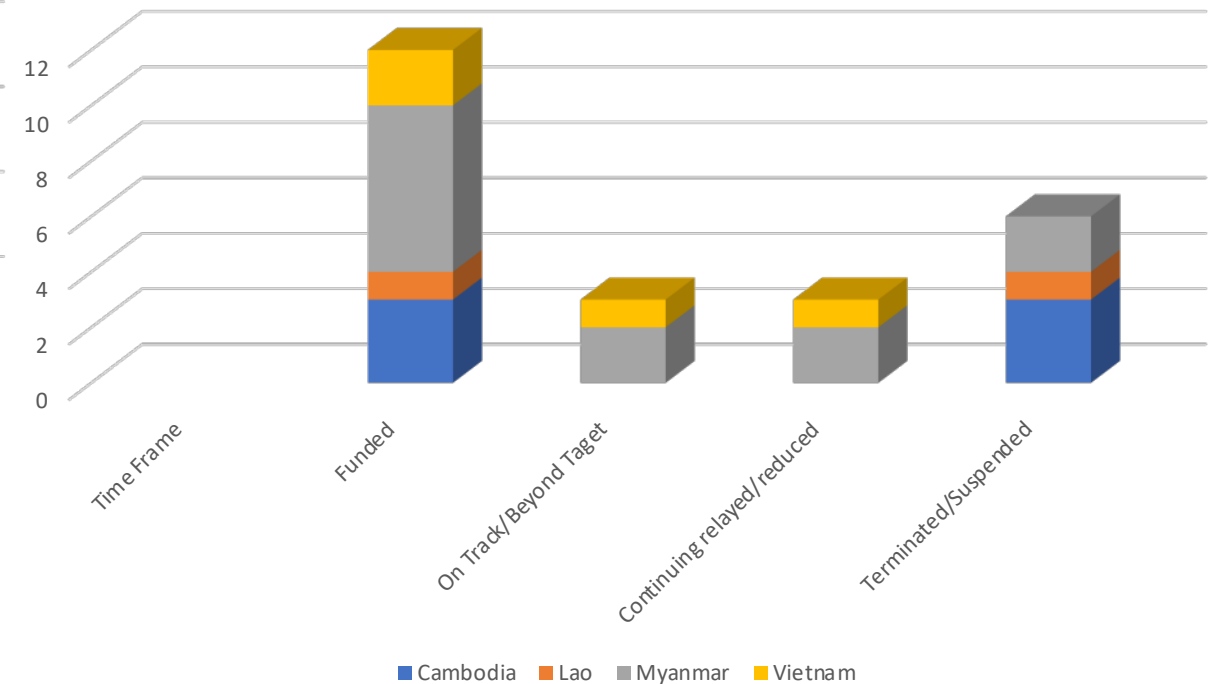
# IS SHIFT HELPING FSPs DEVELOP AND SCALE VIABLE MODELS



## Challenge Fund Windows By Theme



## Challenge Fund Windows By Country



# LESSONS FROM CF#1 SUPPORTED CF#2

## UNDERPERFORMANCE OF CHALLENGE FUND #1

### Inadequate Market Research Relating to:

- Market conditions
- Competing models and suitability/affordability for the target markets
- Financing mechanism being introduced



SHIFT increased consultation with key market providers on services development needs for different sectors, through specific and effective market research.

## IMPROVED PERFORMANCE OF CHALLENGE FUND #2

### Stronger Market-Oriented Motivation and Awareness:

- Identifying gaps and understanding needs
- Design customized products



# DATA & DEGREE OF INNOVATIONS



## MONITORING DATA OF THE CF PROJECTS

Helping to make mid-course corrections to programme design and implementation mechanisms to make it more relevant to the local context.



## DEGREE OF INNOVATION

The fund has supported research-based product design, use of technology for service delivery and for financial literacy, together with new partnerships between FSPs and other players to support design and implementation, targeting low income and rural women as a key market and the involvement of women as agents or employees.



