

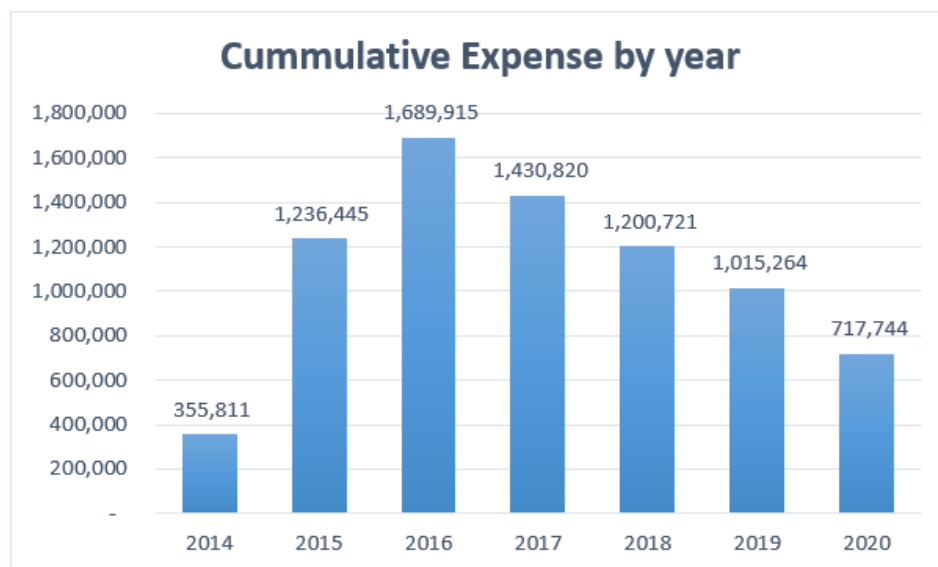
## 7 ANNEXES

### Annex I - Programme Financials overview

The SHIFT ASEAN Programme received a total of US\$7,646,720 from DFAT from 2014 to 2020 in six tranches as indicated below:

Tranche received from DFAT	Amount (USD)
upon signature	1,499,982.00
28-Feb-15	500,000.00
3-Jun-15	4,420,375.00
1-May-16	526,363.00
30-Apr-17	380,000.00
30-Aug-17	320,000.00

The funds received were fully utilized as shown in the graph below, with a peak of utilization in 2016, mostly due to the challenge fund and data work activities in that year.

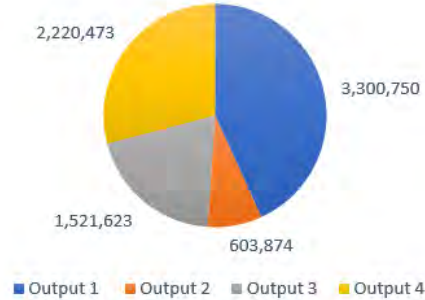


In 2014, the level of expenses remained low as the programme was just starting and the team getting established. In 2015 the programme grew significantly to over 1,000,000 USD in expenses and that has been the trend until 2019.

2020 has seen a reduction in the budget and expenses given the focus towards the closing of the DFAT funded portion of the programme.

Regarding expenses output-wise, as it can see from the graph below, most of the budget was utilized on output 1 at 43 percent followed by Output 4 at 29 percent, Output 3 at 20 percent and Output 4 at eight percent respectively. This is in line with the fact that the Challenge Fund has played a key role in the SHIFT programme, its implementation and outcome results.

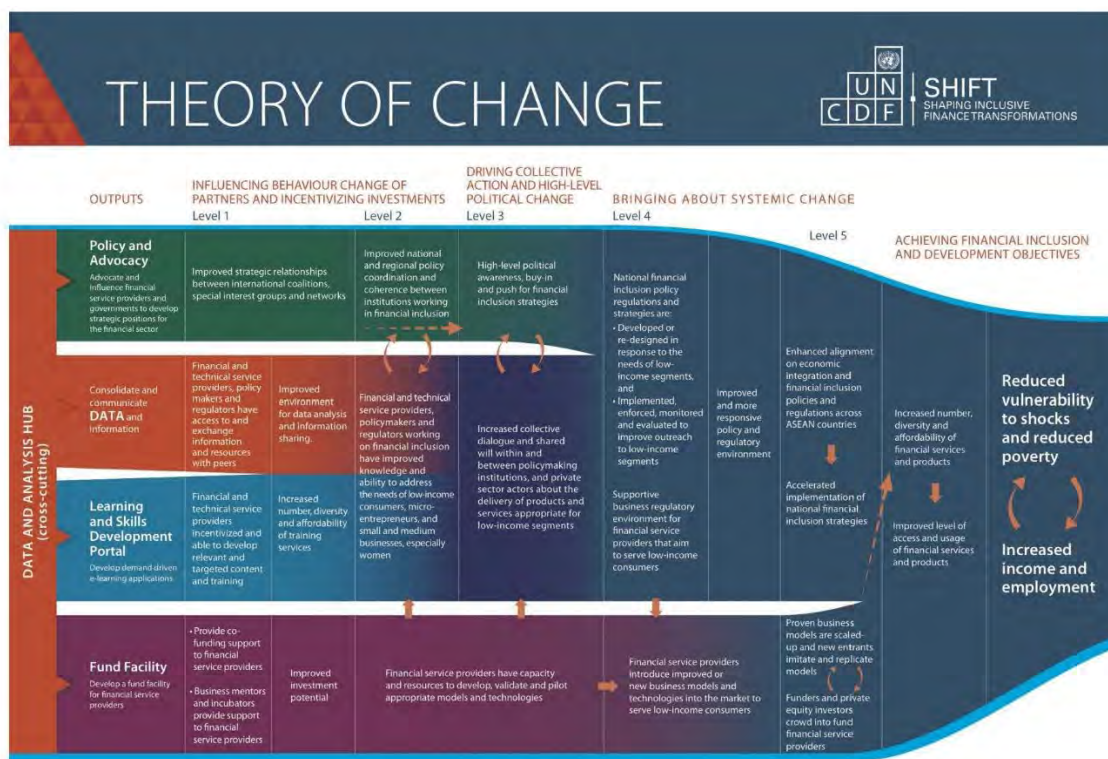
### Cummulative Expense 2014-2020 by output



A detailed description of expenses per output per year is presented below:

OUTPUT-WISE	2014		2015		2016		2017		2018		2019		2020	
	Budget	Expense	Budget	Expense	Budget	Expense	Budget	Expense	Budget	Expense	Budget	Expense	Budget	Expense
<b>OUTPUT1-NEW</b>	<b>82,500</b>	<b>82,413</b>	<b>508,905</b>	<b>501,424</b>	<b>1,109,895</b>	<b>846,077</b>	<b>831,213</b>	<b>709,124</b>	<b>692,230</b>	<b>660,395</b>	<b>390,661</b>	<b>323,277</b>	<b>178,042</b>	<b>178,042</b>
Communication	-	-	5,532	478	7,000	2,376	3,000	833	293	293	-	-	-	-
Company	-	-	-	3	-	156,513	130,000	18,891	78,000	77,200	-	-	-	-
Consultant	21,500	21,500	195,040	195,059	326,960	94,468	157,163	191,383	52,521	50,891	63,000	55,212	68,129	68,129
GMS	61,000	59,999	218,507	221,007	29,500	29,500	-	-	-	-	-	(240)	-	-
Grant	-	-	-	-	300,000	181,094	217,918	195,300	270,706	270,706	200,000	140,000	-	-
RMCS	-	914	2,619	(120)	30,000	12,166	42,000	34,965	24,000	24,133	10,261	10,301	10,646	10,646
STAFF	-	-	66,340	71,377	338,435	326,846	205,882	202,406	209,595	187,084	107,000	107,611	98,279	98,279
Travel	-	-	10,767	4,356	34,000	36,185	66,750	58,905	49,415	45,083	9,500	9,493	712	712
Workshop	-	-	10,000	9,264	24,000	6,929	8,500	6,442	7,700	5,005	900	900	275	275
<b>OUTPUT2-NEW</b>	-	-	<b>40,040</b>	<b>37,691</b>	<b>19,000</b>	<b>25,589</b>	<b>234,774</b>	<b>199,680</b>	<b>140,063</b>	<b>101,430</b>	<b>140,973</b>	<b>128,232</b>	<b>111,252</b>	<b>111,252</b>
Communication	-	-	-	-	-	-	2,500	1,031	-	-	-	-	2,739	2,739
Company	-	-	-	-	-	-	-	-	-	-	-	-	6,000	6,000
Consultant	-	-	740	91	15,000	2,494	150,663	93,656	67,348	49,799	61,950	46,588	86,992	86,992
GMS	-	-	-	-	-	-	-	55,961	-	-	-	-	46	-
Grant	-	-	-	-	-	-	-	-	-	-	-	-	-	-
RMCS	-	-	-	-	-	-	6,000	1,798	1,000	867	9,570	9,830	10,630	10,630
STAFF	-	-	37,600	37,600	-	23,096	43,502	29,307	61,278	42,167	49,953	57,709	-	-
Travel	-	-	1,700	-	4,000	-	18,109	11,606	4,437	4,791	19,500	14,059	1,546	1,546
Workshop	-	-	-	-	-	-	14,000	6,321	6,000	3,806	-	-	3,345	3,345
<b>OUTPUT3-NEW</b>	<b>61,744</b>	<b>61,407</b>	<b>143,146</b>	<b>142,900</b>	<b>802,367</b>	<b>599,077</b>	<b>302,046</b>	<b>244,339</b>	<b>205,963</b>	<b>166,407</b>	<b>163,648</b>	<b>148,074</b>	<b>159,418</b>	<b>159,418</b>
Communication	800	759	89	5	10,000	2,999	5,050	3,741	1,100	-	-	-	-	-
Company	-	-	-	-	-	-	-	-	1,000	960	6,580	6,580	29,650	29,650
Consultant	12,500	12,500	16,413	15,832	245,324	142,527	105,863	86,833	66,625	47,297	49,006	34,006	2,404	2,404
GMS	-	-	57,640	21,437	6,300	6,300	-	39	-	-	-	68	-	-
Grant	44,060	44,059	23,536	22,925	304,178	229,547	20,000	19,310	-	-	-	-	-	-
RMCS	-	(6)	(123)	(104)	-	10,385	6,000	2,424	5,000	4,559	9,892	9,892	15,844	15,844
STAFF	284	-	21,328	64,964	162,565	175,679	123,183	107,212	109,319	90,527	85,000	84,457	111,520	111,520
Travel	4,100	4,095	24,264	17,842	44,000	30,908	40,000	23,264	10,214	12,310	12,500	12,401	-	-
Workshop	-	-	-	-	30,000	731	1,950	1,516	12,705	10,754	670	670	-	-
<b>OUTPUT4-NEW</b>	<b>284,044</b>	<b>211,991</b>	<b>560,773</b>	<b>554,430</b>	<b>495,994</b>	<b>219,172</b>	<b>374,369</b>	<b>277,677</b>	<b>290,377</b>	<b>272,489</b>	<b>449,746</b>	<b>415,681</b>	<b>269,033</b>	<b>269,033</b>
Communication	35,000	12,881	20,834	17,143	10,500	7,058	5,000	2,354	1,340	1,335	2,618	2,943	60	60
Company	-	-	-	102	-	48	130,000	70,863	-	-	-	-	-	-
Consultant	55,000	72,381	128,557	113,812	176,580	50,373	90,163	61,375	69,010	61,519	237,750	218,779	81,812	89,651
GMS	61,000	59,999	112,482	151,186	6,309	6,309	-	-	-	-	-	-	-	-
Grant	-	43	-	-	50,000	-	-	-	-	-	-	-	126	-
RMCS	-	1,841	3,542	2,259	30,000	9,110	6,000	5,308	35,000	35,364	28,072	26,216	13,980	13,838
STAFF	43,365	-	66,891	64,964	154,605	106,413	95,206	98,653	138,343	122,276	148,000	130,309	144,865	137,168
Travel	43,258	32,184	81,965	68,639	27,500	28,382	37,500	35,149	18,629	23,940	23,905	28,169	1,275	1,275
Workshop	46,421	32,663	146,502	136,324	40,500	11,478	10,500	3,976	28,055	28,055	9,400	9,138	27,040	27,040
<b>Grand Total</b>	<b>428,288</b>	<b>355,811</b>	<b>1,252,865</b>	<b>1,236,445</b>	<b>2,427,256</b>	<b>1,689,915</b>	<b>1,742,402</b>	<b>1,430,820</b>	<b>1,328,633</b>	<b>1,200,721</b>	<b>1,145,028</b>	<b>1,015,264</b>	<b>717,744</b>	<b>717,744</b>
		83%		99%		70%		82%		90%		89%		100%

## Annex II – Theory of Change and Updates



SHIFT's broad programme goal is to contribute to increased income and employment, reduced vulnerability to shocks and reduced poverty by promoting the inclusion of low-income people, especially women, and businesses to be active agents in the formal economy.

In this context, SHIFT aims to support six million low-income people, (one million directly, and five million indirectly, 65 percent women) micro-entrepreneurs and SMEs (100 percent led by or serving women) in their transition from using informal financial mechanisms to more formalized financial services.

SHIFT uses a market development approach in its implementation. This involves looking at the whole eco-system around the delivery and use of financial services, and the factors driving the behavior of market actors - low-income people, businesses and excluded sections within these markets such as women and young people, financial institutions, business development service providers, and regulators.

This approach helps to understand better the constraints that prevent the delivery and use of financial services, and also to understand and use opportunities that have the potential to transform financial markets and allow large numbers of people and businesses to benefit from, and contribute to, the delivery and use of financial services.

To achieve its objectives, SHIFT takes a four-pronged approach which is represented in the programme's ToC (represented above). The approach addresses key market constraints and areas of implementation in the following areas:

1. Incentivizing private sector financial product innovation (Challenge Fund)
2. Learning/ and skills development
3. Data and analysis (Data Hub)

#### 4. Policy and advocacy

SHIFT's implementation and results have been feeding into the SHIFT TOC and updates to it are provided in the file ***'SHIFT ASEAN ToC Updated' (included in this report as an attachment)***

In addition, in 2018 SHIFT ASEAN underwent a mid-term evaluation that provided several recommendations on how the programme could be strengthened in the subsequent years of implementation. Out of the 17 key action points identified following the mid-term evaluation, all have now been completed. These include:

- improving programme resource mobilization through partnerships and for activities that go beyond just the Challenge Fund,
- focusing on policy/advocacy as well as capacity building activities,
- offering alternative types of funding for Challenge Fund partners,
- setting more realistic programme targets and providing technical assistance,
- developing partnerships with technical assistance providers,
- developing the M&E framework to report progress by financial service,
- improving programme knowledge of end beneficiaries,
- working towards including people with disabilities,
- updating the ToC and focusing on MSME development,
- defining poverty and vulnerability as a benchmark appropriate to the programme focus countries.

The management response to the MTE findings and related updates are available [here](#).

In response to some of the findings from the MTE, the programme developed a methodological note on the measurement of low-income people as well as developed TOCs representing the path of change brought by SHIFT work from the regional and countries' perspectives.

These are presented below:

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#### THE MEASUREMENT OF LOW-INCOME:

The SHIFT ASEAN programme uses the bottom 40 percent segments as the measurement of the outreach and outcomes of low-income group benchmark in ASEAN countries. This follows the definition applied for the [SDG 10.1 indicator](#)<sup>1</sup> and [Global Findex](#); It measures the financial inclusion stats for each ASEAN country for the bottom 40 percent population as a benchmark on access to savings, credit, digital payments etc – the main SHIFT ASEAN products. Findex applies a stratified sample survey, normally for 1000 respondents per country per wave using a weighted sample (2011,2014,2017), and then takes the poorest 400 respondents weighted as the bottom 40 segment.

For the lean data surveys that were undertaken with BRAC and LVPB, the SHIFT Programme applied specific definitions of the low-income population that were applied based operating country(ies) context and the availability of benchmark information through most recent national surveys (FinScope 2018 survey for Myanmar, SBV 2019 survey for Viet Nam), to conduct a detailed and comparative analysis of low-income outreach and outcomes with the same segments, such as gender, age, education level, credit strands, mobile money ownership, business sector, MSMEs, etc. This was done to be able to

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<sup>1</sup> SDG 10.1. By 2030, progressively achieve and sustain income growth of the bottom 40 percent of the population at a rate higher than the national average; Indicator 10.1.1: Growth rates of household expenditure or income per capita among the bottom 40 percent of the population and the total population.

anchor the low-income distribution and statistic into a wider conducted and reasonably recent representative survey.

By applying the same income question for the lean data survey as was applied in the national surveys, it was possible to benchmark the low-income outreach indicator (and distribution) to the national market environment. The only substantive difference lies in the data collection; the lean data survey was conducted via the mobile phone and uses a single choice answer (low < 100,000 MMK, medium 300,000 MMK or higher incomes > 300,000 MMK), while the national survey was done in the field interviews with an open question. Given the COVID-19 situation it was not possible for UNCDF to do field interviews.

For BRAC, the SHIFT programme uses personal monthly income below MMK 100,000 (US\$78) to measure low-income outreach and benchmark it with the income stats in FinScope Myanmar 2018 dataset. The 78 US\$ is considered low income or poor following the FinScope poverty analysis. For LVPB, the SHIFT programme uses personal monthly income below VND 2 million (US\$86) against the stats in SBV NFIS survey data 2019, unpublished). For the State Bank of Viet Nam (SBV) this was considered low-income outreach.

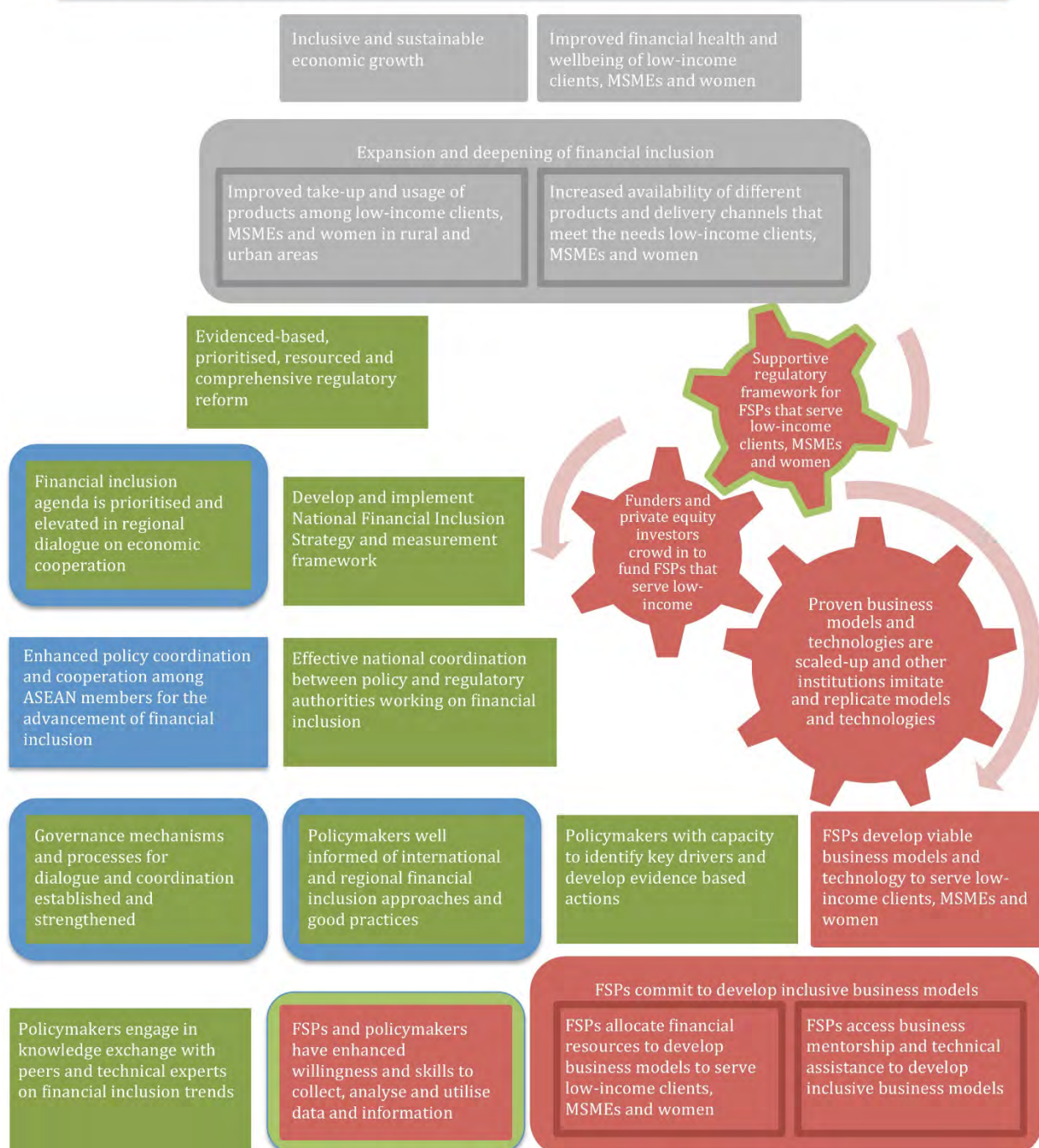
For Thunes, since there is a lack of demographic information of end customer (neither sending side nor receiving side), the SHIFT programme applied the definition of remittance receivers who receive remittance amount less than US\$ 200 (per annum), this is used as a proxy to estimate the percentage of low-income recipients. The percentage of low value remittances flowing into the country is applied as a proxy in remittance outcomes. For example, the US\$200 is also a benchmark to measure the total cost as a percentage of remittance value at low value remittances internationally by World Bank, UN and IMF (SDG 10.c). (See [Remittance Price Methodology](#).) Having said that it is in theory possible for poor people to receive large amounts of remittances and for rich people to receive low amounts of remittances. The proxy was chosen in the absence of income data as a lean data survey could not be conducted. Moving forward it is recommended for SHIFT not only to rely on this proxy. Moreover, it is recommended to incorporate an impact assessment into the activities for follow up programming.