## DEEPER FINANCIAL INCLUSION

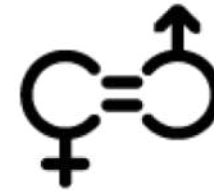
The extent to which the CF investment will translate into 'deeper' financial inclusion is not clear – due to the lack of outreach profiling so far for poverty or rural outreach, and sometimes even for gender

# DATA & DEGREE OF INNOVATIONS



## WINDOW #1

The degree of innovation in Window #1 lay partly in the alternative energy technologies themselves (Clean Start's focus), but also in the funding mechanisms (instalment payments linked to a PAYGO technology and an attempt to involve women as marketing agents (selling to women as intended users).



## WINDOW #2

One successful example of innovation involves Lien Viet Post Bank (LVPB) and its mobile based wallet facility, in partnership with Vietnam' Women's Union to expand financial education for women. The project has exceeded targets.



## WINDOW #3

The new projects to be funded under CF Window 3 for remittances will involve digital payments and will therefore have potential for very high outreach.

# CAPACITY BUILDING & POLICY/ADVOCACY ACTIVITIES



These activities happened primarily in Cambodia, and to a certain extent in Myanmar. The activities are at a preliminary stage and have led to increased awareness, but are yet to result in changes within organizations.



## Changes in Business Environment Regulatory Framework

SHIFT has laid the groundwork by working directly with the regulator since 2015, helping in the development of the National Financial Inclusion Strategy and Action Plan.



## Capacity of Regulator and Policy Actors

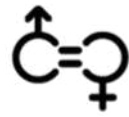
There has been significant value addition to the understanding of financial inclusion. The Finscope demand side data– with a focus on the themes of gender differences, agriculture and clean energy – is recognised as an important. Concerns exist over timing of strategic planning and technical content over solutions.



## Strengthening Reported Among FSPs

Data training of staff of four MDIs (representing 50% of microfinance) took place in 2016 and 2017, focusing on building FSP staff capacity in data management, analysis and use. This has had some effect in building motivation and understanding and improved capacity in basic Excel tools.

# GENDER MAINSTREAMING AMONG FSPs-CAMBODIA



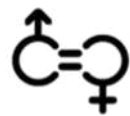
### Well Integrated with CF Requirements

Mainstreaming of gender within FSP institutional practices is well integrated with CF requirements, reflecting the central theme of women's financial inclusion along with reporting requirements for sex disaggregated data (on women's access, and women agents).



### Data Based on Assumptions of Proportion of Outreach

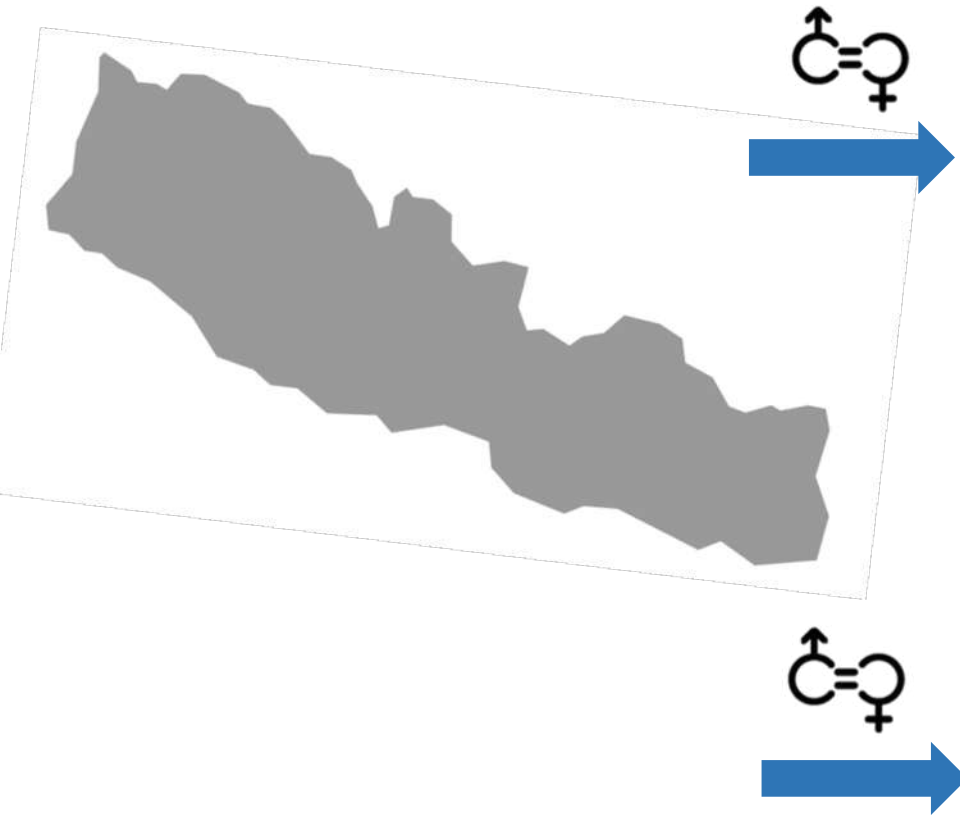
A general information system gap in the finance sector is that some FSPs (particularly digital FSPs), may only be able to report sex disaggregated data based on assumptions of the proportion of outreach – which means that gender is not really mainstreamed. Similarly, HR reporting systems are not usually geared to regular reporting of the gender profile within their staff.