## Regional and countries TOCs:

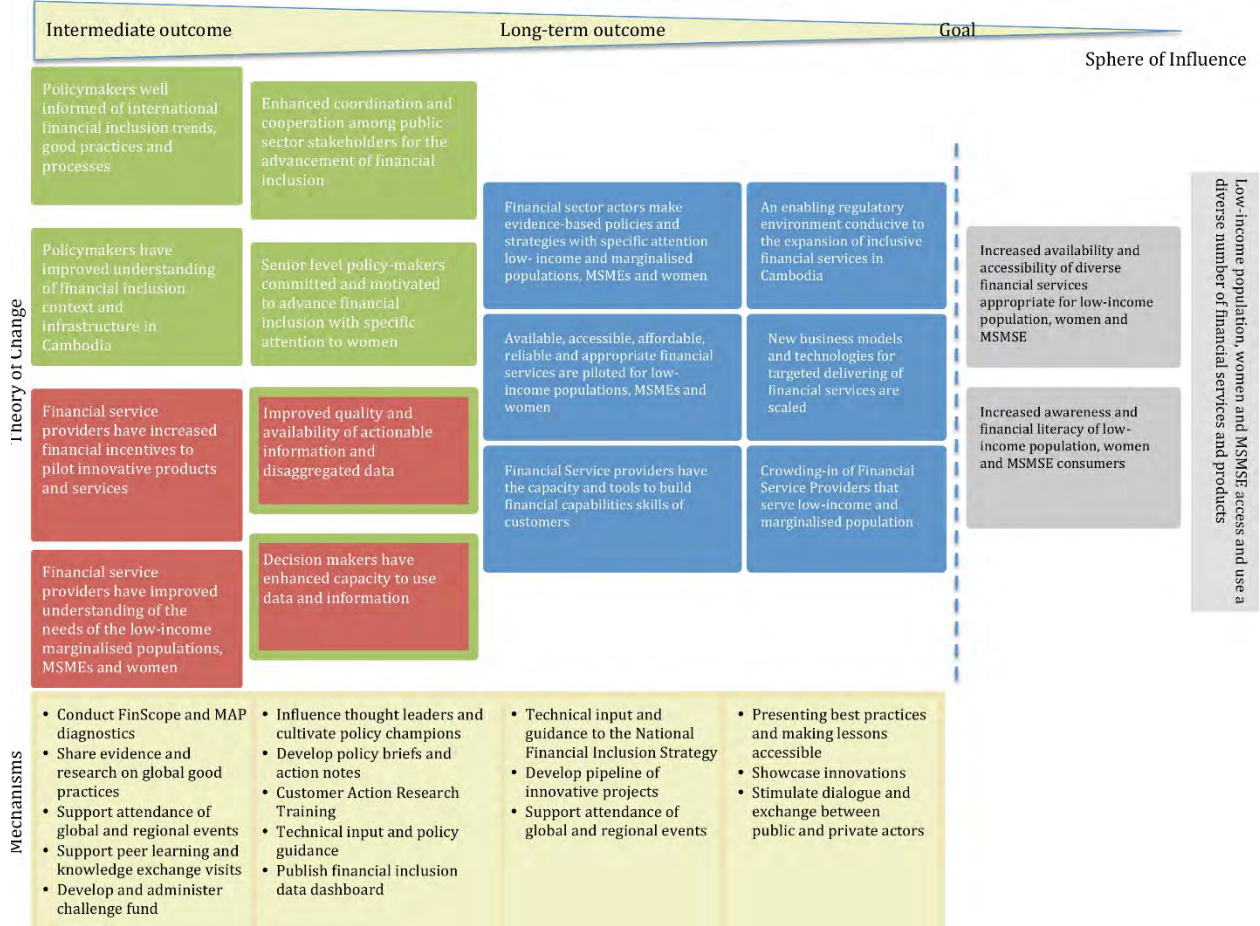
### UNCDF CMLV Theory of Change

#### UNCDF Key Regional Objectives:

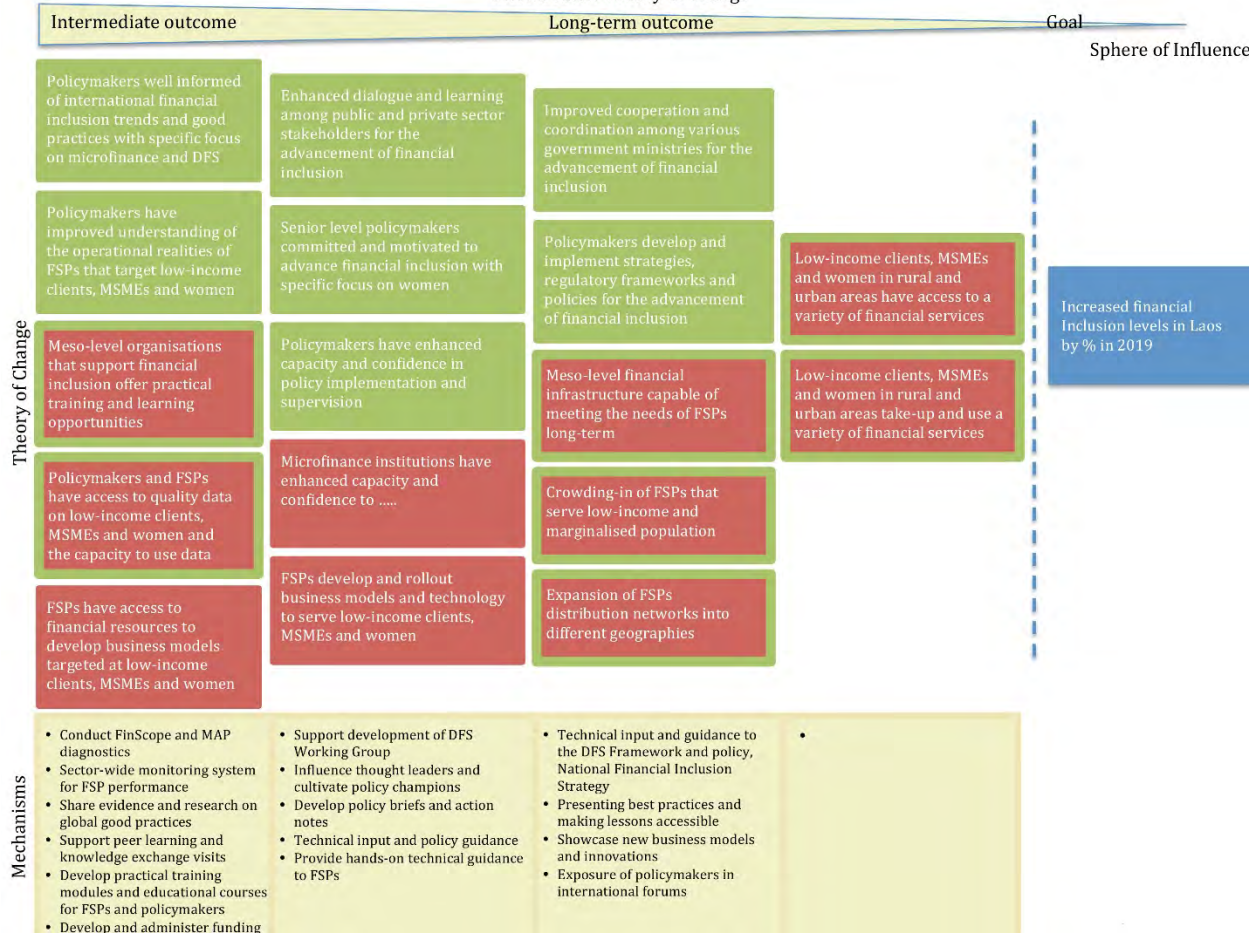
- **Objective 1: Develop and implement National Financial Inclusion Strategies for the advancement of Financial Inclusion**
- **Objective 2: Enhanced policy coordination and cooperation among ASEAN members for the advancement of Financial Inclusion**
- **Objective 3: Financial Service Providers develop and scale viable business models for low-income clients, MSMEs and women**



UNCDF Cambodia: Theory of Change



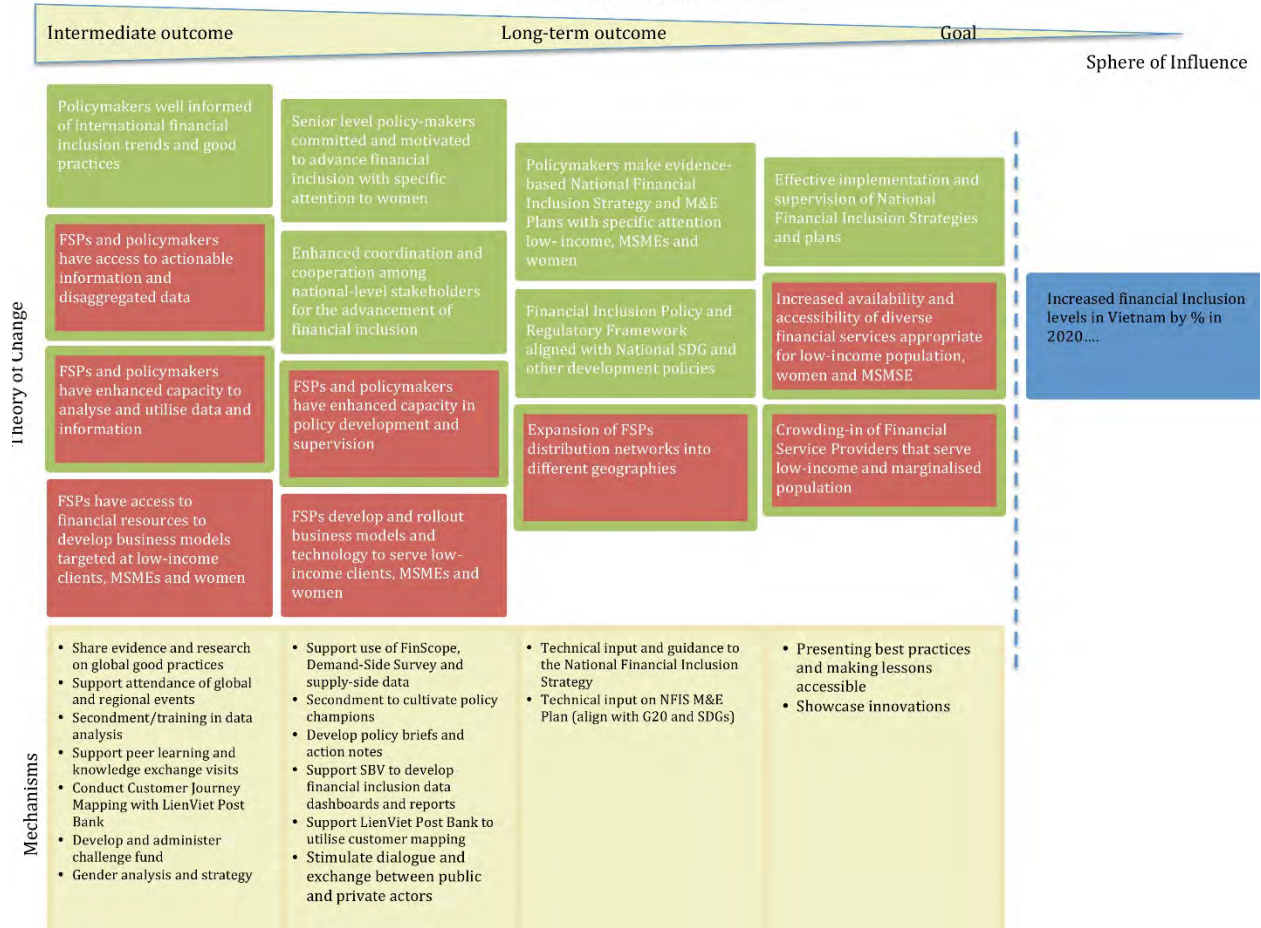
UNCDF Laos: Theory of Change

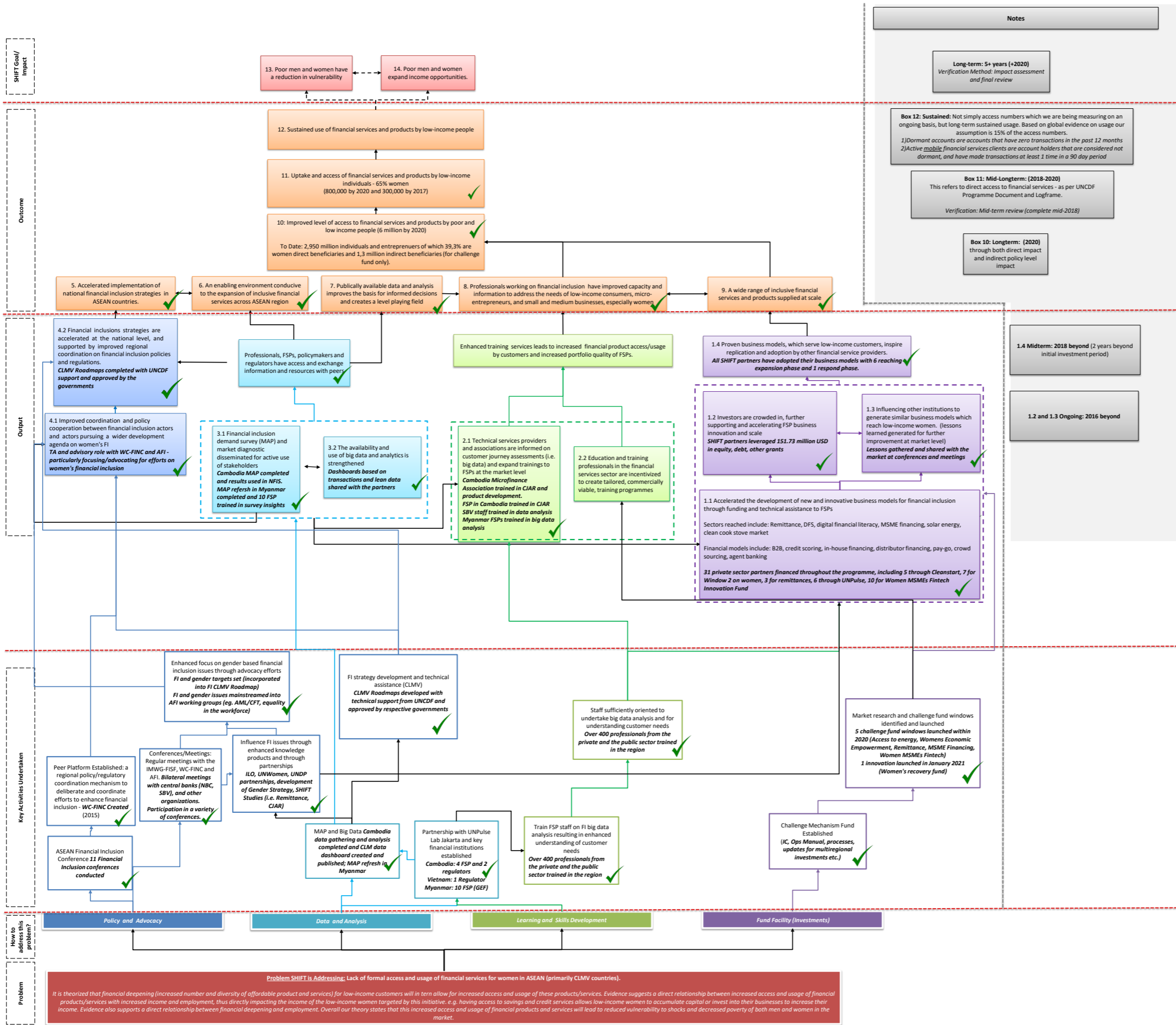


UNCDF Myanmar: Theory of Change



UNCDF Vietnam: Theory of Change





**Notes**

**Long-term: 5+ years (+2020)**  
Verification Method: Impact assessment and final review

**Box 12: Sustained:** Not simply access numbers which we are being measuring on an ongoing basis, but long-term sustained usage. Based on global evidence on usage our assumption is 15% of the access numbers.  
1) Dormant accounts are accounts that have zero transactions in the past 12 months  
2) Active mobile financial services clients are account holders that are considered not dormant, and have made transactions at least 1 time in a 90 day period

**Box 11: Mid-Longterm: (2018-2020)**  
This refers to direct access to financial services - as per UNCDF Programme Document and Logframe.  
Verification: Mid-term review (complete mid-2018)

**Box 10: Longterm: (2020)**  
through both direct impact and indirect policy level impact

**1.4 Midterm: 2018 beyond (2 years beyond initial investment period)**

**1.2 and 1.3 Ongoing: 2016 beyond**

**Short Term  
(1- 2 years)**

**Medium term  
(3 - 5 years)**

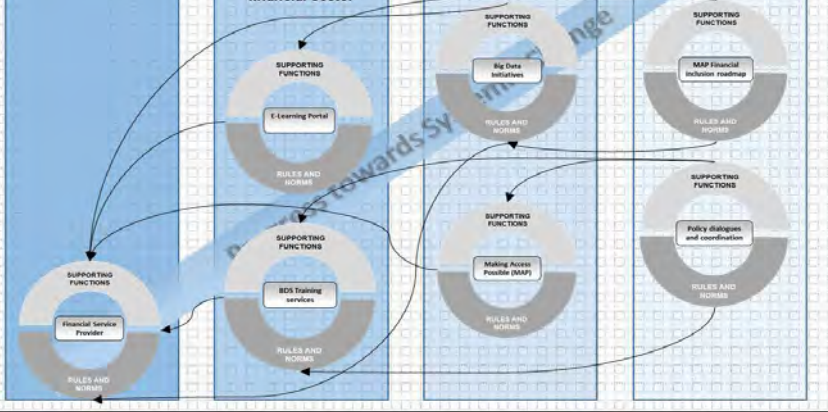
**Long term  
(5 years >)**

**Pillar 1 : Fund Facility  
Triggering innovation in  
primary financial  
market**

**Pillar 2: Skills &  
learning  
BDS actors develop  
and bring to scale  
Viable models for  
professionals in  
financial sector**

**Pillar 3: Data &  
Analysis Hub  
Produce, consolidate  
and communicate data  
and information for  
informed decisions**