### How to Apply Information

Even when FSPs have sex-disaggregated data they do not know how to apply this information. The learning and capacity building work around data in Cambodia started to address the understanding of the relevance of gender analysis for product development in 2017 but will need follow up and more specific guidelines to make a difference.

# GENDER MAINSTREAMING AMONG FSPs--NEPAL



## Self-Assessment Gender Tool

The tool was tested with 10 FSPs, 6 MFIs, 3 Fintechs, and 1 bank in early 2018. Initial feedback from the MFIs involved is moderately positive, as they wait to see whether there will be practical follow up to help in product design and marketing for women. The bank is enthusiastic – looking to blaze a trail of suitable products for women SMEs – though as yet not clear on what a ‘woman-centric product design’ will include and raising practical questions on how to define a woman owned/managed business, when businesses often involve both women and men in the family

## WAVE Mobile Money

WAVE money has recently completed the design of an an app with gamification around financial literacy which was tested out with women in Yangon (starting with garment workers, engaging more with housewives and students). The app was launched in June 2018, so take up has only just started with WAVE money aiming to report sex disaggregated use, since the app was designed to capture gender at the time users sign up.

# ARE INVESTMENTS IMPROVING MARKETS FOR THE POOR?



## MID-TERM

At mid-term, SHIFT's activities are yet to come together for tangible influence on market systems. At the level of policy and advocacy, SHIFT's work in Cambodia to develop the NFIS has prepared the ground to address the scope for inclusion of different segments of the population.

## INVESTMENTS & EMPLOYMENT

While investments under CF have led to SHIFT meeting the client outreach targets for access, usage is still low, and most of the customers are users of wallets and e-payment applications, rather than loans/credit or savings products. In terms of employment effects of the program, the CF investments have led to employment that includes women as digital payment agents, or field researchers.

## NEW PRODUCTS

New products, approaches and services are emerging, mainly in the area of digital services with some developments in solar energy with paygo technology (in Myanmar). Further innovations are expected with projects to formalise remittance services into CLMV and to develop credit services for women MSMEs.

## MARKET DEPTH AND BREADTH

There has been no measurement of the economic level of the people being served, but SHIFT is now implementing a mechanism to do this with clients of LVPB. the design and analysis need attention to be able to capture effectively whether indeed the BoP are being served.



---

**EVALUATION  
FINDINGS  
LIKELY IMPACTS**

# OWNERSHIP, ACCESS, USE OF FINANCIAL SERVICES

## TWO MILLION CLIENTS REACHED



The programme has reached 2 million (Q1 2018) clients, overachieving the 1 million target by 2020.

## MISSING TARGET FOR WOMEN CLIENTS



With 38% of the total clients reached reported to be women, this is short of the 65% target figure.

## LOW USAGE RATE



Performance of these services in terms of usage is low and variable. The highest reported usage for LVPB (based on cumulative accounts) was 29% (26% for women) in the last quarter of 2017, but since then has fallen to under 10%.

For VfM analysis, we applied the average annual usage rate which during 2017 works out to 17%.