**Pillar 4: Policy &  
Advocacy  
Influence policy  
makers to enable  
financial markets to  
be more inclusive**



**High Impact  
Outreach**

**Medium Impact  
Outreach**

**Low Impact  
Outreach**

**Plausible  
Attribution**

**Continuum**

**Contribution  
Narrative**

**Programme Monitoring Framework (Logical Framework)**

Expected Results (Outcomes and Outputs)	Indicators (with baselines & indicative timeframe)	Updates
<b>Goal:</b>	To contribute to reducing poverty and vulnerability directly, as well as through the promotion of inclusive economic growth in ASEAN.	
<b>Outcome:</b>	At least 6 million low-income consumers, micro-entrepreneurs, and small and medium businesses, including women and young people, contribute to and benefit from more inclusive economic growth by transition from using informal financial mechanisms to more formalized financial services by the year 2020.	
<b>Output 1. Fund Facility:</b> Support financial service providers to develop new prototypes and bring to scale viable business models that serve low-income consumers, micro-entrepreneurs, and small and medium businesses, especially women within these markets, in the ASEAN frontier economies.	<p># of FSPs supported</p> <p># of new prototypes that serve low-income consumers, micro-entrepreneurs, and small and medium businesses, especially women</p> <p># of scale viable business models that serve low-income consumers, micro-entrepreneurs, and small and medium businesses, especially women</p> <p>Baseline: 0</p> <p>Targets:</p> <ul style="list-style-type: none"> <li>Additional 800,000 low-income people, micro-entrepreneurs and SMEs financially included through matching innovation-grants to estimated 20 financial institutions by 2020, with an interim target of 300,000 low-income people, micro-entrepreneurs and SMEs through matching innovation-grants to estimated 10 financial institutions by 2017;</li> <li>(Indicative) Additional 2,800,000 low-income people, micro-entrepreneurs and SMEs provided financial services during the agreed investment project period, by crowding-in investors and funders to support around 20 financial institutions to initiate upscaling proven inclusive business models by 2020</li> </ul> <p>60% women; 25% youth; 20% marginalized groups and MSMEs</p>	<p>2,95 million people reached through 31 partners.</p> <p>1.1 million women reached with direct investments</p>
<b>Output 1.1:</b> Accelerated the development of new and innovative business models for financial inclusion through funding and technical assistance to FSPs	<p># of FSPs supported</p> <p># of innovative business models</p> <p>Baseline: 0</p> <p>Target:</p> <p>Y2 - Total 7 grantees estimated for having incremental cumulative outreach to 50,000 beneficiaries of whom 50% women</p> <p>Y3 - Total 16 grantees estimated for having incremental cumulative outreach to 300,000 beneficiaries of whom 50% women</p> <p>Y4 - Total 20 grantees estimated for having incremental cumulative outreach to 450,000 beneficiaries of whom 60% women</p> <p>Y5 - Total 16 grantees estimated for having incremental cumulative outreach to 800,000 beneficiaries of whom 60% are women</p> <p>Total 20 projects, 800,000 beneficiaries 60% women</p>	<p>2,95 million people reached through 31 partners.</p> <p>1.1 million women reached with direct investments</p>
<b>Output 1.2:</b> Investors are crowded in, further supporting and accelerating FSP business innovation and scale	<p># investments supporting FSPs projects</p> <p>Baseline 0</p> <p>Target:</p> <p>Y3: Investment made in one institution, to reach out to 250,000 beneficiaries as per agreed business plan period</p> <p>Y4: Cumulative around 10 institutions invested in, to reach out to 1,500,000 beneficiaries as per agreed business plan period</p> <p>Y5: Cumulative 20 institutions invested in, to reach out to 2,800,000 beneficiaries</p> <p>60% of the total beneficiaries will be women</p>	<p>2,95 million people reached through 31 partners.</p> <p>1.1 million women reached with direct investments</p>
<b>Output 1.3:</b> Lessons learned generated for wider application and further improvement.	<p>% of target populations demonstrate good understanding of products offered</p> <p>Baseline: 0</p> <p>Target: 30 % of those trained by FSPs through literacy component</p>	<p>14 out of the 31 Challenge fund projects had digital and financial literacy component of intervention as part of their overall business models.</p>
<b>Output 2: Learning and Skills Development Portal:</b> Support business development service providers by leveraging ICT solutions to develop and bring to scale viable e-learning models for professionals in financial institutions to improve productivity and professionalism	<p>1. # of professionals that use and contribute to the learning platform.</p> <p>Target:</p> <p>Direct (professionals)</p> <p>Y2: cumulative 400 professionals 40% women</p> <p>Y3: cumulative 1,000 40% women</p> <p>Y4: cumulative 5,000 40% women</p> <p>Y5: cumulative 10,000 50% women</p> <p>Y6: cumulative 20,000 50% women</p> <p>Indirect (Broader users)</p> <p>Cumulative 500,000 ICT users 50% women</p> <p>2. # of countries engaged in contributing materials and expertise to the ICT learning platform.</p> <p># of staff of FSPs and other stakeholders having access to quality training materials</p> <p>Baseline: 0</p> <p>Target: By 2020, the learning platform engages financial sector professionals (users and contributors) 10 countries in ASEAN, and at least 5 countries globally</p> <p>By end of programme, at least 20,000 professionals use and contribute to the learning platform, while 500,000 staff of FSPs and other CLMV financial sector stakeholders have sustainable access to high quality ICT training materials and tools.</p>	<p>The platform was not developed as per programmatic decision taken. Over 300 persons from financial service provider organizations were trained.</p> <p>As explained above.</p>
<b>Output 2.1:</b> An ICT knowledge platform is developed, which increases the reach and access to information for FSP/TSP professionals.	<p>1. # of "early adopters" users and contributors (staff of FSPs and TSPs) in CLMV and ASEAN countries identified.</p> <p>Baseline: 0</p> <p>Target:</p> <p>Y2: 2%- 6% of the market in each CLMV country</p>	<p>The platform was not developed and as a consequence only 405 people were trained.</p>

	2. Open source, scalable ICT platform is up and ready for use.	As explained above
	3. Social marketing firm is contracted and campaign is underway.	As explained above.
	4. The regional stakeholder conference on the Learning and Skills Development in ASEAN is organized	As explained above.
	5. # of partnerships with existing ICT learning platforms	As explained above.
<b>Output 2.2:</b> Individuals, specifically staff of FSPs and TSPs, contribute and acquire information and knowledge to/from the ICT platform.	1. # of users/ contributors of learning materials and information to the ICT platform # of partnerships contribution Baseline: 0 Target partnership: 2 official content contribution partnerships per year Target users: Direct (professionals) Y2: cumulative 400 professionals 40% women Y3: cumulative 1,000 40% women Y4: cumulative 5,000 40% women Y5: cumulative 10,000 50% women Y6: cumulative 20,000 50% women Indirect (Broader users) Cumulative 500,000 ICT users 50% women	As explained above.
	2. Diversity of users/contributors Target: Y2: 3 professions Y3: 6 professions Y4: 8 professions Y5: 10 professions Y6: 10 professions	As explained above.
	3. # of innovative models of collaboration between users and contributors Target: Y4: 1 Y5: 2 Y6: 4	As explained above.
<b>Output 2.3:</b> Education and training professionals in the financial services sector are incentivized to create tailored, commercially viable, training programmes	1. # of tailored training programmes created 2. # of new ICT learning tools and media developed and used by stakeholders 3. Up-take of ICT mentors in FSPs (number of ICT mentors active, number of FSPs that have adopted an ICT mentor approach to TOT) Targets Y4: 1) 2 tailored programmes, at least 50% targeting women; 2) 10 ICT mentors active; 3) 3 FSPs Y5: 1) 4 tailored programmes and 2 ICT learning tools and media developed, at least 50% targeting women; 2) 20 ICT mentors active; 3) 7 FSPs Y6: 1) 6 tailored programmes and 3 ICT learning tools and media developed, at least 50% targeting women; 2) 40 ICT mentors active; 3) 15 FSPs	As explained above. However, UNCDF collaborated with AFI, and participated in AFI training programmes as resource persons on Data and M&E frameworks for Financial regulators. Through these programmes, over the five years, regulators in ASEAN and globally were trained.
<b>Output 3: Data and Analysis Hub:</b> 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, specifically targeted towards low-income consumers, micro-entrepreneurs, and small and medium business, especially women within these markets.	# of Financial Inclusion demand survey and market diagnostic gathered # of studies elaborated and disseminated # of low-income people, micro-entrepreneurs and SMEs financially included Immediate target: at least 1 new study carried out per year taking into consideration gender disaggregated data Long-term policy targets: Contribute to an additional 11,400,000 low-income people, micro-entrepreneurs and SMEs financially included by 2020 through the policy intervention of supporting the development and implementation of national Financial Inclusion Roadmaps, with an interim target of an additional 1,900,000 low-income people, micro-entrepreneurs and SMEs financially included by 2017	Cambodia, Lao PDR, Myanmar and Vietnam developed their NFIS. SHIFT TA was overall for Cambodia, and partial for Lao PDR, Myanmar and Vietnam. The NFIS policy support continues during the programme period. It is difficult to get a continuous baseline between specific durations, and also for some indicators. However, between 2017 and 2019, the percentage of adults who report having an account at a bank combined with percentage of adults who report having an account at other formal financial institutions or payment service providers, increased by 12.9% in Cambodia. Around increase by 661 mobile money accounts per 10,000 population was achieved in Lao PDR between 2014 and 2018. 31% increase in adult population bank accounts was achieved between 2018 to 2020 in Myanmar.
<b>Output 3.1:</b> Financial inclusion demand survey and market diagnostic gathered	# of Financial Inclusion demand survey and market diagnostic gathered Target: at least 1 new study carried out per year taking into consideration gender disaggregated data	One financial inclusion demand survey was taken forward in Cambodia, and used as the basis for the initial draft of the National Financial Inclusion strategy. SHIFT provided TA for the financial inclusion demand survey in Myanmar, Vietnam and Lao PDR. Also Gender assessment of regulators was carried out in partnership with AFI, resulting in Sex disaggregated tool for regulators globally. Sex disaggregated data from Fop's were collected through Customer Journey and Gender Smart Product development work.
<b>Output 3.2:</b> The availability and use of big data and analytics is strengthened	# of studies elaborated and disseminated Baseline 0 Target: at least 1 data analytics piece every other year taking into consideration gender disaggregated data at least 1 thematic research report every other year taking into consideration gender disaggregated data 1 MAP study produced during the project	Over 80 publications (54 specific to the Data & Analysis Hub) of different comms materials during the life of the project. MAP for Cambodia, Lao PDR, Myanmar was produced. Data analytics using Findex for stakeholders, customer journey, gender smart product development, youth were undertaken. These were converted into research reports and publicly shared.
<b>Output 3.3:</b> Regional thematic cross-boarder research strengthens sectors products which drive and impact financial inclusion	# of Regional thematic cross-boarder researches produced Baseline 0 Target: at least 3 regional thematic cross-boarder researches produced taking into consideration gender disaggregated data	Over 80 publications (54 specific to the Data & Analysis Hub) of different comms materials during the life of the project. Remittance, women financial inclusion and overall women enterprises studies were produced during the programme period.

<p><b>Output 4. Policy and Advocacy:</b> Influence policy makers in financial service providers and governments to enable financial markets to be more responsive to the wider development priorities of governments and its people.</p>	<p># of research studies commissioned and disseminated</p> <p>Baseline: 1 think shop organized 2 ASEAN Conferences conducted so far</p> <p>Immediate Targets at least 1 policy note produced per year at least 1 conference organized per year One regional workshop per year @ 150 participants</p> <p>at least 3 strategic partnerships developed by the end of the programme at least 1 think shop per year organized at least 1 ASEAN Conference on Financial Inclusion per year conducted</p> <p>Long-term policy target:  <ul style="list-style-type: none"> <li>• Robust national financial inclusion strategies across 6 low-middle income ASEAN countries.</li> <li>• Leading financial institutions have gender strategies and operational plans.</li> <li>• ASEAN Economic Integration policies have integrated financial inclusion as a key priority backed by resources and plans.</li> </ul> </p>	<p>NFIS have been approved in Cambodia, Laos, Myanmar, Viet Nam during 2020. SHIFT support in this process was the greatest and most consistent in Cambodia, with more ad hoc support offered to Viet Nam, Lao PDR and Myanmar. Although their formal launch was planned for 2020, due to the COVID-19 outbreak this was temporarily delayed. However the actions planned are already being implemented by the respective countries.</p> <p>With AFI, SHIFT facilitated the development of 1 globally agreed action plan on sex disaggregated toolkit and women financial inclusion through Denarau Action Plan</p> <p>The UNCDF MAP programme with the support of SHIFT provided TA to ASEAN regulators for the development of a regional financial inclusion M&amp;E framework. This was completed and the first regional financial inclusion report based on this launched.</p> <p>SHIFT established strategic partnership with WC-FINC, AFI and ILO, as well as with national regulators across the CLMV region.</p>
<p><b>Output 4.1:</b> Improved coordination and policy cooperation between financial inclusion actors and actors pursuing a wider development agenda</p>	<p># of policy research and policy notes produced # of MAP synthesis produced # of stakeholder workshops conducted # of regional workshops/conferences organized</p> <p>Baseline: 2 MAP synthesis produced</p> <p>Targets: at least 2 new MAP synthesis produced at least 1 policy note produced per year at least 1 conference organized per year One regional workshop/conference per year @ 150 participants</p>	<p>SHIFT takes forward policy research throughout implementation, publishing 8 papers.</p> <p>Among them, several studies are taken forward producing reports on the Australia remittance corridors and ASEAN remittances as well as a gender deep dive.</p> <p>A data-based internal policy note was developed to advise the National Bank of Cambodia on setting possible 2022 targets for savings mobilization by the Cambodian microfinance sector.</p> <p>A collaborative policy note on remittances was developed with the ILO.</p> <p>In collaboration with AFI, various knowledge products are produced, and in Myanmar, SHIFT prepared a synthesis report of MAP results.</p>
<p><b>Output 4.2:</b> Accelerated implementation of national financial inclusion strategies in ASEAN countries.</p>	<p># of strategic partnerships developed # of think shops # of ASEAN Conference on Financial Inclusion conducted</p> <p>Baseline: 2 ASEAN Conferences conducted so far</p> <p>Targets: at least 3 strategic partnerships developed by the end of the programme at least 1 think shop per year organized at least 1 ASEAN Conference on Financial Inclusion per year conducted</p>	<p>SHIFT developed 17 strategic partnerships including with WC-FINC, AFI, ILO, IOM, UNDP, UNESCAP, MAS, UN Pulse Lab and regulators from across the CLMV and ASEAN region.</p> <p>One thinkshop is taken forward in January 2015 on Enhancing the Role of Finance in Expanding Equal Opportunities for Women to Access, Use and Benefit from Real-Economy Markets. Thinkshops also took the shape of webinars conducted on Gender mainstreaming based on work in Myanmar. A total of 5 thinkshops were organized during the project. Also webinars were participated and specific sessions organized around Challenge fund themes and sharing of findings from the remittance and youth study</p> <p>A total of 11 ASEAN conferences on financial inclusion were conducted.</p>



**SHIFT**  
SHAPING INCLUSIVE  
FINANCE TRANSFORMATIONS  
in the ASEAN region

## ANNEX III: SHIFT ASEAN 2020 Annual Report

January 2020 – December 2020

<b>REPORTING PERIOD</b>	1 January 2020 to 31 December 2020
<b>DONORS</b>	Department of Foreign Affairs and Trade (DFAT), Australian Government; Nederlandse Financierings Maatschappij Voor Ontwikkelingslanden N.V. (FMO); UNCDF Last Mile Finance Trust Fund (LMTF); Monetary Authority of Singapore (MAS); United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP); United Nations Pulse Lab Jakarta; VISA Inc.
<b>COUNTRY/REGION</b>	ASEAN + Bangladesh, Nepal, Fiji and Samoa <sup>ii</sup>
<b>PROJECT TITLE</b>	Shaping Inclusive Finance Transformations
<b>PROJECT ID</b>	Atlas Award ID (UNCDF Core): 00080730 Atlas Award ID (DFAT): 00081703 Atlas Award ID (FMO): 00086566, 00119315 and 00133694 Atlas Award ID (LMTF): 00103003 Atlas Award ID (MAS): 000111162 Atlas Award ID (UNESCAP): 00115189 Atlas Award ID (UN PulseLab):00112628 Atlas Award ID (VISA): 00106376
<b>PROJECT START/END DATE</b>	19 May 2014 to 30 June 2022
<b>TOTAL BUDGET</b>	<b>US\$ 33,433,574</b>
<b>FUNDED BUDGET RESOURCES BY DONOR(S)</b>	<b>TOTAL: US\$ 10,918,311.69</b> DFAT: US\$ 7,646,720 FMO: US\$ 1,084,061.71 (2015-2020) LMTF: US\$ 373,256.12 (2017-2019) MAS: US\$ 50,000 UNCDF Core: US\$ 547,500 UNESCAP: US\$ 653,630 UN PulseLab: US\$ 364,143.86 VISA: US\$ 199,000



<b>UNFUNDED BUDGET</b>	<b>US\$ 22,515,262,31</b>
<b>2020 TOTAL EXPENDITURE</b>	US\$ 823,246.18
<b>2020 TOTAL YEAR BUDGET</b>	US\$ 825,387.78
<b>2020 Delivery</b>	99.74%
<b>CONTACT PERSON</b>	Rajeev Kumar Gupta SHIFT Programme Manager Email: <a href="mailto:rajeev.kumar.gupta@uncdf.org">rajeev.kumar.gupta@uncdf.org</a> Tel: +66 (2) 304 9100 ext. 5356



## Table of Contents

Acronyms .....	4
Introduction.....	6
Cambodia .....	11
Lao PDR .....	12
Myanmar .....	15
Viet Nam .....	24
Indonesia.....	27
Regional ASEAN Initiatives .....	32
Multi-Regional (UNESCAP).....	43
Financial Summary.....	53
Lessons Learned and Challenges .....	54



## Acronyms

ACCA	Association of Chartered Certified Accountants
ADB	Asian Development Bank
ADBI	Asian Development Bank Institute
AFD	Agence Française de Développement
AFI	Alliance for Financial Inclusion
AFTECH	Asosiasi Fintech Indonesia
AML/CFT	Anti-Money Laundering and Counter Terrorism Financing
API	Application Programming Interface
ASEAN	Association of Southeast Asian Nations
AMBD	Autoriti Monetari Brunei Darussalam
BCEL	Banque pour le Commerce Extérieur du Laos
BFL	Banque Franco Lao
BoI	Bank of Indonesia
BoL	Bank of Lao
CBS	Core Banking Systems
CGAP	Consultative Group to Assist the Poor
CIFC	Council for International Financial Cooperation
CLMV	Cambodia, Lao PDR, Myanmar and Viet Nam
CMA	Cambodian Microfinance Association
DFAT	Department of Foreign Affairs and Trade
DFID	Department For International Development (UK)
DFS	Digital Financial Services
EFA	Expanding Financial Access
e-KYC	Electronic Know Your Customer
FMCG	Fast Moving Consumer Goods
FMO	Netherlands Development Finance Company
FSP	Financial Service Provider
FTB	Foreign Trade Bank of Cambodia
GT	<u>Gandengtangan</u>
GEF	Gender Equality Fund
GEM	Green Energy Mobility
IAMTN	International Association of Money Transfer Networks
IC	Investment Committee
IDRC	International Development Research Centre
KB	Kookmin Bank of South Korea
KBZ	Kanbawza Bank
LBVD	Livestock, Breeding and Veterinary Department - Myanmar
LVPB	LienVietPostBank
MAP	Making Access Possible
MAFIPP	Making Access to Finance More Inclusive for Poor People
MCB	Myanmar Citizens Bank
MDI	Microfinance Deposit-taking Institution
MFI	Microfinance Institution



MNO	Mobile Network Operators
MOWA	Ministry of Woman Affairs (Cambodia)
MRM	Monitoring and Results Measurement
MSME	Micro, Small and Medium Enterprise
NDA	Non-Disclosure Agreement
NFIS	National Financial Inclusion Strategy
NPL	Non-Performing Loan
OJK	Financial Services Authority of Indonesia
PAYGO	Pay-as-you-go
PBA	Performance Based Agreement
PPI	Poverty Probability Index
PPDI	Association of Indonesian Disabled People (PPDI)
DPO	Disabled People's Organizations
PWA	Progressive Web Application
RBF	Results Based Financing
SADC	South African Development Community
SBV	State Bank of Viet Nam
SCB	Siam Commercial Bank
SDC	Swiss Agency for Development and Cooperation
SEP	Small Enterprise Productive Loan (BRAC)
SEEP	Small Enterprise Evaluation Project
SHIFT	Shaping Inclusive Finance Transformations, UNCDF Regional Programme
SIDA	Swedish International Development Cooperation
SHS	Solar Home System
SNV	Netherlands Development Organization
TOT	Training of Trainer
UAT	User Acceptance Testing
UNCDF	United Nations Capital Development Fund
UNDP	United Nations Development Programme
UNESCAP	United Nations Economic and Social Commission for the Asia Pacific
UNSDG	United Nations Sustainable Development Goals
USAID	United States Agency for International development
WC-FINC	ASEAN Working Committee on Financial Inclusion
WC-PSS	ASEAN Working Committee on Payments and Settlement Systems
WLB	Women's Livelihood Bond
WME	Women's Micro Enterprise Loan (BRAC)
WWB	Women's World Banking



## Introduction

This document is Q1 to Q4 report for the UNCDF SHIFT Financial Inclusion programme in the ASEAN, covering the period from January 1<sup>st</sup>, 2020 through to the end of December 2020.

For contextual purposes some activities from 2019 are referenced. This report was prepared using data collected from programme internal data sources including mission reports, team meetings and monitoring and results measurement (MRM) dashboards, as well as partner reporting, stakeholder reporting/feedback and results-based measurement field activities.

The UNCDF SHIFT ASEAN programme commenced in mid-2014 with the goal of directly reaching 1 million and indirectly reaching 5 million low-income people and micro, small and medium enterprises (MSMEs), of which 65 per cent are women. Within the scope of this programme, UNCDF SHIFT has mobilized funds in the amount of over US\$ 10 million, out the total US\$ 33.4 million required for full programme operations. Despite the funding gap, SHIFT ASEAN has managed to exceed its direct beneficiary target of 1 million and is on its way to reaching its indirect beneficiary target by having reached almost 1 million people indirectly through the Challenge Fund investment mechanism<sup>1</sup>.

While cumulative programme access numbers have continued to grow, more than half of the reporting period was affected by the appearance, spread and impact of the COVID-19 outbreak, which has had profound implications for national economies, as a series of preventive measures were implemented to stop its spread nationally and across the world. This has included restrictions on mobility and the closure of non-essential businesses. This has inevitably impacted the programme end beneficiaries and partners, who have had to respond to this situation by adjusting their business models, reviewing their targets and timelines, and offering their clients additional support and service flexibility where needed as many programme end beneficiaries were faced with the loss of income by business closure or downscaling, and/or loss of employment.

By Q4 2020, programme cumulative access figures reached 2,950,632 million clients, which are well above the target cumulative of 1 million. With respect to usage, this is now at 39.6<sup>2</sup> per cent and is calculated on the basis of the active portfolio only. As such, this now avoids the skewing effect of LVPB with which this figure was much lower. With respect to women specific outreach, 39.5 per cent of the programme access is represented by women.

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<sup>1</sup> Indirect beneficiaries here are clients of grantees that have accessed a new financial service developed through SHIFT support while not being the actual funded and approved business model. The way this is calculated is currently being reviewed.

<sup>2</sup> Including only active portfolio.



## Executive Summary

Throughout the year, the UNCDF SHIFT programme has continued to work towards its goal of creating an enabling financial ecosystem, through working with the public and private sectors, to support the financial inclusion of women and women owned MSMEs.