# STRUCTURE AND DESIGN OF INNOVATIVE FINANCIAL SERVICES

SHIFT's work and planning at the market system level is beginning to show tangible implications for development of the ecosystem and policy, supported by constituency building, particularly in Cambodia, and also in Myanmar, Vietnam and across ASEAN countries too.

## CAPABILITIES



Fund Facility



Data



Learning Interventions

## AREAS FOR DEVELOPMENT



Ecosystem and Policy



Constituency Building-  
CLMV and across  
ASEAN



Remittance Channels  
Supported Under Challenge  
Fund

# LEVEL OF CHANGE IN CAPACITIES

At the market/policy systems level, SHIFT initiatives (at country and regional levels) have led to an increase of awareness, understanding and motivation, with work under way to support change in capacities of FSPs and regulators in future.

## CAMBODIA



Policy work is seen to reinforce current initiatives by the regulator in Cambodia (client protection, financial education, licensing of payment service providers) and provide an evidence base for future policy making.

## MYANMAR



SHIFT has the potential to influence evidence-based policy formulation and mainstreaming of gender through participation in the Working Group for Economic and Political Participation of Women, drawing on data pillar work; and through the GEF institutional assessment and capacity building work with FSPs

# INCOME AND LIVELIHOOD CHANGES OF CLIENTS

There is considerable potential for income and livelihood changes from the use of new financial services if they are successfully developed and rolled out.

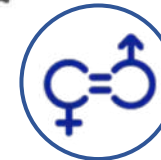
Credit focused products – as planned under Window 4 for MSMEs – will, if successful, support the growth of small businesses at different scales.

## VIETNAM



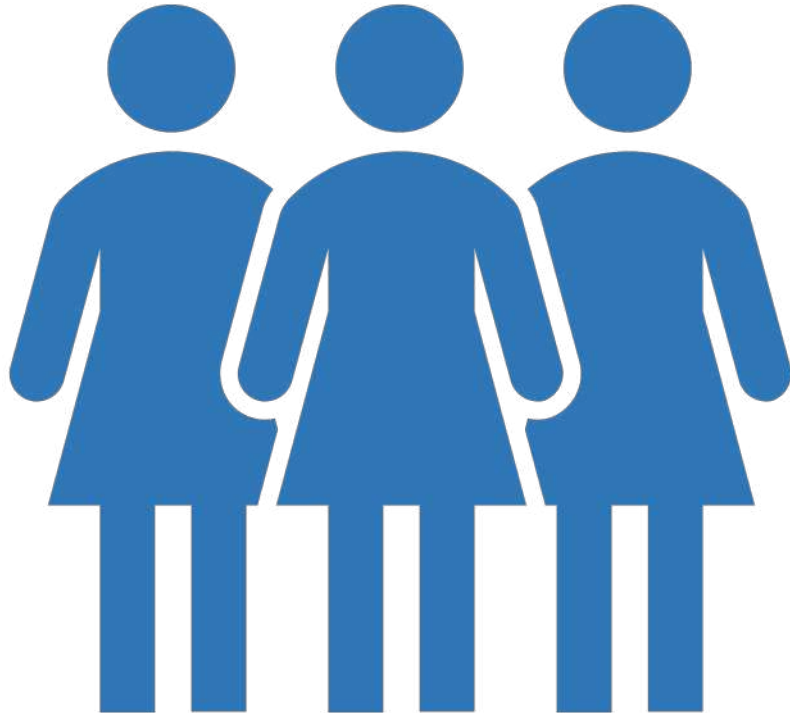
Digital financial services – already expanding with LVPB under Window 2 and planned for remittances under Window 3 – are expected to support more stable cash flows and savings for users (direct impacts), whilst also providing new employment opportunities for people who work as agents.

## MYANMAR



The two GEF projects in Myanmar look promising for direct impacts – clients are expected to benefit from credit that is customised to their business needs (BRAC), and store keepers will have an additional source of revenue as agents for mobile payments.

# WOMEN'S ECONOMIC EMPOWERMENT




---

SHIFT has effectively promoted the involvement of women as field staff or as agents for digital services under different CF projects.

But registering women as agents does not automatically make her the one running the business.

---

The 4<sup>th</sup> CF window for MSME products for women, is well placed to add this gender focus combined with an understanding of women's role in different businesses.



# LEVEL OF CHANGE IN REGIONAL COLLABORATION

Level of change in regional collaboration addressing common constraints and deepening markets is expected to be visible with successful roll out and implementation of the CF Window 3 cross-border remittances projects.

Interest has been shown by regulators and financial institutions of Singapore and Thailand to work with FSPs in CLMV countries.

SHIFT is well placed to facilitate this as a regional player, and to bring the lessons to the regional platforms.



The background of the entire image is a close-up, slightly blurred view of a sewing machine's spool rack. The spools are arranged in neat rows and columns, with various colors including red, green, blue, and yellow. The lighting is warm, highlighting the textures of the spools and the woman's clothing.

---

**EVALUATION  
FINDINGS  
SUSTAINABILITY**

# FUTURE SOURCES OF FUNDING



Funding by country on future work on financial inclusion would represent 'skin in the game' to support the sustainability of implementation in NFISs. In CLMV, ongoing bilateral funding from the World Bank and the ADB for financial sector development has been the norm over a number of years. It may therefore require a shift in the mindset of these governments to pay for the type of support that SHIFT can provide. In Cambodia, where SHIFT has been directly active in promoting the NFIS, the sense of ownership by the National Bank of Cambodia is high.



**THE WORLD BANK**  
IBRD • IDA



**ASIAN DEVELOPMENT BANK**

# PARTNERSHIPS WITH EXTERNAL AGENCIES



Monetary Authority  
of Singapore



Programme management with external agencies in the ASEAN region has strong potential for future sustainability, through the partnerships, recognition and funding – albeit somewhat limited – from UN Pulse Lab Jakarta (linked to the data pillar, and a new challenge fund in Indonesia) and from the Monetary Authority of Singapore and Visa.

Demonstration of increased institutional capacity at various levels of governments to formulate policies would partly represent SHIFT's sustainability. At the mid-term stage, given the level of development so far, it is too early to identify increased institutional capacity or policies across various levels of government, private sector and regulators.

# INCREASED INSTITUTIONAL CAPACITY



Programme interventions in the data sphere in Cambodia have led to important discussions on the usefulness of generating insights through data, including big data, and helping shape policies and decisions.

---

Demonstration of increased institutional capacity at various levels of governments to formulate policies would partly represent SHIFT's sustainability. At the mid-term stage, given the level of development so far, it is too early to identify increased institutional capacity or policies across various levels of government, private sector and regulators.



# SELF-REPORTED ABILITY TO SUSTAIN CHANGES



The sustainability of a successful Challenge Fund project may be about to happen with one Window 1 investment in Myanmar (Greenlight) but is too soon to see for Window 2. The potential for replication and sustainability will depend on effective practical application (product design, marketing and systems support) addressing infrastructural constraints and ownership by the FSPs.

SHIFT has built constituencies at all levels, within the region, and continuing engagement with different partners, particularly at the regional level—ILO, AFI, Visa, UN Pulse, UNDP, UNESCAP—provides a potential platform for replication.

# GOVERNMENT CREATED INSTITUTIONS TO CARRY SHIFT

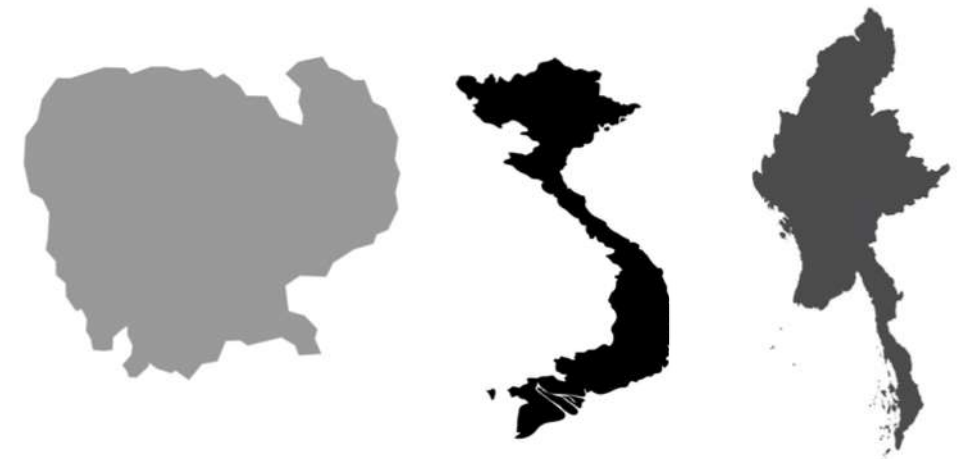


WISDA

Through the “Making Access Possible” (MAP) process for the National Financial Inclusion Strategy (NFIS) in Cambodia, SHIFT has supported the government to create internal mechanisms for approvals and buy-in.