The latest data collected (Q4 2020) show that in 2020 **an additional 169,109 clients** have been reached through the SHIFT Fund Facility, thus totalling an overall outreach at **2,950,632 million (39.3 per cent women)**. It is to be noted that this is more than the 65% of 1,000,000 target beneficiaries in the SHIFT ASEAN Project Document. Of this number **74,223 are entrepreneurs<sup>3</sup> (85.8 per cent women)** and **2,876,409 are individuals (38.1 per cent women)**. Overall usage across the active portfolio is now at **39.6<sup>4</sup> per cent** (above the commercial standard of 15 per cent) which represents an improvement from previous reporting as LVPB has now completed their reporting period. In terms of loans, as of Q3 2020, a total of **113,748<sup>5</sup> loans** (an increase of 16.5% compared to 2019) have been disbursed by SHIFT ASEAN partners throughout the lifetime of the project, of which **65,572<sup>6</sup> (57.6 per cent)** have been made to women.

Programme progress in 2020 has been partially impacted by the COVID-19 outbreak which since mid-March has resulted in the temporary suspension of regional travel, workshops, trainings and all the other activities which require a physical presence. As such, programme partners were initially more focused on responding to the outbreak, by adjusting their activities, including their business models. This was necessary due to the impact the outbreak had on economic activities, especially amongst those in non-essential industries which in most countries were forced to close temporarily. Within this context, digital platforms however, were able to show their relative resilience and advantage as they were mostly able to continue operating and ended up concentrating much of the market's financial transactions. In the cases of business models that were not fully digital, partners accelerated the implementation of digital service delivery channels, and/or pivoted their business towards digital services.

In Cambodia, after the approval and finalization of the NFIS in July 2019, the NBC moved towards its implementation. UNCDF SHIFT supported this process, providing technical assistance where needed. This was mainly focused on creating an appropriate governance structure for the NFIS, as well as a M&E framework, both of which were finalized and approved by the bank governor. The launch of the NFIS was temporarily postponed due to the COVID-19 outbreak, and in the meantime the NBC has approved a FinScope and MAP refresh which will be completed using lean methods by Q2 2021.

With respect to facilitating the development of a wide range of inclusive financial services, to date 6 business models have been funded in Cambodia, of which two within the scope of access to clean energy (W1), one women's economic empowerment (W2), one regional remittances (W3) and 2

<sup>3</sup> Aeloi, SparrowPay, Romoni, i-Farmer, SHE, Banhji, Awantunai, Gandengtangan, Julo, Modalku, BRAC and AWBA

<sup>4</sup> Including only active portfolio.

<sup>5</sup> Greenlight, Brighterlite, Kamworks, BRAC, LVPB, Awantunai, Gandengtangan, Modalku, Julo, i-Farmer

<sup>6</sup> Greenlight, Brighterlite, Kamworks, BRAC, LVPB, Awantunai, Gandengtangan, Modalku, Julo, i-Farmer



women's MSME financing (W5). Window one and two business models have now completed their M&E and reporting cycles and have discontinued progress reporting. Good progress was made by the supported partners during implementation; however, they did not scale up their original business models. Nevertheless, indirect results were observed with the launch of the national transfer services by AMRET in partnership with agent networks. Also, as AMK enters its M&E year, it is expected that its remittances service will gain traction and during this time, the two new Window 5 partners have advanced, launching their bookkeeping and loan services.

SHIFT activities in Myanmar have continued. All Window 1 and 2 partners, including Greenlight Planet, AWBA and Wave Money have now completed their M&E and reporting cycles and have discontinued progress reporting. BRAC is still ongoing having signed a PBA time extension amendment until the end of 2020. As the majority of its loan portfolio is based on group loans and regular meetings, the initial impact of the COVID-19 outbreak was significant forcing them to stop onboarding new customers and delay their geographical expansion. Since then, BRAC has recovered, launching a series of response measures which have helped their customers refinance and reschedule their pending loans payments. In Window 5, Zigway and Mother Finance have been added to the portfolio. The former, has faced challenges establishing a partnership to roll out its business model. Within the scope of the Gender Transformative Finance Initiative<sup>7</sup>, work has also progressed with BRAC, as well as with LOLC and KEB HANA MFIs. Between them, they shared 650,000 customer transaction records which were used to make a dashboard used as the platform of a training on data collection and analysis. This formed the basis of a product ideation process that has continued through regular mentoring sessions and which has now been almost finalized. Additionally, customer journey qualitative research was taken forward with BRAC in partnership with Columbia University, and the lean data surveys were finalized with BRAC and LOLC. Both informed the product ideation process. The Gender Equality Fund (GEF) activities were finalized in early 2020 with the organization of the workshop on Improving Women's Access to Money and Markets: The Business Case for Myanmar Financial Service Providers, and the publishing of the policy discussion paper on regulatory constraints for women to be financially included in Myanmar. A webinar based on this was taken forward in April 2020. The National Financial Inclusion Strategy (NFIS) (2019 – 2023) in Myanmar, finalized with support from SHIFT was approved, although its launch was delayed by the COVID-19 outbreak.

In Lao PDR, the only business model that was supported by the Fund Facility has now closed. With respect to the NFIS, this has now been approved by the Banque of Lao (BoL), although its official launch was temporarily delayed due to the COVID-19 outbreak. UNCDF has continued to support BoL with technical assistance in NFIS governance structures as well as a national NFIS M&E framework. The BoL has now also approved taking forward a FinScope and MAP refresh using lean data methods to update the basis on which the NFIS was originally produced. This will be completed by Q2 2020 and UNCDF SHIFT will provide technical assistance.

All Fund Facility partners in Viet Nam have now completed their additional reporting and M&E cycles and have discontinued progress reporting. A lean data survey was completed with 107 LVPB clients. The results were summarized and are pending LVPB revision. No further progress was made with the SBV, although SHIFT was recently informed that the NFIS was approved and that they would be

<sup>7</sup> Initiative funded by FMO and DFID.



requesting specific technical assistance for its implementation. SHIFT supported the integration of gender disaggregated targets in the NFIS.

Although the impact of COVID-19 in Indonesia has been significant, almost all of the challenge fund partners had digital financial services which were relatively resilient in this context. Almost all continued to offer their services throughout this period including loans and cashless payments. Even so, most did have to adjust their loan provision requirements choosing to stop lending to the riskiest segments. Many were also faced with the need to restructure their loan portfolio, as many of their customers' sales were affected by the COVID-19 outbreak. This included waiving interest payments and extending loan repayment periods. The latter was facilitated by the Bank of Indonesia which relaxed some of its mandatory deposit/liquidity ratios. Some of the partners also partially pivoted their business model incorporating e-commerce platforms and their users as their own customers. All partners in Indonesia completed their M&E period at the end of Q2, 2020 and final reports have been completed.

As part of the multiregional support from UNESCAP and FMO to SHIFT ASEAN, some of the investments are made in the SAARC and in the Pacific regions. With respect to SHIFT partners in Bangladesh, Nepal and the Pacific, progress has been mixed with some needing to make important adjustments to their business model to accommodate for the new context created by the COVID-19 outbreak. This includes Romoni that has temporarily pivoted towards a new client segment, offering a range of essential services and aiming to develop an e-commerce platform. i-Farmer had to temporarily suspend livestock rearing activities, but these were resumed with great sponsorship interest. They have now also incorporated women vegetable and fruit farmers amongst their beneficiaries and partnered with e-commerce platforms to launch B2C services<sup>8</sup>. In Nepal, the total lockdown affected local partners significantly, forcing them to adjust their business models by connecting to e-commerce platforms (SparrowPay) and using Safa Tempo drivers as delivery channels for essential products (where possible). In the Pacific progress has been slower, although SkyEye has now received a No Objection Certificate from the Central Bank of Samoa to launch the payments gateway. Due to these difficulties, all of the partners in these countries have received a 1-year PBA extension.

Overall remittance flows have decreased due to the COVID-19 outbreak as many people have lost their jobs meaning that they are no longer able to remit money. Even so, remittance service providers using only digital channels have benefitted from this situation, concentrating more remittances flows as people were not able to access remittance cash in/out points. Both Thunes and SingCash are such digital platforms. Both have also continued to search and establish new partnerships, and one true advantage for them has been the ability to offer real time digital transactions. AMK however, has been slower to respond to this context and has not yet seen important benefits. Data hub work with Thunes has resulted in the development of a dashboard of its transaction data and further use for this is currently being explored. In partnership with the WC-FINC, SHIFT has continued to collaborate with UNCDF MAP in the implementation of two training activities aimed at central bank staff across the ASEAN region with the aim of developing a common M&E framework and reporting procedure. To this end, a policy guidance note was developed and endorsed. The regional financial inclusion M&E report is now completed and [published](#). In terms of resource mobilization, SHIFT ASEAN has prepared a concept note for another challenge fund window focused on strengthening women's enterprise

<sup>8</sup> Please see joint blog with UNESCAP [here](#).



livelihoods, COVID-19 recovery and climate resilience by leveraging digital financial solutions. Funding for this has been committed from FMO and UNESCAP, with VISA supporting through technical assistance.

Overall, UNCDF SHIFT ASEAN activities have continued to feed into its intermediate as well as outcome level results which include the launch of a wide range of inclusive financial services and products, some of which are being scaled, accelerating the implementation of national financial inclusion strategies in ASEAN countries, improving the capacity of professionals working on financial inclusion, making financial inclusion data publicly available and overall developing an enabling environment which is conducive to the expansion of inclusive financial services across the ASEAN region.



## Cambodia

SHIFT programme activities in Cambodia were launched in 2015, and since then initiatives have been taken forward under all SHIFT workstreams: fund facility, learning and skills, data hub and policy/advocacy.

In Cambodia, within the scope of the fund facility there have been six investments in total, two on clean energy financing, one investment on women's financial inclusion, one investment on remittance solutions (details on remittance investments are found in the section titled "Regional ASEAN Initiatives"), and two as part of the multiregional window on women's MSME financing (details on these investments are found in the multiregional section of this report). All window 1 and 2 grantees in Cambodia are now closed having completed their implementation period as well as their additional year of M&E. Hydrologic and Kamworks completed their final report in 2019, and having included these findings already in the 2019 annual report, they will not be included here.

Investment Milestone Progress:

Grantee	Amret	Hydrologic	Kamworks	Total
Status	Closed	Closed	Closed	
Disbursed Milestones		1	1	3
Remaining Milestones		5	5	14
Total		6	6	19

Since 2015, UNCDF SHIFT has provided in-depth technical assistance to the National Bank of Cambodia (NBC) in the development of their National Financial Inclusion Strategy, (NFIS), which was finalized in 2017 and in 2019 received high level government approval. Since then, NBC has focused on the NFIS implementation, as well as updating its content and refreshing the data on which it is based. The official launch of the NFIS has currently been delayed due to the COVID-19 outbreak.

Overall, in Cambodia, UNCDF SHIFT has conducted 7 trainings with 147 regulator and financial service provider (FSP) employees in data analysis and collection. The last delivered training (November 2018) included updated content on product development, which was evaluated with positive results. Four FSPs also partnered with UNCDF SHIFT in undertaking big data analysis, aimed at facilitating the development of new financial products targeting UNCDF SHIFT customer segments, by gaining insights into client specific usage trends, market gaps and adjustments for customer centric product design.

Together, these activities have fed directly into programme outcome level results allowing UNCDF SHIFT to influence the market and accelerate financial inclusion by partnering with the private sector in the launch of inclusive financial services. Also, UNCDF SHIFT's focus on strengthening the markets supporting functions has resulted in the creation of an enabling environment for market development



and financial inclusion as well as the improved capacity amongst market professionals who work in financial service delivery and financial inclusion policy. This has led to important behavioural changes amongst programme partners, building a platform for the sustainable uptake of programme objectives and widening programme impact.

### **Fund Facility**

All the investments have closed.

### **Learning and Capacity Building**

No specific learning and capacity building activities were taken forward in Cambodia in 2020. Learning and capacity building activities associated to regional M&E frameworks are described within the scope of the regional section of this report, and any work taken forward within the scope of the NFIS is reported in the policy section below.

### **Data and Analysis**

No specific data hub activities were undertaken between Q1 and Q4 of 2020. Even so, the NBC has now approved completing a FinScope refresh (demand side) using lean data methodology (mobile tracker survey), and currently a Letter of Agreement (LoA) is being signed with UNCDF. Survey implementation is scheduled for Q1 2021. Furthermore, the NBC has also approved taking forward a MAP refresh so as to get an updated market overview. This MAP refresh is being done by UNCDF SHIFT in partnership with the MAP programme and implementation will begin in early 2021.

### **Policy and Advocacy**

After the approval and finalization of the NFIS in July 2019, the NBC moved towards its implementation. UNCDF SHIFT supported this process providing technical assistance where needed and requested. As such, technical advice was provided on the NFIS governance structure development which now has included the establishment of a NFIS Secretariat or a Department for Financial Inclusion within the bank. It is envisioned that the inter-ministerial working group on financial inclusion also continue to have a role, becoming an implementation monitoring committee for the NFIS. UNCDF SHIFT also supported the NBC with the development of a draft M&E framework for the NFIS, tracking the indicators, including the sex disaggregated ones. This was adopted for use having made some minor changes to the proposed indicators themselves. This framework is more detailed than the framework that was produced as part of the M&E workshops organized by the WC-FINC and described in the regional section of this report. To launch the NFIS, the NBC had originally planned an event in March 2020 which was going to be combined with a meeting of donors to establish funding support for the NFIS implementation. However, due to the COVID-19 outbreak, this event has been postponed with no rescheduling planned for the moment.

### **Lao PDR**

Since the programme's launch, activities in Lao PDR have included investing in a women's economic empowerment business model aimed at building out DFS offerings for merchants selling fast moving



consumer goods. Due to a change in business model, the initiative did not reach its targets, however the grantee continued to expand its DFS service offering in the market.

#### Milestone Progress

Grantee	BFL	Total
Status	Closed	
Disbursed Milestones	1	1
Remaining Milestones	3	3
Total	4	4

In Lao PDR, UNCDF SHIFT activities related to policy and advocacy focused on the Bank of Lao for the development of its NFIS which was approved and implementation was being planned with SHIFT technical guidance on governance structures and M&E frameworks. SHIFT support was also channelled through its regional activities and advocacy efforts with the ASEAN WC-FINC, which proved to be critical to pushing the Lao PDR NFIS forward. Furthermore, UNCDF SHIFT continued to focus on capacity development through regional capacity building initiatives.

National level outcomes/results are more difficult to observe in Lao PDR at this stage. However, SHIFT indirect technical assistance through the ASEAN Working Committee, in combination with further bilateral technical guidance on the NFIS, mean that UNCDF SHIFT has supported in capacity creation amongst regulator staff, which has ultimately contributed to the creation of an enabling environment for financial inclusion. Additionally, UNCDF SHIFT work through the data hub also contributed to local FSP capacity in customer centric product development, allowing them to make more informed decisions. Lastly, it is to be noted that a broad “Memorandum of Understanding” (MOU) with the Bank of Lao PDR, which was discussed since 2019, has now been signed, providing a basis for stronger collaboration in the future.

#### **Fund Facility**

##### Banque Franco Lao

At the end of 2019, BFL completed its implementation and additional M&E year. This partner was therefore no longer required to report on a quarterly basis, and was requested to complete the final report, which was followed up with a final call and short survey on their partnership experience. Although over the lifetime of the partnership BFL was not able to launch the financial service that they had planned to (E Wallet), the Managing Director of BFL indicated that the experience triggered their interest to fully develop their digital B2C channels, culminating in the launch of their mobile banking app in March, 2019. The latest data provided by BFL (Q3 2019) suggested that the app had 1,959 registrations since its launch. It was communicated to UNCDF that BFL was taking a step by step approach to wallet roll out and that it was likely that in the long term an e-wallet would be launched, especially as the market matured. An estimated timeline for this was 2 years, and in the meantime, they aimed to increase the mobile banking apps usage ten-fold. In terms of learnings they indicated that working with a larger partner could have strengthened the initial launch of an e-wallet. Overall, their evaluation of the partnership with UNCDF was positive.



With respect to the COVID-19 outbreak, BFL indicated that they observed an increase in unpaid loans as people faced decreasing sales and income. BFL responded by giving their customers a grace period for the repayments, and extensions on loan maturity. Furthermore, they decreased their commission for the use of POS units. Overall, they saw an increase in digital transactions and less cash usage. Loan distributions also were affected by the impossibility to enforce collateral requirements on loans during this period. The business model rolled out under SHIFT could have contributed to the relative resilience showed by the partner during COVID-19.

### Data and Analysis

No specific data hub activities were undertaken between Q1 and Q4 of 2020. Even so, the Banque of Lao (BoL) has now approved completing a FinScope refresh (demand side) using lean data methodology (mobile tracker survey) to track the main financial inclusion indicators between larger scale FinScope Consumer Surveys. Currently a Letter of Agreement (LoA) has been signed with UNCDF and a consultation is being planned with the Bank's statistics unit. Survey implementation is scheduled for Q1 2021. Furthermore, the BoL has also approved taking forward a MAP refresh so as to get an updated market overview. This MAP refresh is being done by UNCDF SHIFT in partnership with the MAP programme and implementation will likely begin in Q1 2021. Its implementation will open new avenues for SHIFT to engage with the BoL.

### Learning and Capacity Building

No specific learning and capacity building activities were taken forward in Lao PDR in 2020. Learning and capacity building activities associated to regional M&E frameworks are described within the scope of the regional section of this report, and any work taken forward within the scope of the NFIS is reported in the policy section below.

### Policy and Advocacy

In Q4 2019, the Lao PDR NFIS was approved with indirect contributions (peer-pressure) made by SHIFT through the Working Committee on Financial Inclusion (WC-FINC) and the Southern African Development Community (SADIC). Since then the BoL had planned its implementation with a small launch event aimed at raising funds, although this had yet to be confirmed and was pending endorsement by the bank governor. SHIFT was supporting the BoL by providing a small amount of funding for the event, as well as financing the preparation of hard copies of the strategy which were going to be distributed during the event. Since the start of the COVID-19 outbreak, the event was delayed and is pending rescheduling.

In 2020, BoL continued to request support from UNCDF SHIFT in the form of technical assistance/guidance. This was taken forward within the framework of the MoU that was signed with them. Support was requested for the development of the NFIS M&E framework as well as its implementation governance structure. In both cases, SHIFT built on the programme experience in Cambodia by sharing the templates used by the NBC, as well as the draft outputs. As such, the BoL was also considering establishing a financial inclusion unit within the bank. Progress on this is now pending. In addition, SHIFT has been collaborating with the other UNCDF programme MAP to implement a refresh of the MAP survey which should be completed by Q2 2021.



## Myanmar

Since the launch of UNCDF SHIFT, activities in Myanmar have been taken forward under all SHIFT workstreams: fund facility, capacity building, data hub and policy/advocacy.

Under the fund facility, there have been seven investments in total, three on clean energy financing, three investments on women's financial inclusion and two for women's MSME financing. Results related to the latter will be presented in the multiregional section of this report, and it is important to note that two additional investments were made on remittance solutions for the Myanmar – Singapore remittance corridor, although the grantees in these cases are not based in Myanmar, (further information on these investments can be found in the "Regional ASEAN Initiatives" section of this report).

Of the investments in this section, all but one (BRAC) are now closed having completed their implementation and additional M&E year in partnership with UNCDF SHIFT. Brighterlite and Biolite completed their final report in 2019 and having included this in programme reporting in 2019 will not be included here.

### Milestone Progress:

Grantee	Greenlight	Brighterlite	Biolite	Wave Money	BRAC	AWBA	Total
Status	Closed	Closed	Closed	Closed	Completed	Closed	
Disbursed Milestones	4	3	1	3	4	4	19
Remaining Milestones	0	2	4	3	0	2	11
<b>Total</b>	<b>4</b>	<b>5</b>	<b>5</b>	<b>6</b>	<b>4</b>	<b>6</b>	<b>30</b>

Since 2015, UNCDF SHIFT has indirectly supported the development of the Myanmar NFIS by providing technical guidance to the UNCDF Myanmar Country Office which acts as the Secretariat for the Myanmar NFIS. Specifically, guidance has been given in the area of data analysis and collection, supporting the review of the MAP FinScope findings and undertaking a deep-dive analyses on specific themes, including remittances.

Within the framework of the Australia Gender Equality Fund (GEF), SHIFT took forward capacity building activities with 10 Financial Service Providers (FSPs), who completed a Gender Self-Assessment related to gender mainstreaming within their institution. This was followed up in 2019 by a training and one on one mentorship on gender sensitive HR policies for 6 of these partners. A training was also taken forward on gender sensitive product development in 2018 and in August 2019, the assessment was published as a toolkit which was launched through a training webinar. As a final activity, a conference on women's access to money and markets took place in February 2020.



As a result of this, a partnership was established with DFID and FMO that are now funding additional technical and data analytics trainings with 3 FSPs, some of which also participated in the GEF training. This has now reached the support finalization stage having supported the participating partners with biweekly mentorship sessions with UNCDF data hub staff. Furthermore, linked lean data surveys were prepared and launched and Columbia University collaborated with UNCDF SHIFT to research the customer journey of some of the supported FSPs.

Overall, these new initiatives fed directly into programme outcome level results, allowing SHIFT to further accelerate financial inclusion through its investments in inclusive financial services such as those developed by BRAC, Wave and AWBA, as well as create further capacity amongst professionals working in financial inclusion through its training activities.