In Vietnam, for developing the NFIS, SHIFT is facilitating setting up of a similar mechanism for building consensus and ownership of the process.

In Myanmar, such institutions have been created through the UNCDF country initiative and demonstrate the potential of the MAP process for in-country ownership—but also the risks and challenges depending on the country institutional context. Such risks will need to be addressed as work moves forward in Cambodia and Vietnam – and elsewhere in the region.



# RECOMMENDATIONS AND MANAGEMENT RESPONSES



# SHIFT HAS DONE WELL DESPITE BUDGET LIMITATIONS



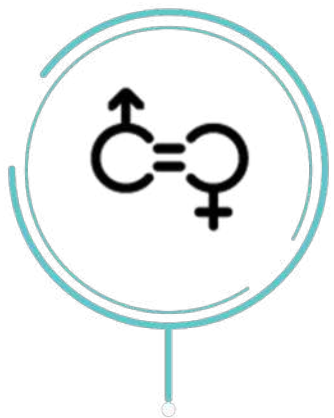
## RELEVANT & FLEXIBLE DESIGN

Highly relevant approach to private sector innovation in important areas (clean energy, women's financial inclusion, remittances) combined with policy support to ASEAN governments.



## CAPACITY BUILDING & POLICY/ ADVOCACY WORK UNDERWAY

SHIFT beginning to contribute directly to improved capacity of partners.



## STRONG GENDER FOCUS

Specific Challenge Fund focus on women's financial inclusion; sex-disaggregated reporting & gender-specific targets.



## INNOVATIVE PARTNERSHIP STRATEGY

Between FinTech partners, UN Pulse Lab and regulators at national and at ASEAN levels, SHIFT is supporting private sector innovation.



## STRONG PROGRAMME MANAGEMENT

Learning as it goes, despite under-resourced budget.



## RESULT MEASUREMENT SYSTEM

Comprehensive and systematic. However, issues of appropriately defining & measuring outreach to poor/vulnerable/disabled populations still to be addressed.



## LIMITED FUNDING

Limited funding has prevented application of full market development approach across all countries.

# KEY RECOMMENDATIONS

Focus resource mobilization on ensuring a more balanced approach to market development in partner countries.

Increase focus on policy & advocacy work and learning/capacity building (regulators/FSPs) to support markets for the poor.

Expand range of challenge fund instruments to include loans, returnable capital or venture capital mechanisms

Increase programme focus on the poor and marginalised, including people with disabilities through better definition of target groups

Expand the range of reporting to capture differences in results by elements of financial inclusion; including better coverage of 'use' and not just 'access' to financial services.

# MANAGEMENT RESPONSES

---

## Recommendation:

---

Focus resource mobilization on ensuring a more balanced approach to market development in partner countries.

---

## Response:

The fundraising consultant joined in mid-March and is currently further mapping funding opportunities for the innovation fund as well as other programme pillars. Additional funds have been raised for the data and learning hub of the SHIFT programme. These funds were sourced both from UNCDF flexible non-core funding, as well as from international donors such as FMO and DFID (the latter as a parallel contribution coming from UNCDF Myanmar programme). These funds will be used to take forward lean data surveys in partnership with 4-5 local FSPs in Myanmar, Cambodia, Vietnam and Lao PDR. The aim of the surveys is to supplement partner monitoring and cost-effectively measure SDG impacts for SHIFT Digital finance innovations.