### Fund Facility

In Myanmar, all Window 1 and 2 grantees have completed their implementation and additional M&E year with UNCDF SHIFT. The exception is BRAC, with whom an extension amendment was signed in June 2019. All of these investments were supported by the Department of Foreign Affairs and Trade (DFAT) Australia, with two, AWBA and BRAC, receiving particular support from the Australia Gender Equality Fund (GEF) which has also been finalized. Wave Money was also co-funded by the UNCDF Expanding Financial Access (EFA) programme, and Greenlight Planet was co-funded by the UNCDF CleanStart programme.

#### AWBA 1-STOP (NearMe)

At the end of 2019, AWBA (NearMe) completed their implementation and additional M&E year with UNCDF SHIFT. They also completed the final report and call, as well as the survey evaluation on the partnership experience with UNCDF. Overall, the partnership was well evaluated. Since their launch in September 2017, NearMe reached a total of 7088 women agents across Myanmar (Yangon, Mandalay and Naypyidaw) who used the payments platform to offer a variety of services including mobile top ups, utility payments and credit repayment instalments. The women that were onboarded to the NearMe platform were able to supplement their household incomes with the commissions paid to them, and at the end of 2019 the service was being transitioned onto POS units, replacing the smart phone as the main tool for interactions. Overall, the business model experienced significant growth throughout the implementation period, although activity rates amongst agents remained relatively low. In terms of lesson learned, NearMe indicated that in the future they would like to avoid the presence of duplicate and inactive agents. For this, they identified the need to implement an improved agent monitoring and oversight system, along with improved support and training. The business model was continuing to scale as NearMe expanded geographically, as well as with the services it offered. NearMe observed that some market competitors have replicated some of their services although this has not been confirmed by SHIFT. Finally, it is important to note that the initial design and launch of the digital loans for NearMe agents through MAHA was innovative for the Myanmar market at the time, and although this experience was not successful, it was the first of its kind.

With the objective of gaining better insights into the profile of the NearMe agents, SHIFT, in collaboration with the partner, is currently implementing a survey which was initially going to be taken forward in the first half of 2020, but was postponed due to the COVID-19 outbreak. The first stage of



this research included a kick-off workshop to harmonize expectations and define the initial scope of the work. Based on this, key informant interviews with key stakeholders in Myanmar are now being taken forward. This includes informant interviews with UNCDF Myanmar staff and NearMe staff. The aim of these interviews is to get insights on agent operational guidelines, standard operating procedures and industry benchmarks. This has now been completed and UNCDF assessment of the final report will be shared with the relevant stakeholders in Q1 2021.

Finally, with respect to the COVID-19 outbreak, NearMe indicated that around 70 per cent of their agents were live (early in Q2 2020), most of which were using POS units. As a digital service that is taken forward from an agent's home, they had not observed a significant drop in their sales, especially as the largest proportion of their sales was for mobile top ups. To support their sales and agents, NearMe had reinforced their call centre with more staff so that they could offer better help to their clients.

### BRAC

Due to the COVID-19 outbreak, quarterly reporting was temporarily postponed between March and June 2020. During this time, BRAC was contacted informally to establish the impact of the outbreak and BRAC's response which was initially to restrict new members admission, new loans disbursement and loans collection activities. This was because restrictions were placed on gatherings, which meant that their group loan members were not been able to meet. As financial literacy training was also taken forward during these meetings these were also suspended. Nationally, BRAC temporarily postponed their expansion into new geographical areas, as well as the opening of a new office. Overall, their clients were significantly impacted by the COVID-19 outbreak, as market demand for some of their products and services decreased. Also, Myanmar Government has ordered to defer repayments for all micro finance institutions and lend at the lowest rate to counter COVID-19 impact. BRAC has seen an increase in loan disbursements in Q3 reaching to 4,433 loans for the quarter but this number was significantly reduced in Q4 reaching only 1,059 loan disbursements for a total of 24,598 since the start of the project (87 per cent women).

Although in general BRAC has maintained their loan conditions, they have made it easier to access new loans by discontinuing the requirement of having paid off previous loans to get a new one. Currently loan applicants can apply for a new loan with 40 per cent of their previous loan outstanding. This modality was used to disburse 2,188 new loans. Loan repayment rescheduling options (applied to 3,820 loans) were also introduced, and top up loans has been launched in Q4 2020 to facilitate their existing client's economic recovery. The demand for these services has been high, especially in areas affected by COVID-19. Overall, 10 per cent of their portfolio has required loan refinancing, and although the PAR-30 (portfolio at risk) has increased to 4.15 per cent, this could have been higher had the new options not been introduced thanks to SHIFT support. The livelihood implications of the COVID-19 outbreak have been evaluated through 2 surveys with all their clients. Survey results will be shared with UNCDF.

The COVID-19 outbreak has influenced the loan repayment rates as well as the use of the voluntary savings collections both of which have decreased substantially. In response, loan repayment requirements during April and May 2020 were suspended, without charging clients the interest which was written off. This did not affect the clients savings accounts for whom interest payments were



maintained. Currently 40 per cent of their clients have voluntary savings linked to their loans. BRAC is confident that business will return to normal, but if there is another lockdown, they will probably have to take additional measures. They have also tested new digital repayment channels with Onga agents which should be scaled up and this has been an opportunity to further pilot its digitization model for which it requested UNCDF SHIFT financial assistance.

During this time, BRAC has been in continuous contact with its clients, offering them the new loan repayment options and services and launching a COVID-19 awareness rising campaign throughout its operational areas reaching approximately 143,000 clients and extending psychological support where necessary.

UNCDF SHIFT has continued to work with BRAC within the framework of the Gender Transformative Finance initiative building on the GEF work and funded by DFID and FMO and details on progress and support activities are presented below in the data and analysis section.

#### Wave Money

At the end of 2019, Wave Money completed their implementation and additional M&E year with UNCDF SHIFT. Although a final report was not shared, a final call was taken forward with them and they also completed the partnership evaluation survey. Overall, they gave a positive evaluation of the partnership with SHIFT. The latest data received from Wave Money (Q4 2019) indicated that the financial literacy app had been downloaded by 10,208 individuals (48 percent women) since the start of the project, with 6,515 people completing at least 1 level of the game (48 per cent women) and 799 (37 per cent women) signing up for the Wave Money E-Wallet service after having played the game. This was well below the target of 200,000 downloads, which seems to have been overly ambitious, especially as Shwe Toe was allocated a minimal budget for development throughout the implementation period. The future of the app is unfortunately not clear and was pending a decision by the new Wave Money sustainability team. Nevertheless, they indicate that this experience did allow them to reach new markets (women) and understand their needs better. If they do decide to continue to develop the game, the content needs to be updated as they feel it may have been too basic. Furthermore, as the game design was outsourced, they had little control over its content and would again need to depend on an external service provider for updating it. Nevertheless, learnings from the game were applied to the wallet and it was a first of its kind in Myanmar.

#### Greenlight Planet

At the end of 2019, Greenlight Planet completed their implementation time and additional M&E year with UNCDF SHIFT. The final M&E activities with them included the completion of the final report, the final call and satisfaction survey. The partnership with UNCDF was evaluated positively. Greenlight Planet highlighted their key achievements as the sales of over 9,000 units, which was well above their PBA target of 4,300, and the hiring of 39 full time employees. Throughout the partnership, they were able to distribute over US\$ 500,000 in loans with almost 34 per cent of their products going to women. With respect to lessons learned, they indicated that the market had strong cash preferences and therefore it had been key to accommodate for this by implementing a hybrid payment collection system which allowed for cash and digital payments. Furthermore, when they launched their products, local awareness of solar power was low due to the widespread use of biomass and car batteries for



energy. As such, sales did not increase as fast as they had expected, and extensive marketing was required to highlight Solar Home Systems (SHS) benefits. Unit affordability was also key for product uptake, as well as the product mix which had to be adjusted to cater for initially lower budgets, and eventually larger SHS units which were sold bundled with televisions. Affordability was maintained through accessible financing schemes which offered the longest repayment periods of Greenlight globally. As a new product Greenlight also found it a challenge to source the right employees and staff.

Greenlight indicated that it is now committed to the Myanmar market, and that it was planning to leverage its initial experience to expand its operations geographically into new areas of Myanmar. They had also been incorporated into the World Bank Results Based Financing (RBF) off grid solar programme which provides participating companies with results-based subsidies selling Lighting Global certified products and implementation support.

In terms of the COVID-19 outbreak, Greenlight Planet reported impacts on its ability to take forward payment collection activities as most of their clients were still transacting in cash. Furthermore, many of their clients experienced a decrease in their incomes, affecting their repayment ability.

### Learning and Capacity Building

Between November 2017 and April 2018, SHIFT with the support of GEF, developed a gender self-assessment tool and worked with 11 FSPs to apply it. Based on this pilot initiative the [Gender Self-Assessment Toolkit for Financial Service Providers](#) was developed and published onto the internet and has since received 247 views and 16 downloads. To further disseminate its content and availability, a webinar was taken forward in August 2019, with the aim to provide attendees with the insights from the assessment, guide them in toolkit use and present examples of concrete actions to overcome institutional gender related challenges. Further GEF activities included a training in gender sensitive product development which was taken forward in October 2018 and fed into programme high level outcomes including improving the capacity of professionals in the market and contributing to the development of new inclusive financial products. Towards the end of 2019, a series of gender related research and training activities were also taken forward with a focus on revising the existing gender related institutional policies and supporting the FSPs in the development of gender sensitive HR policies and equal opportunities amongst their staff.

Building on these previous activities, in February 2020 UNCDF SHIFT hosted a workshop on *Improving Women's Access to Money and Markets: The Business Case for Myanmar Financial Service Providers*. This half day event was organized with the aim of sharing the case studies of the lessons learned by the FSPs in Myanmar that received UNCDF GEF support, and in so doing, highlight the business case of serving women's markets and managing their operational gender impacts. The agenda for this event included presenting a series of case studies on using sex disaggregated data for a women centric approach to business, women sensitive product development, enhancing women's participation in the workforce and women's access to money in conflict regions. Overall, the activity was attended by 56 professionals from international organizations as well as local financial service providers. The activity was well evaluated in terms of content although some of the participants felt that the workshop could have incorporated more opportunities to discuss the topic and interact.



Although the Australia Gender Equality Fund (GEF) has now been finalized, this initiative formed the basis of the Gender Transformative Finance initiative which is now being implemented jointly with DFID and FMO (as the investors), UNCDF (which is undertaking data analytics and training), the Royal Tropical Institute (which is supporting case study development and the development of a wider gender methodology), and Consultative Group to Assist the Poor (CGAP) (which will be supporting on the dissemination of lessons learned).

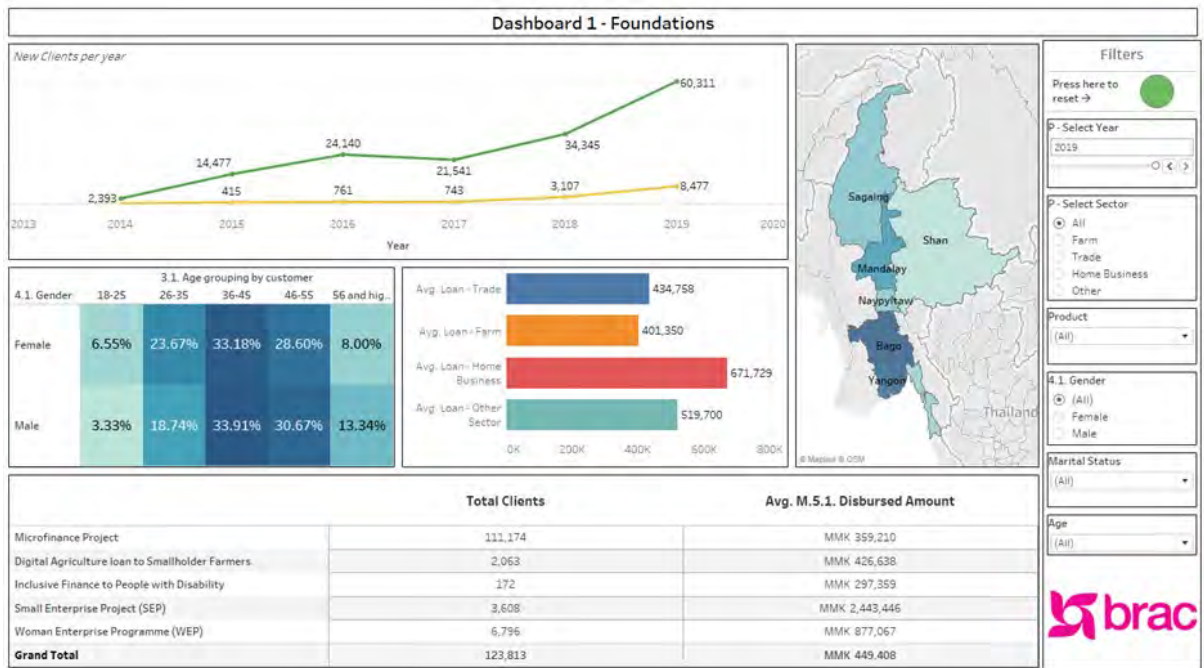
### Data and Analysis

Building on UNCDF SHIFT's existing work on human-centric financial inclusion interventions, the Gender Transformative Finance initiative funded by DFID and FMO aims to support up to 3 Myanmar financial service providers with gender smart product development, namely BRAC, KEB Hana and LOLC. The initiative rationale goes beyond a focus on 'access to finance' to challenge the gender inequalities that impede unprivileged women enterprises from accessing, controlling and using capital for improving their livelihoods. The initiative is structured in two phases, the first of which is based on an assessment combined with product ideation trainings, and the second is tailored technical support to pilot, analyse, and scale gender smart product development and delivery.

Although this initiative is managed from the UNCDF Myanmar Country Office, SHIFT ASEAN is supporting this with data analytics and collection capacity and technical knowledge. The participating FSPs were identified through an initial request of Expressions of Interest. This was taken forward in Q4 2019, with 9 final applications evaluated according to their institutional willingness and capacity to develop gender smart products, their willingness to establish a specific product development team for this, an institutional focus on women's empowerment, as well as FSP size and national expansion plans.

To date, an initial assessment was completed with the FSPs, and based on that, technical support was provided beginning with a gender smart product development training module developed and tailored to each MFI needs. This 3-day group training was taken forward in February (2020) with 21 middle to senior level FSP managers. Through the training, they were introduced to the concept of customer journey mapping and its link to product development. They were also trained in Excel and Tableau to facilitate their capacity to take forward supply (MIS transaction data) and demand side data analytics (FinScope market survey) including sex- and gender- disaggregated customer segmentation, product development and market analytics. A product ideation sprint was also conducted with 3 teams pitching a gender challenge and product solution to the CEO and senior management of the participating FSP.

Through this training, product ideas were generated for the next development steps. To take full advantage of this initiative, Non-Disclosure Agreements (NDAs) were signed with all the participants so that they could share their customer transaction data which were used in the product ideation process and throughout the training initiative. Overall, 650,000 customer records were received. Based on this, specifically designed data analysis dashboards were created with the FSPs who would "learn whilst doing", and in the process develop a powerful analytical tool which would allow them to visualize over 80 variables per customer. To ensure the long-term use of these dashboards, each FSP received two paid Tableau licences. An example of a dashboard can be seen below:



Based on the initial product ideation process and the dashboard development training, each FSP was then tasked with developing the product ideas independently. During this period, UNCDF SHIFT continued to provide the product development teams with biweekly remote mentorship support that in Q4 became less intensive. In all cases, the supported FSP aimed to expand their individual loan portfolio by transitioning group loan super users. The insights gained during this process were incorporated into a loan product design template which houses all relevant details including a product description, its specific innovation, the target customer profile and product additionality, the development impact, available data and missing data, the size of the potential market and its characteristics, the key activities for product piloting, budget and final product design details. This acts as a roadmap for FSP product development for the next 3-5 years, and through this exercise a strong business case was established for the new product ideas. These were completed by all participating FSP, with particularly strong buy in from BRAC who through this aimed to graduate at least 75% of its group loan power users to individual loans.

In combination with this, mobile phone surveys (lean data surveys) were taken forward to provide further inputs for the envisioned products design by validating current product pain points and potential product solutions. These also contributed to measuring current SDG 5 and SDG 8 FSP outcomes including the number of jobs created, customer income levels, customer control over loans and enterprise and household decision making (empowerment), as well as customer satisfaction and MSME customer profiles and growth. BRAC is the FSP which has progressed the most with this, completing the survey and result analysis in Q3 2020. In total, 985 completed surveys were received from a total of 7000 customer phone numbers that were shared for survey response. The survey was made in English in collaboration with BRAC, and then translated to Burmese, and it was applied to both individual loan clients (50 per cent) as well as group loan power users (50 per cent). The survey results



were linked to available FinScope and FINDEX data to benchmark them, and apart from informing the product ideation process, the results were used in BRAC staff training and were incorporated into a BRAC case study.

Below some insights from the research taken forward with BRAC:

- Many of the BRACs customers were unaware of the individual loan offering, meaning that improved marketing and communication is needed in the future.
- The majority of individual loan clients have monthly earnings that are above 300,000 MMK (73 per cent), whilst the minority have monthly earnings below 100,000 MMK (5.5 per cent). This is opposite to the Myanmar market as a whole where most female adults have monthly earnings below 100,000 MMK (53 per cent). The proportion of women with a very low income is higher amongst group loan users (15 per cent).
- In terms of the sector where women work, most work in trade and agriculture, with few in services. This is reflected in the BRAC customer base where most also work in trade and agriculture, although the proportion working in the latter sector is higher amongst group loan users.
- In terms of agency and control, more group loan customers indicate to have less control over their business and the loan usage. However, it was observed that the larger the loan size, the more control women have over their business and decision making.
- The majority of women entrepreneurs are in control of deciding how their own loan is used (70 per cent) or decided it jointly with their spouse (17 per cent), yet there is still a 14 per cent of respondents who doesn't have individual control over their loans.
- Most BRAC customers are unregistered business and group loan users. Independently of whether they are a group loan or individual loan users, most loans are below 2 million MMK.
- The majority of customers are most comfortable with a loan tenure of below 12 months, preferring to repay the loan in cash through the MFIs branches.
- The majority of the customers used their individual loans for business investments (90 per cent), which is higher than for the group loans (81 per cent).
- Other than financial support, there are strong customer demands for non-financial support, with 51 per cent of BRAC female clients asking for support or training on business management, followed by 38 per cent on access to new markets and 11 per cent on other support such as working capital, account, financial knowledge and business network.



Qualitative customer interviews were also taken forward with BRAC customers by Columbia University. Although the qualitative interviews and focus group discussions were started, they could not be completed due to the COVID-19 outbreak, and eventually were finalized using digital channels. The aim of this work was to evaluate the BRAC user experiences with group and individual loans, understand the gendered impact of loan products and identify recommendations for BRAC to improve loan design and delivery. Three customer journey overviews were produced covering group loan users and individual loan users. Final recommendations were classified by their relevance to customer awareness, access, usage and product renewal. A final report of this work was prepared and will likely form the basis for a blog (to be confirmed).



On the basis of the preceding analysis and with the support from SHIFT, a strong business case was established for the development of individual loans, as by moving 60 per cent of its group loan super users to individual loans, it was found that an additional 5.4 million USD in loans could be generated. As such, BRAC Myanmar set itself the ambitious goal of increasing its individual loans portfolio to up to 30-40 per cent of its total portfolio by 2025. Currently this figure stands at 5 per cent. BRAC has indicated that to build this portfolio it will also focus on new customers sourced from new geographical areas although due to the COVID-19 pandemic and associated restrictions, this expansion has been slower than initially planned. Once the restrictions ease, the loans will also be offered in Kachin, Kayin, Mon and Sagaing states. To date, BRAC has onboarded a total of 17,000 unique individual loan customers, distributing a total of 24,600 loans to them. Of these, 4,000 are group loan power users (2% of its group loan portfolio).

Overall, the individual loan design process focused more on women's needs and this is reflected in the loan access conditions that include loosened business registration requirements for loans of up to 3 million MMK. They are also considering reducing the guarantor requirements to 1, from the current 2. Furthermore, BRAC has indicated that it will set up a call centre to target group loan power users, improve communications and marketing of the individual loans existence and requirements, reduce the loan application period to 5 working days, improve social and client performance monitoring and in the long term, digitize the credit system.

As part of the individual loan roll out, BRAC is currently planning a training campaign amongst its branch credit staff so that they have the capacity to offer the new product. The product delivery training module is being developed with the support of UNCDF and the Royal Tropical Institute (KIT) of the Netherlands. The module may be delivered as a stand alone training or embedded as part of the existing training programme. The trainings will be taken forward in Q2 2021.

To validate these results an internal dissemination session with BRAC upper management and the UNCDF Myanmar team was taken forward. An external dissemination session with FMO is also being planned for Q1 2021.

This has been an important process for BRAC, resulting in their decision to establish a specific product ideation team who now has the capacity for product development based on data. BRAC was previously not using data for this purpose. They are now also able to get insights on their loans social impact and on how to improve it. Overall, they are better equipped to understand their customers.



In the case of the other two participating FSPs, progress has been more limited. LOLC has now completed the lean data survey with 1,200 final respondents and with very similar results to BRAC in terms of loan outcomes and customer profiles. The individual loan product designed with LOLC however is different, with a specific focus on credit scoring and a more limited planned outreach of 1000 loans in the Mon state of Myanmar only. This will be launched in Q1 2021. KEB Hana completed the design of the lean data survey which was launched in Q4 2020. They are currently in the process of collecting responses.

### Policy and Advocacy

With a focus on addressing the policy, regulatory and legal barriers to women's financial inclusion, SHIFT (with support from GEF) mapped, from a gender-perspective, the existing financial sector and other related policies and regulations that impact women's financial inclusion. The aim of the assessment was to identify financial inclusion and gender-related regulatory and policy gaps and provide recommendations for action to promote equal access and use of financial services by men and women.

This analysis was taken forward throughout 2019, and in 2020, a GEF policy discussion paper focused on regulatory constraints and enablers for women's financial inclusion in Myanmar was produced, peer reviewed, edited and published [online](#). The discussion paper contains an overview of the Myanmar policy commitment to gender equality, women's economic empowerment and financial inclusion with an extensive review of international policy commitments, national policies for gender equality and women's empowerment, gender sensitive financial laws and other relevant policies. It concludes with a list of recommendations which have been divided by policy area. Its content was also used to inform a webinar on Policy & Regulatory Constraints and Enablers to Women's Financial Inclusion in Myanmar which was taken forward in April 2020. The aim of this activity was to discuss how a gender-responsive policy and regulatory environment could advance women's financial inclusion. The main outcomes achieved by this were to broaden the discussion around these themes with other stakeholders, as well as to bring visibility to SHIFT work.

Further policy work related to the NFIS in Myanmar is managed from the UNCDF Myanmar Country Office and it was not directly taken forward by SHIFT. Progress includes the approval of the Myanmar Financial Inclusion Roadmap (2019 – 2023) on the 19<sup>th</sup> of March 2020. The Roadmap launch was postponed due to the COVID-19 outbreak and is pending rescheduling. COVID-19 also delayed the data collection for the regional M&E framework, although this has now been completed. Furthermore, the Financial Regulatory Department (FRD) informed UNCDF that the associated Digital and Financial Literacy Strategy was updated, but that its presentation to the central bank management, and stakeholder consultations had been delayed due to COVID-19.

### Viet Nam

Since the launch of UNCDF SHIFT activities in Viet Nam, initiatives have been taken forward under all SHIFT workstreams: fund facility, capacity building, data hub and policy/advocacy.



Under the fund facility, there have been two investments in total, both of which were on women's financial inclusion. Of these investments, both are now closed having completed the implementation and additional M&E year with SHIFT.

#### Milestone Progress:

Grantee	LVPB	Movivo	Total
Status	Closed	Closed	
Disbursed Milestones	3	2	5
Remaining Milestones	1	6	7
<b>Total</b>	<b>4</b>	<b>8</b>	<b>12</b>

SHIFT established a partnership in March 2018 with SBV to provide technical and advisory support to the NFIS development process. Through this partnership, UNCDF SHIFT trained SBV staff in data analysis and collection tools, helping them to develop their first financial inclusion reporting template and report. With respect to the NFIS itself, UNCDF SHIFT provided guidance on specific issues including gender inclusion and alignment with SDG, as well as facilitating their participation in international conferences on financial inclusion.

These activities have produced clear results which represent the achievement of programme intermediate level outcomes which can be directly attributed to SHIFT activities. Firstly, SHIFT investment in the LVPB led to the launch of the first bank owned E-Wallet in the Vietnamese market. Although service usage remained low, potentially affecting long term service sustainability, the number of registered users increased steadily with time strengthening the business model and validating the launch of the new financial service. Furthermore, SHIFT technical guidance to the SBV in the NFIS resulted in behavioural changes which can be attributed to SHIFT programme activities such as the more regular use of data for decision making. As such, SBV adopted SHIFT programme values and adapted them to their market needs.

#### **Fund Facility**

##### LienVietPostBank

At the end of 2019, LVPB completed their implementation and additional M&E year with SHIFT. They also completed the final report, final call and survey on the partnership experience with SHIFT. Overall, the evaluation of the partnership was positive. With respect to the key achievements, LVPB highlighted the launch of the ViViet E-Wallet and the continuously improving functionality of it throughout the partnership. In early 2020, ViViet was linked to almost 250 partners with whom payments could be completed through the wallet. This included partnerships with local governments as well as with Korean payments networks, allowing customers to complete cross border payments. LVPB also highlighted the outreach of the wallet which in Q4 2019 reached 2.61 million people of which almost 1 million were women. Throughout this time, LVPB also further developed its merchant network reaching over 30,000 merchants, of which over half were women. They also highlighted the financial literacy training taken forward with the Viet Nam Women's Union.



With respect to lessons learned, LVPB highlighted that although digital banking was gaining ground in Viet Nam, its full potential functionality was still limited, depending heavily on the regulatory framework, client preferences and client trust. As such, launching a fully digital platform was not possible, and traditional transaction channels needed to be maintained so as to reach everyone. Linking digital platforms with extensive educational and literacy campaigns was critical for service uptake, and a loyalty programme was fundamental to build client's trust. LVPB observed that an important driver for uptake was the wallet convenience, and that overall the ecosystem required further development so as to be able to improve wallet functionality. They also noted that young people in urban areas were the first service users, and that to reach rural populations greater investments were needed. These and other learnings will be taken into account for SHIFT future work.

LVPB was committed to the ViViet E-Wallet and was planning continued investment in its development, which was going to be taken forward within the scope of the new digital platform, LienViet24h. This new platform integrated the wallet with e-banking and card services with the aim of enhancing the users experience and improving service uptake and demand. The partnership with SHIFT was therefore found to be a key driver for the LVPB digital transformation for which they developed a 5-year plan. Although the Vietnamese market includes a range of competing E-Wallet and mobile money services, the Vi Viet business model was replicated by the Sacombank, another commercial bank in Viet Nam, meaning that the initial SHIFT investment facilitated the expansion of the business model market impact and sustainability. Other banks were also developing their digital banking platforms, although SHIFT has not yet been able to verify their scope or motivation.

With the aim of supporting LVPB in gaining greater insights into the wallet user behaviour as well as the socio-economic status and gender equality amongst its clients, UNCDF SHIFT signed an NDA with them to take forward a lean data study of ViViet clients. The survey was launched at the end of 2019, with 107 surveys completed. The response rate was around 1 per cent which was lower than what was expected, however the findings were quite relevant. Amongst the survey responders, 95 per cent were active E-Wallet users. The next steps include a presentation of the preliminary results to LVPB upper management, although this is pending their response.

### MOVIVO

At the end of 2019, MOVIVO completed its implementation and additional M&E year with SHIFT. Although the final report was not completed, a final call was taken forward with them and they responded to the partnership survey. The partnership with SHIFT was well evaluated. Overall, this business model did not present significant progress during the implementation period or the additional M&E year. Towards the end of this time, MOVIVO adjusted its approach, making the model B2B instead of B2B2C. They were still focused on launching their product in Viet Nam, although they were looking to do this through local partners only. Overall, MOVIVO was not able to meet its PBA targets.

### **Data Analysis/Learning and Capacity Building**

No specific learning and capacity building activities were taken forward in Viet Nam in 2020. Learning and capacity building activities associated to regional M&E frameworks are described within the scope of the regional section of this report.



## Policy and Advocacy

No specific policy and advocacy activities were taken forward in Viet Nam in 2020. Learning and capacity building activities associated to regional M&E frameworks are described within the scope of the regional section of this report.

## Indonesia

UNCDF SHIFT activities in Indonesia began in 2018 through the establishment of a partnership with UN Pulse Lab Jakarta to undertake the launch of a Microenterprise FinTech Innovation Fund for which they also received Australian funding support. As a result of this, UNCDF SHIFT supported six FinTech companies with grants and technical assistance to pilot their business models.

The objective of the fund was to increase the ability of microenterprises in Indonesia to expand and upscale their business operations by promoting and accelerating their usage of digital technology solutions to increase their usage of financial services, productivity, efficiency, income and/or employment, etc. Overall progress was satisfactory, with all six partners completing the implementation period on the 30<sup>th</sup> of June 2019, having reached 83 per cent of the total milestones. The additional M&E year was completed on the 30<sup>th</sup> of June 2020 and these projects are now closed pending final reporting. In terms of targets, 4 out of the 6 grantees were able to reach their intended targets in the specific implementation time frame and most have continued to scale. See below for specific details per grantee.

### Milestone Progress:

Grantee	Amartha	Awantunai	Duithape	Gandengtangan	Julo	Modalku	Total
Status	Closed	Closed	Closed	Closed	Closed	Closed	
Disbursed Milestones	2	2	1	3	3	4	15
Remaining Milestones	0	0	3	0	0	0	3
Total	2	2	4	3	3	4	18

The six FinTech grant partners also received capacity building support through SHIFT's partner network of Visa, Oracle and Deloitte. Overall, the launch and relative success of the grantee business models improved their sustainability as well as the potential of reaching programme results and high-level programme outcomes. Indeed, after the completion of the piloting period, 5 of the 6 grantees began to scale, although some with adjusted models. Their success has resulted in a greater, cheaper and more diversified supply of financial products which ultimately improved the level of access and usage of financial products, especially for low income groups.

## Fund Facility

### Amartha



Indonesia has been hard hit by the COVID-19 outbreak, with the worst hit area being Java with almost 70 per cent of the island being initially designated as a red zone by the government. Due to social distancing requirements in these areas, Amarthha had to almost completely halt its lending activities. In other areas (yellow/green) Amarthha was able to continue operating although with adjusted procedures. As such, instead of scheduling group meetings, grantee officers were working with loan group leaders only. Cash was still being transacted between them.

Based on a survey taken forward with their customers, Amarthha found that the impact of COVID-19 on their beneficiaries in red zones has been severe, with 70 per cent of their microenterprise customers experiencing a drop in income and 18 per cent experiencing a complete stop to their income. In other areas the impact has been less severe, with almost 20 per cent of their clients seeing a drop in income. This clearly affected their client's ability for loan repayment. In response to the plight of the small businesses, the government adjusted their policy, allowing FSPs to increase loan tenure and change their interest rates beyond the initial requirements stipulated for their risk management reserves. As such, Amarthha implemented a 3 – 12 months grace periods, offering their clients loan restructuring options, allowing them to pay smaller instalments over a longer tenure. Their expectation was that up to 30 per cent of their portfolio would require restructuring. Even so, they felt that their clients were very resilient and had been able to pivot their business into more profitable and essential areas such as food provision.

Initially all entrepreneurship and literacy trainings were stopped, but they were restarted providing free trainings on basic skills to clients. 1,859 youth trainers had also started providing training to their clients, training amongst them 3,633 microenterprises. Their target is to onboard a total of 3000 youth agents. Their role was to inform customers of Amarthha's financial service offering, helping on their adoption, and deliver the financial literacy training based on their curriculum which is continuously updated. Due to the new context created by COVID-19, Amarthha began working on developing its digital contents (videos) to share through WhatsApp groups.

The Amarthha + app (that replaced the Amarthha Go app) was launched in April 2020, and 48 clients had registered on the platform. Amarthha aimed to have 1000 users by December 2020. App functionality included the option of opening an Amarthha account through the app, as well as savings, repaying loans and bulk buying with groups. Regulatory approval was being explored to expand app functionality to include other banking services some of which could be offered through partnerships.

### Awantunai

Although lending in Indonesia was severely affected by the COVID-19 outbreak, Awantunai continued to offer loans and throughout the outbreak was able to maintain a very high on-time repayment rate of 88 per cent, with a PAR- 90 of 97 per cent. During the same time, banks were facing 50 – 60 per cent non-performing loans. This was because most of Awantunai's clients offered basic necessities, and most of their shops had not been required to close. They also focused on larger sized FMCG merchants which were less risky although this meant that most of their new clients reported were men.

The most affected of their clients were the ones located in the business districts of Jakarta. In response to this, Awantunai implemented a debt relief programme and they worked with the distributors to increase loan tenure. Even so, due to the overall quality of their portfolio, Awantunai did not have to



offer loan repayment rescheduling options widely unless specifically requested by their partner wholesaler.

Since the start of the outbreak, Awantunai had observed an overall drop in loan originations, although the average size of the loans disbursed doubled during this period. They were also able to maintain high loan approval rates, as working with the wholesalers (distributors) reduced information asymmetries and formed a filter for potentially risky or low quality loan applicants.

Awantunai continued to work on their app roll out, but initial loan uptake continued to require face to face interaction with their sales agents. Challenges for users also still remained in ordering inventory through the app. In response to this, an inventory management system was being developed.

In September 2020, Awantunai had expanded its business model and was providing unsecured loans to the wholesalers. At the same time, they had had to down scale their operations by 30 per cent, reducing their team size. Nevertheless, they were able to raise an additional 3 million USD in convertible notes as equity. Finally, Awantunai received its full and permanent fintech licence from the OJK in May 2020 and is one of the 33 fintechs in Indonesia to be fully licenced.

#### Duithape

Overall, it was reported that due to the lockdown some industries in Indonesia had seen large decreases in their sales and income. However, businesses providing digital services saw tremendous growth. In the case of Duithape, they saw a nineteen-fold increase in sales between Q1 and the end of Q2. This was driven by the use of their cashless platform for the distribution of aid tokens to the poor and the expansion of the micro business network accepting these aid tokens who saw their sales almost double during this period. To facilitate the redemption of the aid tokens, Duithape implemented facial recognition technology and although their initial focus was on food stores, Duithape expanded this to include non-food items. Within the scope of this model, Duithape partnered with World Vision to distribute COVID-19 relief funding from HSBC, MasterCard and Dow Chemical, as well as with MuslimPro, the world's largest application for Zakat Infaq and Shadaqah (alms distribution during Ramadan).

With the success of the platform, some of their original potential partners showed renewed interest in implementing a cashless payments system. This included KlikDaily, although no agreement was finalized with them. Despite the recent success of the platform, Duithape still found it challenging to reach the base of the pyramid, as many in this target group did not have smartphones. To make the platform "pandemic proof", Duithape was also upgrading their systems so that people and stores could be onboarded on to their platform remotely and independently. This was being accompanied with the development of training videos and interactive sessions on Zoom if necessary.

#### Gandengtangan (GT)

In Indonesia the banks remained open during the COVID-19 outbreak, although their focus has been on restructuring existing loans rather than distributing new ones. With respect to microbusiness, the initial government response to the outbreak was to implement a lockdown which was slowly lifted with time. During this period GT continued to provide and process loans on its digital platform, but



their business development officers (sales team) faced important mobility challenges. Their clients and target market also experienced a drop in consumer demand for their goods, meaning that the demand for GT loans also decreased to 0 amongst kiosks, with the economy as a whole experiencing negative growth. To support the business of the kiosks, the distributors implemented a free delivery service for them. GT also supported them by promoting the kiosks through their social media platforms for products delivery. Nevertheless, GT did see an increase in NPL, which was at around 4.5 per cent rather than the 2 per cent it was before the crisis, and 30-40 per cent of their customers requested repayment rescheduling which included allowing for an additional 3-month tenure. In response to this situation, GT therefore had to downscale its field sales team and focus on strengthening its digital platform through which all KYC requirements could be completed. GT also strengthened its repayment collection team.

With respect to the business model overall, GT pivoted their business towards new digital segments including B2B e-commerce sites and logistics companies which were offering highly demanded products and services. This included ecodoe.com that sold PPE, facemask, sanitizers, etc., Truckita.com, Cargotech and Shipper.id, which were offering urgent delivery services and Edenfarm.id which offered fresh vegetable produce. GT offered its digital loans to the MSME users of these platforms, allowing these companies to access valuable working capital and in Q2 they disbursed 50 – 70 loans to them. The loans they were offering this new segment were 30-day high frequency low value digital loans (200 USD). They also started offering loans to rural Shariyah Cooperatives. Although these were different markets than the kiosks, GT noted that the loan product was very similar to that offered to kiosks, and that some of their original kiosk loan clients had also registered on these digital platforms. They aimed to re-focus on the kiosks once the COVID-19 outbreak was over. In the meantime, GT also partnered with a bank through which they aimed to offer larger loans of around 2000 – 3000 USD to more established and larger businesses.

Overall, GT was financially healthy and did not foresee operational issues until Q1 2021 having secured financing recently. Even so, as part of a COVID-19 response, further funding (US\$ 100,000) was requested from SHIFT for the launch of specific agricultural loans as well as the development of a supply chain financing system called GandengKiosk.

### Julo

Their initial response to the COVID-19 outbreak, was to reduce their loan disbursements to potential clients that they had deemed to be most vulnerable to COVID-19. In May 2020, their loan disbursement was almost zero and their focus had shifted more on collecting as many repayments as possible, as well as loan restructuring where necessary which included fee waivers, longer tenures which were stretched to 9 months from a maximum of 6 and repayment “holidays”. Approximately 30 per cent of their portfolio had requested this type of restructuring. The problems caused by COVID-19 to the Julo customers were reflected in the NPL and PAR 30 rates which based on their latest data had risen to 23 and 65 per cent, respectively. In terms of loan applications, they did also see a decrease during this period, but this may have also been due to the fact that they stopped marketing activities for their loan products.



Since then, the situation has improved with a gradual increase in loan disbursement. They are still restricting loan disbursement in areas of Indonesia that are heavily dependent on tourism. Julo also reported to have stopped offering loans specifically to women's MSMEs. The reasoning behind this was not clear although it was related to the economic uncertainty and higher risk related to this group. Up to Q2 2020, they had disbursed 12,490 loans to women of which only 105 in 2020. Julo indicated that they were streamlining their operational team and that they had a positive outlook for the future.

### Modalku

Until Q2 2020, Modalku had distributed 4,978 loans to Warung, but as the model was based on loan distribution through an agent network, their business was significantly affected by the COVID-19 outbreak. Their clients which were mostly MSMEs in Bazar (markets), were also significantly affected. As such, Modalku observed a decrease in their revenues, and an increase in NPL (27 per cent) and PAR-30 values (38 per cent) which endangered the future of the business model. Modalku responded by reaching out to their clients and offering them more flexible repayment options such as waiving the interest fees if payments could be completed immediately, and/or the tenure of the loans was increased to 10 weeks. Loan restructuring reached around 10 per cent of their borrowers, with more clients applying for this. The debt restructuring was only offered to those MSMEs that had seen significant impacts due to COVID-19 and at least a 30 per cent drop in revenues. Many of their clients had to shut down their shops and many people returned to their hometowns. During this time, their agents were faced with reduced mobility and were kept for the purpose of business maintenance only. It was likely some of this salesforce was going to have to be let go.

Modalku reported to mostly have stopped new lending to Warung MSMEs (family-owned small businesses), and informed UNCDF that they had re-focused their new lending on e-commerce shops (Tokopedia, Bukalapak, Shopee and Lazada). The loan design was similar to the one offered to Warung, but the ticket size was higher. They also initiated supply chain financing.

Modalku indicated that once the COVID-19 outbreak was overcome, (or more in control), they would revisit the business model and evaluate whether to continue developing it. They also shared that even if they decided to discontinue loan disbursement through the agent network, they would use the app developed as part of the project with UNCDF for other purposes.

### **Learning and Capacity Building**

No specific learning and capacity building activities were taken forward in Indonesia in 2020. Learning and capacity building activities associated to regional M&E frameworks are described within the scope of the regional section of this report.

### **Policy and Advocacy**

No specific policy and advocacy activities were taken forward in Indonesia in 2020. Learning and capacity building activities associated to regional M&E frameworks are described within the scope of the regional section of this report.



## Cross-border and Regional Initiatives in ASEAN

UNCDF SHIFT regional activities have been taken forward most prominently through the fund facility, learning and capacity building activities and policy/advocacy workstreams.

The Fund Facility “*Linking remittances as a catalyst for financial inclusion and women’s economic empowerment*” fund was launched in early 2017. This funding round selected four business models aimed at opening and strengthening remittance corridors within the Cambodia, Lao PDR, Myanmar and Viet Nam (CLMV) region. Two grantees completed their PBA implementation period at the end of 2019 and subsequently completed additional M&E year in 2020, whilst one (SingCash) is completed its implementation period in December 2020 and started additional M&E year on 2021. With respect to their milestones, all UNCDF tranches have been paid, pending only MAS tranches in relation to the final partner milestones. Together they have reached over 245,800 clients who have completed transactions mainly with Transferto (which was rebranded to Thunes in 2018). It is worth mentioning that both Thunes and SingCash received financial contributions from the Expanding Financial Access (EFA) programme in Myanmar as well.

### Milestone Progress:

<u>Grantee</u>	<u>TransferTo</u>	<u>AMK Microfinance</u>	<u>SingCash</u>	<u>Total</u>
<u>Status</u>	<u>Completed</u>	<u>Completed</u>	<u>Open</u>	
<u>Disbursed Milestones</u>	<u>2</u>	<u>0</u>	<u>2</u>	<u>4</u>
<u>Remaining Milestones</u>	<u>2</u>	<u>2</u>	<u>2</u>	<u>6</u>
<u>Total</u>	<u>4</u>	<u>2</u>	<u>4</u>	<u>10</u>

### Fund Facility

#### AMK

SHIFT is supporting AMK to set-up their International Remittance Business Unit and establish their partnerships with banks in remittance sending markets such as the Republic of Korea, Malaysia and Thailand, offering a new international remittance product and channels. The initiative is aimed at launching the first Cambodian last-mile remittance offering to clients through a Microfinance Deposit-taking Institution (MDI). This would also allow AMK to offer a full suite of associated services including cash-in, cash-out, domestic transfers, electronic payment services, and loan repayment throughout their network of 151 branches, 61 ATM machines and 2,500 agents. As per the PBA, AMK had a



minimum target of reaching 1,000 remittance receivers, 65 per cent women, by the end of 2018, and 11,000 by the end of 2019.