The evaluation also recommends that SHIFT ASEAN explore synergies with ongoing donor-assisted programmes. Discussions and coordination with other development agencies such as ADB in Cambodia and Vietnam, and World Bank in Vietnam, have been explored. SHIFT ASEAN will scale-up in 2019 its discussions to find synergy areas with World Bank, ADB, DFID, IFC, USAID, BMGF, Canada, and DFAT country posts and share action points for implementation to the SHIFT ASEAN Board. 31/12/2019 SHIFT Programme Manager Completed SHIFT has explored synergies with ongoing donor assisted programmes, particularly in Myanmar. Currently, these initiatives have centered around FMO and DFID work in Myanmar, and the potential of their support for the development of gender smart financial products and data analytics. This partnership is currently being established and further implementation will be taken forward in the second half of 2019. Synergies with both VISA and Mastercard are also being explored within the framework of the data hub work.

### KEY ACTION:

- Focus on raising resources for non-challenge fund areas of work, looking at both long-term commitments alongside shorter term commitments—Completed
- Explore synergies with ongoing donor assisted programmes—Completed
- For specific activities i.e. trainings, partner payments and contributions should be considered—Initiated

# MANAGEMENT RESPONSES

---

## Recommendation:

---

Increase focus on policy & advocacy work and learning/capacity building (regulators/FSPs) to support markets for the poor.

---

## Response:

Recently a policy expert has been onboarded to take the established policy/advocacy strategy forward, this document has now been finalised. SHIFT has continued to engage with the WC-FINC, and the most recent meeting in February focused on the status of the committee action plans and deliverables and had a particular thematic focus on digital financial services and anti-money laundering and counter terrorism financing (AML/CFT). UNCDF contributions included the presentation of available resources and TA to ASEAN member states on digital finance; UNCDF's global digital strategy and UNCDF's FinTech investment. Based on this, the Bank of Indonesia requested insights from the FinTech Innovation investments to support their regulatory decision making and sandbox. WC-FINC members also requested that UNCDF presents the Findex dashboard that UNCDF has been developed for ASEAN countries. For the first time, UNCDF participated in the WC-PSS meeting presenting on UNCDF's remittance research and key findings, as well as learnings and insights from UNCDF's remittance investments. Furthermore, SHIFT has continued to engage CLMV regulators based on bi lateral agreements. This includes the National Bank of Cambodia with whom high level government approval of the financial inclusion roadmap is pending, and the State Bank of Vietnam with whom SHIFT is working to provide guidance on the financial inclusion survey, which will also feed into regional policy platforms. In both cases support was focused on highlighting women's financial inclusion, amongst other topics. SHIFT has also begun to expand the scope of its work regarding target populations who lack access to finance, particularly persons with disabilities, targeting specific interventions and helping to train financial service providers to better meet their needs and close this access gap.

## KEY ACTION:

- Due to the funding constraints it is agreed that the expectations of the programme should be considered both in terms of activities and targets—Completed

# MANAGEMENT RESPONSES

---

## Recommendation:

---

Expand range of challenge fund instruments to include loans, returnable capital or venture capital mechanisms

## Response:

---

With respect to the LDC Investment Platform and connecting SHIFT's existing and future investment platform to this, this has not yet been fully developed, but is currently in the stage of exploration. The Indonesia innovation fund was launched at the end of 2018 with the selection of 6 business ideas targeting women's MSME. The selected companies were offering technical assistance through partnerships established with ORACLE and Deloitte and during the application process they received mentoring from VISA. In an effort to link these business models with additional scale financing and venture capital, a few are selected to present their business models at conferences and meetings including the UNGA. Some were also presented to the Monetary Authority of Singapore and its pool of associated investors. Furthermore, selected business models from SHIFTS most recent innovation funding round, were invited to present their models at the Singapore Fintech Festival, as well as at the Cyberport Venture Capital forum in Hong Kong. The FinTech business models supported by SHIFT in Indonesia were also showcased during the 7th WC-FINC meeting. Finally, investment briefs have been completed for the latest innovation window winners, and further briefs are currently being completed for the other SHIFT investees.

### KEY ACTION

- SHIFT ASEAN will connect its existing and future pipeline generated through Challenge fund and other direct partnership mechanism with the LDC Investment platform for accessing risk-willing capital—Initiated.