The COVID-19 outbreak situation in Cambodia is reported to now have improved. Nevertheless, the initial impact of the outbreak was significant with around 15 per cent of their clients requiring loan restructuring facilities. With respect to the remittance service, AMK received its first approval from the NBC in March, 2020. The service offering however is still very limited, having onboarded a total of 75 customers (not unique) since the service launch although this does not include customers across all of their corridors. At the time of reporting, the only corridor that was live was with Viet Nam, with AMK having problems to maintain the corridors with South Korea and the Philippines open permanently. For these corridors they were working with KB Bank and EMQ, respectively. With Thailand, AMK has progressed with partnerships with Lightnet and SCB, submitting the approval request to the NBC to open corridors with them. This is expected for the first half of 2021. AMK has not been able to launch their service with Thunes, indicating that data sharing has been difficult. With respect to the AMK banking app, this should be launched soon, and, once launched, customers will be able to use it for remittance transactions.

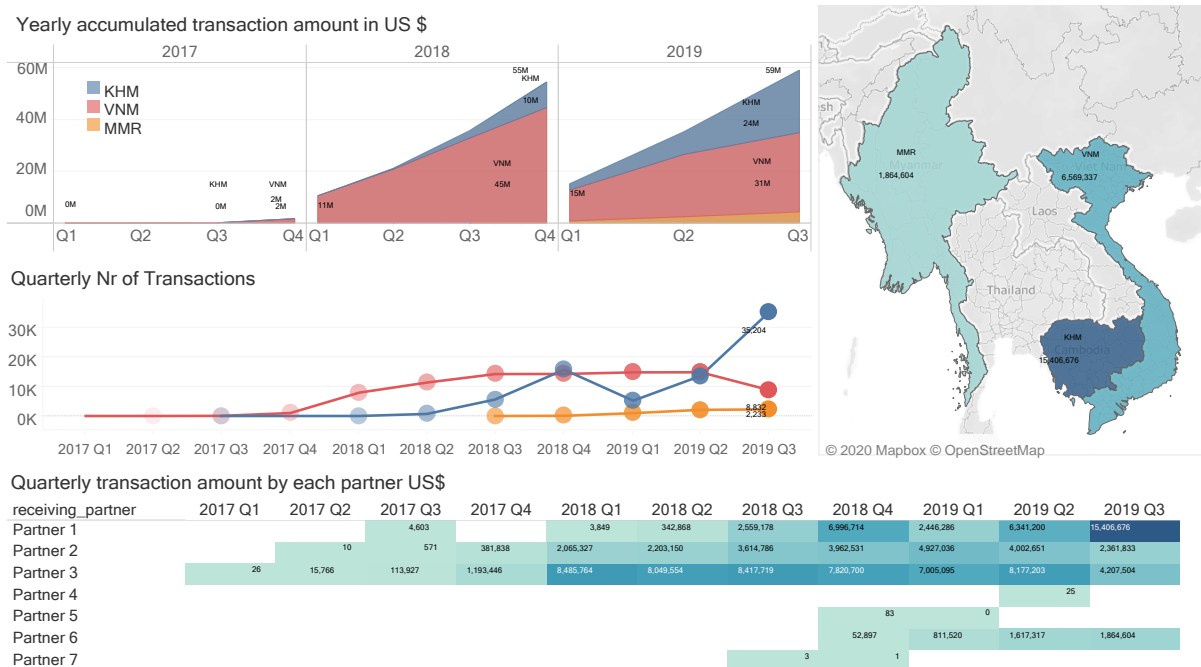
#### TransferTo (Thunes)

TransferTo which in 2018 was rebranded to Thunes, is a global cross border mobile payments network for emerging markets with 75,000+ Remittance Touchpoints in the CLMV region. Through this project, the grantee aimed to link its remittance aggregator's existing sending partners with a range of new receiving MFI and non-MFI partners in CLMV countries so as to increase women's access to formal remittance sending and receiving services as well as offering these at lower fees. Since its launch in Q1 of 2018, a total of 208,213 clients (unique sending and receiving users) have completed transactions, of which 56 per cent were women.

With the outbreak of COVID-19 in Q1 of this year, Thunes reported that cash remittances had initially disappeared, with significant increases of remittances through digital channels such as E-Wallets, representing the majority of the partners. This was therefore positive for their business. During this period, transactions to Myanmar were also at a record high because they could offer real time transactions to the country which is something no one else could offer through the partner CB Bank. Most traffic to Myanmar was from South Korea and Thunes was in the process of opening a corridor between Myanmar and Japan. The service offering through KBZ (who has a 60 per cent market share in Myanmar) was pending a work around some final technical issues, but once live, real time transactions with them will be possible. The partnership with MCB was strengthened, while the potential partnership with UAB-OK Dollar was delayed as Thunes has not been able to get the compliance approval for final agreement signing. In Cambodia, the technical integration with AMK was completed but little additional progress has been made because their South Korean partners have not been interested in establishing this link. Thunes indicated that they would continue to explore the opportunities for this partnership. In Viet Nam, transaction volume has been lower although stable. They have not yet set up any more partnerships in this country. There has been no progress for partnerships in Lao PDR.



Thunes is one of the partners with which UNCDF SHIFT had considered taking forward lean data surveys. Unfortunately, they did not have detailed customer data available, as their end beneficiaries are serviced by their own partners which are companies. Nevertheless, Thunes did share with UNCDF transaction data for which a prototype dashboard (see below) was built and shared with the partner.



Initially they indicated that they realized that they were not using their data to the fullest and requested doing a refresh based on updated data. This has now been completed and based on this a case study was prepared and included in the SHIFT final report, and a blog is being considered.

Finally, it is important to mention that based on the expectation that cross border payments and remittances in emerging markets will continue to grow, [Thunes was able to raise \\$60 million USD in Series B Funding](#) to accelerate their global growth. Although not directly related to the SHIFT supported business model, this is undoubtedly a good development for its business in the CLMV region.

### SingCash

SingCash is an E-Wallet and virtual debit remittance card owned by SingTel. The project proposes to link a remittance aggregator hub company (Thunes) to its Singtel Dash mobile application and integrate 7 new receiving banks, mobile money operators, and agent network partners in Myanmar to the corridor to increase women’s access to formal remittance channels and offer them lower associated fees. The PBA was signed in December 2018, and the targets based on the 2-year agreement include onboarding a minimum total of 15,500 users of which 10,075 should be women. To date, SingCash has reached a total of 37,505 (non-unique senders and receivers) of which 22,911 are women (61 per cent).



As SingCash offers a service which is 100 per cent digital, the initial impact of COVID-19 was positive on their business. Since the beginning of the year they have seen a quarter-on-quarter increase in transactions and volume, of 174 and 208 per cent, respectively. This is because the government of Singapore implemented a ‘circuit breaker’ policy as a preventative measure against COVID-19, meaning that everyone had to stay at home and businesses were closed. SingCash therefore offered a convenient, secure and low-cost option for people that needed to remit. Thanks to government schemes, foreign workers in Singapore were also still receiving incomes, and were encouraged to stay in Singapore and retain their employment. As such, SingCash focused on reaching migrant workers in their dormitories, although these are expected to decrease in numbers as the pandemic drags on.

Nevertheless, new customer acquisition remained a challenge as the current service only offers a good alternative to those that have a bank account in Myanmar. This is a limitation (as only 30 per cent of potential receivers in Myanmar have a bank account) which is currently only partially being overcome by working with CB Bank to establish a fast track process to open bank accounts. SingCash has introduced cash out services and remittance delivery on mobile wallets in Myanmar in late 2020 to overcome this. SingCash through Thunes network has started using True Money agent network for cash pick services.

In person customer onboarding has also been difficult with the COVID-19 prevention policies. Their onboarding operation with Thazin has therefore been affected, only reaching an additional 30 people a week through this channel. SingCash has however strengthened its digital advertising and onboarding through the Singtel Dash app although language barriers are a factor that limits uptake. They have also established links with employment agencies that refer customers to them and help customers sign up to the remittance service and answering questions about it.

During this period, SingCash was also able to significantly increase the remittance transaction speed, especially for those with CB Bank accounts in Myanmar who could receive real time transactions through the Thunes platform. With respect to MCB, they initially experienced some problems as they temporarily stopped transactions to clear the backlog of pending transactions. They have continued to explore new partnerships in Myanmar, although the COVID-19 outbreak has slowed this process down. They have also continued to provide insurance to their regular service users.

Overall, SingCash has maintained their business model, and in response to the COVID-19 outbreak they have waived transaction fees for new users, and waived transaction fees for two months for healthcare workers.

### **Learning and Capacity Building**

In October 2019, UNCDF SHIFT in collaboration with the ASEAN Secretariat and Autoriti Monetari Brunei Darussalam (AMBD), organized a capacity building workshop for ASEAN member states on monitoring and evaluating NFIS. This two-day workshop was organized within the framework of country level NFIS implementation and UNCDF SHIFT work taken forward with the Financial Inclusion Task Team that was under the leadership of the ASEAN WC-FINC which sought to establish a common regional monitoring framework for the NFIS. The workshop outcome was the first draft of a regional guidance note on financial inclusion M&E which was also used as the basis for further NFIS M&E framework development nationally.



A follow up 2-day workshop was taken forward at the end of January 2020, in Cambodia, with the same participants (central bank representatives) from the first workshop in Brunei. During this activity, the attendees worked together with support from UNCDF (SHIFT and MAP) to finalize the regional guidance note which was designed in the first workshop and included overall high-level financial inclusion M&E indicators and agreed procedures for regional M&E activities. The workshop included content on the use of data for M&E reporting, an overview of the indicators proposed and national M&E indicators. This guidance note was subsequently endorsed by the WC-FINC and has now been finalized.

The result of this work was a framework that fed into a 2020 ASEAN Financial Inclusion M&E Report which has now also been finalized. The aim of the report is to inform policy level dialogue in each market, and the next steps for this initiative will come from the ASEAN secretariat itself. Overall, this process was driven by UNCDF MAP, and UNCDF SHIFT provided coordination and facilitation of the activities.

### Data and Analysis

Lean data collection has become an increasingly popular tool used by companies to measure their social impact and gain customer insights. It is also useful for the rapid measurement of SDG outcomes by helping companies to ensure that Digital Finance is reaching ‘last mile’ target groups and improving livelihoods. As such, UNCDF SHIFT developed a project that was focused on pushing data analytics beyond the conventional boundaries of KPI core-business monitoring (e.g. per cent female clients) towards measuring the impact on sustainable development goals for the real economy including looking at poverty outreach, women’s economic empowerment and job creation.

By leveraging UNCDF’s experience in Uganda, the aim was to implement Lean Data collection surveys with 3 SHIFT ASEAN Challenge Fund Partners and through this build in-house capacity (within UNCDF and for our partners) to conduct SDG monitoring for digital finance innovations including the LVPB E-Wallet, BRAC MSME loans and Thunes remittance service. The survey was completed with 107 LVPB and 985 BRAC customers, respectively. In the case of Thunes the survey was not taken forward in the form initially planned. For details related to the survey progress and results refer to the LVPB, BRAC and Thunes sections of this report.

Within the scope of the UNCDF Remittances & Migrants project, which is funded by SDC and SIDA, and managed out of New York, UNCDF SHIFT collaborated to take forward a global survey of remittance service providers and the impacts of COVID-19. With the support of the International Association of Money Transfer Networks (IAMTN), over 75 senior executives from the remittance industry across 30 countries responded to the survey that represented 20 million migrants across the globe. The responses were subsequently analysed and overall, it was found that 75 per cent of the world’s migrants worked in the countries where  $\frac{3}{4}$  of the world’s COVID-19 cases had been reported (Q2 2020). The associated remittance flows from these migrants represented 90 per cent of the world’s remittances and in the first two quarters of 2020, these experienced a 20 per cent decline. This was due to the widespread use of lockdowns which prevented access to the remittance service providers, as well as the decrease in global employment earnings. Most of the service providers responded by accelerating digital service provision as well as reducing their transaction costs. This analysis was published through a [blog](#) which has now received 1,322 views and news outlet interest. Furthermore,



an [infogram](#) was prepared, as well as a briefing summary both of which have also been published digitally.

## Policy and Advocacy

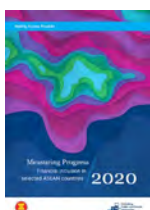
### 9<sup>th</sup> and 10<sup>th</sup> meeting of ASEAN WC-FINC

In February 2020, SHIFT participated in the 9<sup>th</sup> meeting of the ASEAN WC-FINC. The meeting was co-chaired by the Bangko Sentral ng Pilipinas (BSP) and the Autoriti Monetari Brunei Darussalam (AMBD), and the overall aim of the meeting was to discuss the status of WC-FINC action plans and deliverables, as well as getting updates from development partners on their initiatives related to financial inclusion. The meeting also covered presentations by ASEAN Member States (AMS) on digital financial inclusion (DFI) and adoption of digital financial services (DFS) in the region. The meeting was held in Hanoi, and UNCDF presented on SHIFT ASEAN programme progress. The meeting agenda included updates from the WC-FINC sub committees on NFIS implementation, capacity building, promoting digital platforms and financial literacy and customer protection. Also the M&E guidance note and ASEAN FI progress report was discussed.

The workshop on M&E was also organised in Cambodia by SHIFT and MAP programme jointly early 2020 before the COVID 19 impact, to discuss on the M&E indicators.

In the 10<sup>th</sup> ASEAN WC-FINC meeting organised online last quarter of 2020, and based on the two workshops held and engagement with the regulators in 9 countries (except Singapore), the M&E Guidance note and FI progress report for ASEAN was finalized.

The Financial Inclusion progress report weblink is provided below:



SHIFT ASEAN and MAP would continue supporting in development of next annual progress report in 2021 and undertake more of M&E capacity building exercise for ASEAN Member States.

## Partnership Development

### UNDP Youth Co:Lab

Since 2018, UNCDF SHIFT has partnered with the UNDP Youth Co:Lab to undertake a study on how digital technology and digital finance were enabling youth entrepreneurship as well as identifying market gaps to enable young entrepreneurs in building their businesses. This also included an analysis of how youth enterprises were taking up marketing, as well as social and electronic media. This study supported UNCDF's work around digitization, digital finance and acted as a baseline information document for UNCDF's Global Digital Strategy. The original study was refreshed with new data and



insights which were peer reviewed and the updated study was published [online](#) in April 2020 with 673 views and 80 downloads to date. An associated infographic was also produced and published [online](#).

*Swiss Agency for Development and Cooperation (SDC) and Swedish International Development Cooperation (SIDA)*

In 2019, UNCDF developed a concept note and was awarded funding from the SDC and SIDA with the aim to develop digital remittance channels and remittance-linked financial products to facilitate inclusion, strengthen financial resilience, and sustain reintegration of migrants and their households. This four-year programme has 4 work streams including empowered customers, inclusive innovation, open digital payment ecosystem and enabling policy and regulation. The target countries are Bangladesh, Ethiopia, Nepal, Senegal and Myanmar. Overall, the programme has the potential to be the first to enable remittance and financial service providers to develop potentially transformational digital financial service solutions that reach migrants and beneficiaries. Although this Remittances & Migration project is managed by a UNCDF team which is located in New York, UNCDF SHIFT is contributing its expertise in the launch and implementation of the project.

*Others*

In Q1 2020, UNCDF SHIFT was requested by FMO to prepare a concept note for an initiative on strengthening women's enterprise livelihoods, COVID-19 recovery and climate resilience by leveraging digital financial solutions. The scope of the proposal included accelerating the development of new and innovative digital business models for economic inclusion of women enterprises in agriculture and Fast Moving Consumer Good (FMCG) sectors through funding and technical assistance to selected companies in the following six countries: Bangladesh, Cambodia, Indonesia, Myanmar, Nepal and Viet Nam. The concept note has now been approved by FMO, on the basis of additional support raised by UNCDF from UNESCAP and VISA as well as by the SHIFT ASEAN Board in August 2020. The new UNCDF SHIFT funding window will be launched in Q1 2021, with funding availability for 8 – 10 new innovation partners and will ride on SHIFT innovation fund infrastructure.

SHIFT in partnership with UNDP has continued to contribute to a proposal for the Green Climate Fund which is focused on climate resilience and agriculture. The role of UNCDF would be to facilitate the development of digital tools that enhance small farmers access to markets and finance through the digital integration of them with other value chain actors. This initiative is focused on Indonesia and based on initial scoping activities a [blog](#) has been published on this topic with 579 views to date.

**Advocacy through communications, participation, organization and networking**



In collaboration with regional disability networks, SHIFT launched a series of workshops in Myanmar, Cambodia, Viet Nam and Lao PDR with the aim of creating a platform for the discussion of financial inclusion for people with disabilities. The first of these workshops was held in Myanmar in February 2020 with DFAT support. The workshop hosted attendees from the fintech sector as well as representatives from a local Disabled People's Organization (DPO). In total 35 people participated, (almost double of what it was originally planned for) of

which 50 per cent were women. By dividing the attendees into three mixed groups, the idea was to map demand and supply side challenges for disabled people as well as discuss creating an enabling environment. The workshop was a success as it established a very productive dialogue between actors that had not previously been in contact, creating awareness amongst the Fintech participants about the different types of disabilities.

Although this workshop was part of a series, that included similar events in Cambodia, Viet Nam and Lao PDR, these were initially postponed due to the COVID-19 outbreak. Since then, it has become clear that to achieve the expected results, an alternative strategy is needed. A proposal is therefore being developed based on the previous experience as well as the outcome report of the Association of Indonesian Disabled People (PPDI) and the Menti Meter results from a recent presentation.

Furthermore, UNCDF SHIFT participated in the 5<sup>th</sup> Regional Meeting of Disabled Persons Organizations, presenting on how digital channels and financial products can accelerate financial inclusion for people with disabilities. The objective of this activity was to present general insights on digital and financial inclusion, share experiences and best practices, receive sector feedback and brainstorm obstacles and potential solutions for the financial inclusion of people with disabilities. The results are informing the above-mentioned proposal. Attendees included the PPDI (Indonesia), MILI (Myanmar), CDPO (Cambodia), CALL (Philippines), NCBM (Malaysia), Hanoi ILC (Vietnam), TAB (Thailand) and the Chairman of ASEAN Disability Forum (ADF). In addition, SHIFT engaged in AGENDA coordination workshop and ASEAN Secretariat COVID-19 and disability webinar and developed a proposal around financial inclusion for people with disability as well as focused on this sector in the new regional strategy.

#### ***SHIFT Programme Blogs and communications:***

UNCDF SHIFT has now completed its *UNCDF SHIFT in ASEAN: 2015 – 2020* report, giving the reader an overview of the programme, its design, its activities and its results. Through infographics and embedded links, the reader can gain an overview of the scope of the programme along with easy access to all publicly available programme knowledge outputs including case studies, toolkits, dashboards, blogs and policy papers. To date the main page has received 764 visits and listed below are the case studies that were included:

1. [Moving the Market for Financial Services through Formal Domestic Remittances \(AMRET\)](#)
2. [Driving Cross-border Remittances through an Accessible and Efficient Network \(Thunes\)](#)
3. [Using Customer Journeys to Develop Better Financial Products \(Customer Journey\)](#)



4. [How did UNCDF SHIFT ASEAN support Cambodia's Financial Inclusion Strategy? \(NBC\)](#)
5. [Developing the market for Solar Home Systems to Bring Affordable Clean Energy to Rural Households in Myanmar \(Brighterlite and GLP\)](#)
6. [How gamified education can help increase financial service usage in Myanmar \(Wave Money\)](#)
7. [Promoting a Gender-Sensitive Approach to Financial Inclusion in Myanmar \(GEF\)](#)
8. [Pioneering the individual MSME loan market for women in Myanmar \(BRAC\)](#)
9. [Developing the E-wallet Market to Drive Women's Financial Inclusion in Viet Nam \(LVPB\)](#)
10. [Using a Gender Lens and Capacity-building to Develop a Financial Inclusion Strategy \(SBV\)](#)
11. [The Power of Intermediaries in Driving Digital Lending amongst Indonesia's Micro, Small and Medium Enterprises \(MSMEs\) \(Indonesia\)](#)

UNCDF SHIFT is currently also preparing a final review synthesis report, that includes sections on the ASEAN financial market evolution between 2014 and 2020, an overview of SHIFT programme activities including the programme ToC, outcomes and country overviews, and three case studies (BRAC, LVPB and Thunes) which are analytical deep dives that build on the previously developed case studies of the indicated partners.

In 2020, SHIFT also developed blogs on issues related to the programme activities. These are listed below:

- [10 important achievements we made in 2019 that you should know \(907 views\)](#)
- [4 opportunities to advance women's financial inclusion in Myanmar \(1,600 views\)](#)
- [How can financial inclusion fight climate change in Indonesia? \(579 views\)](#)
- [Agile in Response: How a Bangladeshi start-up is revolutionizing digitization in the farming sector \(1,100 views\)](#)
- [Youth entrepreneurs engaging in the digital economy: the next generation \(416 views\)](#)
- [Migrant remittances in the times of Covid-19: Insights from Remittance Service Providers \(in collaboration with IAMTN\) \(1,322 views\)](#)

### **Multi-Regional: ASEAN, SAARC and Pacific Women MSME FinTech Innovation Fund**

On 1 March 2019, UNCDF SHIFT in collaboration with UNESCAP, launched the Women MSME FinTech Innovation Fund. The Women MSME FinTech Innovation Fund is part of a regional programme Catalysing Women's Entrepreneurship: Creating a Gender-Responsive Entrepreneurial Ecosystem implemented by the UNESCAP and is funded by the Government of Canada through Global Affairs Canada. The programme aims to support the growth of women entrepreneurs in the Asia-Pacific region through addressing the challenges faced at three levels: enabling policy environment, access to finance and use of ICT for entrepreneurship. Support for the Women MSME FinTech Innovation Fund is also provided by DFAT, FMO and Visa.