# MANAGEMENT RESPONSES

---

## Recommendation:

---

Increase programme focus on the poor and marginalised, including people with disabilities through better definition of target groups

## Response:

---

Based on the insights and data generated by the financial diaries that were co-financed by UNCDF, BRAC is currently developing a loan product in Myanmar that is specifically aimed at people with disabilities, or people that are caring for people with disabilities. A research note has been prepared by UNCDF on how financial services could support low income individuals who have a disability and based on this workshops have been taken forward to collect insights on the financial needs of people with disabilities, as well as the needs of FSPs that want to target people with disabilities. To date the workshop in Myanmar was completed, and insights include that companies don't realize the extent of disabilities there are (different kinds, different grades). This lack of knowledge is also coupled with a lack of funds to cater to this market. Further workshops are pending the solution of the COVID 19 crisis. In addition, disability has been incorporated into SHIFT ASEAN successor programme and will remain a programmatic priority for the next 5 years.

## KEY ACTION

- SHIFT ASEAN does aim to attempt to mainstream disability and minority considerations into its practices, through an approach which is proportionate and relevant to SHIFT ASEAN—Completed

# MANAGEMENT RESPONSES

---

## Recommendation:

---

- Expand the range of reporting to capture differences in results by elements of financial inclusion; including better coverage of 'use' and not just 'access' to financial services.

## Response:

---

The theory of change is being updated based on the evaluation findings and also broken down by country to better measure systemic changes in the market. SHIFT ASEAN is working to update its programme targets based on funding and activity outreach scenarios. 30/06/2020 SHIFT Programme Manager and Monitoring and Evaluation In progress This work was launched with the development of the first country-based Theory of Change (TOC) with indicators in Cambodia. However, this requires further work and the TOC of Lao, Vietnam and Myanmar still need to be designed. With the onboarding of an M&E consultant focusing on this, progress has been made in reviewing the TOC, and based on this a new TOC was developed and is currently being reviewed by the team. The country specific TOCs should be completed by the end of Q2 2020.

### KEY ACTION

- The theory of change is being updated based on the evaluation findings and also broken down by country to better measure systemic changes in the market–Initiated

# Where To Find Full Reports

To learn about our policies, responsibilities and external assessments:

<https://www.uncdf.org/evaluation>



UNCDF

**EVALUATION PLAN**

Current Plan

2018-2021

Archived Plans

Select Plan

**EVALUATION FOCAL POINT**

Andrew Fyle

Christophe Legrand

Pietro Tornese

**EVALUATIONS COMMISSIONED BY UNCDF**

Search by Evaluation Title   --All--  Completion Year From  To  Record

1 to 20 of 61 Records.

SN	Evaluation	Evaluation Type	Planned Year	Completion Year	Status	Management Response
1.	Mid-Term Evaluation of Mobile Money for the Poor (MM4P)	Others	2017	2018	Completed	Yes
2.	Mid-Term Evaluation of Shaping Inclusive Finance Transformations (SHIFT) Programme in Asean	Others	2018	2018	Completed	Yes
3.	Local Climate Adaptive Living Facility	Others	2017	2018	Completed	Yes
4.	Local Finance Initiative Global Programme	Others	2017	2017	Completed	Yes
5.	Mid-term Evaluation of the CleanStart Programme Accessing Clean Energy for the Poor	Others	2017	2017	Completed	Yes
6.	Évaluation finale du Programme d'appui au développement local (PADEL) – Niger	Project	2016	2017	Completed	Yes
7.	Mid-Term Evaluation of the Making Access to Finance More Inclusive for Poor People Program	Others	2015	2016	Completed	Yes

To access our completed evaluations, which include management responses and key actions:

<https://erc.undp.org/evaluation/units/255>

# Thank You

For inquiries:

**Andrew Fyfe** - Evaluation Head - [Andrew.Fyfe@uncdf.org](mailto:Andrew.Fyfe@uncdf.org)

**Christophe Legrand** – Evaluation Specialist- [Christophe.Legrand@uncdf.org](mailto:Christophe.Legrand@uncdf.org)

**Pietro Tornese** – Evaluation Analyst – [Pietro.Tornese@uncdf.org](mailto:Pietro.Tornese@uncdf.org)