The Women MSME FinTech Innovation Fund was UNCDF SHIFT programme's 5<sup>th</sup> investment window in the region and its first multi-region investment window. Even though applicants could be based anywhere globally, project implementation had to be focused in at least one of the following countries:



Bangladesh, Cambodia, Fiji, Myanmar<sup>9</sup>, Nepal, Samoa, Viet Nam. Out of 103 eligible applications, 10 were finally selected to join UNCDF investment portfolio. Since their formal approval by the SHIFT ASEAN Board in June 2019, SHIFT has negotiated and signed 9 PBAs. With the outbreak of COVID-19, all of the partners faced important challenges and as such, the SHIFT board approved a 1-year PBA extension<sup>10</sup> for all of the Window 5 grantees to complete the established activities and achieve their targets. In two cases, the request for extension was combined with a request to revise project grant amounts, targets and milestones. The specifics of these requests are described below in the overview:

Grantee	i-Farmer	Romoni	SparrowPay	BanhJi	SHE Inv.	Aeloi	SkyEye	HFC	ZigWay	Mother Finance	Total
Status	Open	Open	Open	Open	Open	Open	Open	Open	Open	Open	
Disbursed Milestones	2	1	1	1	0	1	1	0	0	0	7
Remaining Milestones	2	2	3	2	3	3	3	3	4	2	27
Total	4	3	4	3	3	4	4	3	4	2	34

Details of progress made by each grantee in 2020 and a summary of each business model is presented below:

#### ZigWay:

Business Model	Grant amount	Results to be achieved
Women MSME nano loan product with Bank partner	\$41,000  Grant Disbursed \$0	<ul style="list-style-type: none"> <li>Sign agreement with A bank partner to offer women MSME loan product in Myanmar</li> <li>Design and disburse 2,000 women MSME nano loans.</li> </ul>

This is a fintech social enterprise that supports low income families access cheap loans through mobile technology in the form of a mobile app, deep learning credit scoring model and a full supporting back

<sup>9</sup> Note that Myanmar is not funded by UNESCAP and is not a selected country under the Catalyzing Women's Entrepreneurship initiative. Myanmar is funded by FMO and Visa.

<sup>10</sup> The SHIFT ASEAN ProDoc has been extended until 30th June 2022. In addition the extension of the investments in the Pacific and SAARC region were also approved by the respective Boards.



office system. The proposal of ZigWay is to provide small loans to 2,000 women led MSMEs represented by the retail market vendors in downtown Yangon.

In Myanmar, the financial sector has been hit hard by the COVID-19 outbreak. Most banks and MFIs are in the process of restructuring their debt portfolio as a moratorium on debt repayment has been implemented through the year and is expected to continue till the first half of 2021. Banks are now more risk averse and shying away from new initiatives including investing in new innovations. Overall, it has been observed that the industry requires digital KYC and more digital platforms to serve the market, especially in these contexts. MSMEs have also been affected by this situation with many closing due to lockdowns.

ZigWay's ambition to launch a nano loan product for the MSME segment did not happen during the year as a management change in A Bank affected the stance on the project partnership. A Bank management became cautious on smaller loan product and was focusing on other projects like ATM roll out deprioritizing ZigWay partnership. ZigWay tried to reach out to new banks for this partnership but no other bank has shown positive intent due to the market conditions. Banks are more concerned as smaller size loans are deemed riskier because small businesses were hit harder during COVID-19 pandemic. Another challenge is that the Myanmar central bank has lowered the commercial lending rate to 14.5 per cent meaning that the loan business is less viable. Without a partnership with A Bank, the business model cannot proceed.

In the meantime, ZigWay will continue to operate its subscription model where they provide food and essential products to low income families. ZigWay is emphasizing more on digital onboarding channels and video conferencing to reach new clients and considering a pivot towards developing an e-commerce delivery platform with an associated supply chain financing. Within this model, women MSMEs would remain the target end users and it would adopt a similar mechanism to the initial nano loan project.

#### **Mother Finance:**

<b>Business Model</b>	<b>Grant amount</b>	<b>Results to be achieved</b>
Women's digital MSME loans based on alternative credit scoring	\$40,000  <b>Grant Disbursed</b> \$0	<ul style="list-style-type: none"> <li>• Total number of loan applications - 3000</li> <li>• Total number of MSME loans disbursed – 60</li> <li>• Total number of Step Up loans disbursed - 940</li> </ul>

Mother Finance's mobile app is the first ever digital lending platform in Myanmar that uses smart phone data to make credit disbursement decisions. Their aim is to meet the huge demand for credit in Myanmar by improving the way credit is assessed and delivered. UNCDF support will be used to expand their loan portfolio and improve the machine learning algorithm that drives loan credit scoring. Their proposal is to reach a total of 1,000 women owned and/or managed MSME (by the end of 2021) through two loan products which are offered on their digital platform.

Mother Finance has successfully initiated the digital loan processes by the end of last year and 310 women MSMEs already received loans of which 295 are step up loans and 15 MSME loans. The



alternative credit scoring model using Mother Finance's own algorithm has so far proven strong and Non-Performing Loan (NPL) remained at zero. Mother Finance has used digital marketing tools over social media successfully to reach out to its audience which has proven effective for them.

#### SHE Investments:

Business Model	Grant amount	Results to be achieved
App based bookkeeping solutions for women led micro enterprises	\$50,000 (additional \$ 25,000 approved by SHIFT board in August 2020)	<ul style="list-style-type: none"> <li>400 women MSMEs download and use SHE bookkeeping app.</li> <li>50 bookkeeping app users receive loans</li> </ul>
	<b>Grant Disbursed</b> \$0	

SHE designs and delivers the only gender-focused and culturally tailored business incubator and accelerator programme for women-owned micro-small businesses in Cambodia. Their idea is to create a simple financial record-keeping (basic bookkeeping) tool for women with micro enterprises. The first version was going to be free, but this was going to be built out into a subscription version with the basic bookkeeping tools that financial institutions use to verify the investment readiness of loan applicants. This included a Sales Day Book, cash accounting (sales, expenses, inventory management) and basic financial reports. Although the initial implementation time was planned for 12 months, this has now been extended by another 12 months to accommodate for delays generated by the COVID-19 outbreak. The target is to reach 400 women entrepreneurs.



Since the initiative was launched in September 2019, SHE has faced some important challenges for the development of its proposed business model. The main initial challenge was that the app developer failed to deliver a stable version of the free version app. SHE therefore made the strategic decision not to longer work with that app developer and find a new one. During this process, it became clear that the remaining app development (both for the free and subscription models) would be more costly than previously thought. Based on this, SHE developed an updated business model rationale with the support of UNCDF and UNESCAP, and through this, requested additional funding for the business model implementation which contemplates developing only one app version in a phased approach and under a freemium pricing model. Their long-term intention remains to make the app paid, but there will be a delayed monetization of it, which means that it will be free during the pilot period for trials by MSMEs and then with a marginal fee for a period for adaptation. The additional funding request by SHE was for US\$ 25,000 bringing the total grant amount to US \$ 50,000. This was approved by the UNCDF ASEAN board and the agreement with SHE was amended accordingly along with an extension to the project.





SHE Investments has completed the development of the bookkeeping app named ‘KOTRA Riel’ in the last quarter of 2020. The development for android version with all major features was completed and User Acceptance Test (UAT) with 25 women MSME representatives was successful. The app is now downloadable at the google app store. SHE Investments plans to commercially launch the app on 12 February 2021. The app will also be available on the apple store soon. While UNCDF’s support focuses on app development with only basic features of bookkeeping, SHE Investments has signed an agreement with Khmer Enterprise, an acceleration and venture capital initiative supported under the Entrepreneurship Development Fund of the Ministry of Economy and Finance for future support with the upgrading of KOTRA Riel features, as may be required by the users. The additional funding from Khmer Enterprise has significantly improved their capacity to develop the app further and create a digital resource center to support the users.

The free version of the SHE App was abandoned and in total since the start of the project has reached 63 men and women. No further training activities were taken forward, but SHE plans to restart them as soon as the new version is launched in February 2021.

**BanhJi Fintech:**

Business Model	Grant amount	Results to be achieved
Financial literacy training, accounting solution for MSMEs and access to working capital financing	<p>\$35,000</p> <p><b>Grant Disbursed</b> \$0</p>	<ul style="list-style-type: none"> <li>• 150 women MSMEs subscriptions</li> <li>• Financial literacy training to 150 MSMEs</li> <li>• Create 10 youth accountants</li> <li>• 1 financial institution Partnership to offer loan product and 50 loans.</li> </ul>

BanhJi provides MSMEs a financial platform and applications that are fully connected with a payment and financing ecosystem. Its proposal is to provide digital and financial literacy support to women-owned or led MSMEs to help them make better financial decisions and ultimately improve their access to working capital through three key interrelated solutions: financial reports, banking history, and data-driven credit assessment and monitoring. For the duration of the project 150 women-owned or led MSMEs will be reached through the bookkeeping service, along with 10 youth who will receive bookkeeping training and 50 women MSMEs that by using this service will be able to access loans.

For BanhJi, the impact of COVID-19 has been significant, and business has fallen by more than 50 per cent in terms of new customer creation. During last year, 30 women SMEs have been onboarded and have completed at least 1 month of bookkeeping on the platform. But many potential customers are postponing any non-essential expenditures such as the bookkeeping services. Although BanhJi team has reached out by phone to 150 potential subscribers, onboarding for the bookkeeping service, it did not gained momentum during the last quarter.



BanhJi has trained 10 youth accountants from which 4 are employed by BanhJi and are supporting the



women SMEs with accounting/bookkeeping verification. BanhJi has begun pilot testing the loan disbursement scheme, which uses the women entrepreneur business data as financial history/proof needed for a working capital bank loan. To date 3 women entrepreneurs have received loans, these include: a business in the consumer electrical sector, an agricultural business and a coffee shop. In this initial testing phase, all of these loans have been processed manually, with data shared by BanhJi to the banks, supporting the entrepreneur to approach the bank and receive a loan. Moving forward, BanhJi will integrate their software with AMK Microfinance Plc to feed real time transaction data from the BanhJi platform to AMK. This will allow AMK to issue working capital loans based on data received and monitor the business performance. To facilitate future loan disbursements, a cash flow forecast, financial scorecard and a real time loan monitoring tool is also being incorporated into the bookkeeping service offering.

BanhJi faced operational fund crisis during 2020 and had resource shortages to focus on customer acquisition. BanhJi has now confirmed that they were able to secure new funding for 2021. BanhJi has raised \$ 300,000 from the existing investors pool and added a new investor. This new fund will be a convertible debt and is expected to be released in Q1 2021. BanhJi will also receive \$ 50,000 from AMK microfinance as unsecured loan in early 2021.

Overall, BanhJi is still working with 6 staff and 4 accountants. In terms of partnerships, BanhJi has continued to expand to a total of 13 which includes financial institutions, credit guarantor, business associations (Cambodian women association, Cambodian rice association, water purifying association), amongst others.

#### SkyEye:

Business Model	Grant amount	Results to be achieved
Online marketplace (Maua) payments gateway for rural women MSMEs to sell products	\$45,000  <b>Grant Disbursed</b> \$0	<ul style="list-style-type: none"> <li>• 2 Partnership agreements with bank and telco</li> <li>• 500 MSMEs receiving payments using SkyEye payment gateway.</li> </ul>

This platform is an online marketplace (Maua) with specific goals of helping women in rural areas that have difficulty accessing markets to sell their produce. Utilizing local mobile money platforms, online vendors and buyers will be able to transact business quickly and effortlessly, allowing rural women to transact from the safety of their homes. The Maua platform will be the catalyst in educating, introducing and giving a use-case for the Samoan public to adopt electronic payments. It is anticipated that 500 women-owned MSMEs will be on-boarded to the platform by completion of the project pilot.



SkyEye has made significant progress after receiving the No Objection Certificate (NOC) from the central bank and launched the payment gateway, (that has been branded as Maua Pay) although once regulation is developed in the future, further licences may be necessary. SkyEye was also able to reach an agreement with MTala, as well as Vodafone and Digicel, with whom they would potentially strengthen the Maua payments gateway by linking it to bank accounts once they have a bank partner. This has been challenging and after discussion with UNCDF an amendment was made to allow SkyEye to partner with a foreign Bank payment aggregator and postpone the local Bank partnership till the end of 2021. SkyEye has managed a partnership agreement with a foreign bank payments aggregator – ‘Stripe’ to allow cross border payments from New Zealand and Australia so that Samoa’s diaspora population in New Zealand and Australia can make direct purchases from the Maua women enterprise online marketplace and send grocery items to family members in Samoa. This has been seen as an alternative remittance platform by the Samoan diaspora, allowing the remitter/buyer to have control over how the money is spent and on what household items. Integration with Stripe will also allow local users with VISA or Mastercard to pay using cards on Maua e-commerce platform. In 2020, the platform saw 20 women entrepreneurs processing electronic payments through the platform, with the average value of US\$ 19. As a result, 20 women entrepreneurs now have a digital payment history.



As such SkyEye has been searching for an alternative banking partner. SHIFT has supported in this process, approaching the National Bank, the Samoan Commercial Bank and the Bank of the South Pacific with little success. UNCDF’s Samoan team has reached out to the Central Bank of Samoa to ensure that all CEOs/MDs of potential Bank partners are approached formally by SkyEye team so the Central Bank can reach out to the Banks and emphasize on supporting MSMEs and local businesses through such partnerships that enables digital payments.

SkyEye has also been working with the disability advocacy organization, Nuanua O Le Alofa (NOLA) to test and endorse the platform as beneficial for people with disabilities. An MoU has been established and SkyEye will train trainers in NOLA so that they can train their members to use the platform.

#### **HFC Bank:**



Business Model	Grant amount	Results to be achieved
Mobile savings wallet for women MSMEs	\$45,000  Grant Disbursed  \$0	<ul style="list-style-type: none"> <li>• 450 women MSMEs register for mobile money savings account</li> <li>• 350 women MSMEs receive loans to their mobile money loan account.</li> </ul>

HFC is a licensed commercial bank catering to the retail and business loan customer segment. The project idea is to offer a product similar to Mshwari by teaming up with Vodafone's M-Paisa system which is used by a considerable number of women entrepreneurs to make payments. The new product would enable women businesses to save and conduct business using the same account and earn interest on their deposit at the same time. The service will be quick and easy, and access to their services (including microfinance) can be facilitated by the already existing agent network HFC has through Vodafone. It is expected to reach up to 350 women MSMEs by the end of the pilot period.

Progress with HFC has been limited. This was initially due to Cyclone Harold which hit Fiji in April 2020, and then due to the COVID-19 outbreak followed by cyclone Yasa. These events have meant that HFC's planned partner, Vodafone, had to temporarily reprioritize their activities and in latest meeting informed HFC Bank that they no longer wish to continue with this initiative in order to focus on core business recovery.

HFC's top management informed UNCDF that they are still committed to find out alternative ideas if UNCDF agrees to continue with a new model that utilizes the agent network of HFC Bank to originate loans for women MSMEs in Fiji in partnership with UN Women and Fiji Women Fund.

#### Aeloi Technologies:

Business Model	Grant amount	Results to be achieved
e-Ticket & digital financing solution for transportation	\$45,000  <b>Grant Disbursed</b> \$ 11,000	<ul style="list-style-type: none"> <li>• 45 Drivers/owners integrated into the GEM platform and services</li> <li>• 450 Passengers integrated into the GEM platform to allow for digital token payment</li> <li>• 37 Owners/drivers receive nano loans as digital tokens</li> <li>• 18 Vendors / Service providers integrated into the GEM platform</li> </ul>

Aeloi is a fintech platform helping MSME in developing countries access social impact investments. Through this project they are proposing a digital token (Mobility as a Service tokens) powered Green Energy Mobility (GEM) platform for Kathmandu. The GEM platform aims to make green public transportation a quality alternative to private vehicles to combat climate change and air pollution. At the same time, GEM will help build credit scores, provide loans or investments, and marketing to customers for Safa Tempo owners (electric minibuses).



It is predicted that 45 Safa Tempo owners will be integrated onto platform by end of the pilot.

2020 has been a difficult year for Aeloi and Nepal. Aeloi has launched its GEM platform and has been continuing to improve the system over the past year including the launch of their online booking system. Aeloi is currently looking at adding voice response features and blockchain technology to the platform. Aeloi made progress with the signing of an MoU with the Microfinance company Mahila Sahayatra for nano loans to Safa tempo drivers and Aeloi also signed an MoU with Electric Vehicle Association of Nepal (EVAN) and Safa tempo company. During COVID-19 restrictions, Aeloi pivoted its business model by introducing a business-to-business (B2B) transportation service with Safa tempos.



Aeloi had two corporate clients using their transportation services. To date, 10 women Safa tempo drivers completed 31 B2B deliveries and generated \$ 667 in earnings.

The COVID-19 outbreak delayed many MoUs with small token system vendors which were in the process of being signed. One MFI partner - Mohila Sahayatra was also onboarded to provide nano loans to Safa Tempo drivers. The initial bridging between the MFI partner and the Safa Tempo drivers has already been organized, but the loan application process could not be initiated due to COVID-19 related operational restrictions. Aeloi was also able to sign the MoU with the Electric Vehicle Association of Nepal (EVAN) and a Safa Tempo company.

For the car batteries, Aeloi has realized that the loans will have to be bigger, and as such this will require a partnership with a bank. They have reached out to NMB, Muktona and Standard Chartered Bank Nepal. UNCDF and UNESCAP have provided support to Aeloi in the development and planning around their business model, specifically thinking through and mapping out their approach, connecting Aeloi with Pravu Bank to explore the possibility of introducing digital nano loan products for Safa tempo drivers.

In terms of trainings, Aeloi was able to take forward trainings for 9 platform users and the MFIs in relation to the token dashboard. The project has faced challenges with organizing the trainings as some attendees and trainers were affected by COVID-19 virus.

#### **Romoni Services:**



<b>Business Model</b>  Women gig workers (MSMEs) services aggregator & digital financing	<b>Grant amount</b> \$45,000  <b>Grant Disbursed</b> \$15,000	<b>Results to be achieved</b> <ul style="list-style-type: none"> <li>• Financial services training for 250 women service providers</li> <li>• 1 bank partnership for digital loan processing using Romoni platform</li> <li>• 100 MSME loans disbursed.</li> </ul>
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Romoni is the first platform in Bangladesh that is focused on women entrepreneurs working in creative industries such as beauty, tailoring, fashion, food, etc. The platform provides a two-pronged solution to the problems faced by women-led businesses in the service industry: firstly, entrepreneurs can create virtual lists of their services and prices, offer them for sale from anywhere and track business performance in real time and secondly, the transaction data on the platform, along with all the business data of the businesses allows for the calculation of metrics of creditworthiness of each entrepreneur and therefore potentially giving them access to loans. By the end of the pilot it is envisaged that as many as 250 women MSMEs will be reached.

In Bangladesh, COVID-19 impact has slowed down and businesses are starting to regain momentum. Yet Romoni's business model directly involves allowing service providers to visit customers' homes and perform beauty and salon services that requires human touch, which not yet deemed safe by many customers. Thus, the demand for Romoni's business services is still recovering and may need more time to get back to pre-COVID state. During 2020 due to this significant fall in Romoni's home based service demand (gig workers) the service providers (mostly beauticians) suffered significant revenue losses, which meant that their demand for loans also dropped.



To date 193 women have registered to use the platform, and of these 37 (19 per cent) are active completing at least one service provision in the last 90 days as COVID-19 has forced many service providers to leave town. In terms of training, 177 women completed 3,412 hours of capacity building activities in their business area, and 219 in financial literacy. The total transaction volume for the year was US \$185,456 and respective total women business earnings amount to US \$148,364.

Romoni also introduced a reselling model in partnership with established Fast-Moving Consumer Goods, beauty products, cosmetics suppliers. Romoni has also introduced its own branded organic beauty products line. The service providers are now working as resellers besides providing salon services to earn additional income.

A small training session was arranged with 4 service providers this quarter to observe how training activities can be taken forward. Romoni has also initiated a fixed pay-based business model by hiring the service providers on fixed monthly payments and hopes this new initiative will bring the inactive service providers back by ensuring a minimum income.



Romoni has been working with BRAC Bank to design loan products for their service providers. To be eligible for a loan, a Romoni users must have at least 3 months of available business data. Loan conditions include a 9 per cent interest rate although this will vary, with a maximum loan amount of \$ 12,000 USD which should be used productively. Romoni has evaluated the pool of interested loan applicants and 36 service providers were deemed eligible. In the pilot phase 5 loan applications were submitted to partner BRAC Bank for approval. Unfortunately, BRAC Bank declined all 5 loan applications and requested further clarity in the process. Although primary applications were rejected at the pilot stage by the bank partner, Romoni takes this as learning and remains positive that they now know how this can be improved in the future. As per UNCDF assessment, BRAC Bank may not be willing to take enough risk by providing loans to 100 service providers for this project thus recommended Romoni team to explore more partnerships. UNCDF suggested that by partnering with multiple Banks Romoni may reduce the risk of missing out on target achievements and the project may have better chance to achieve the target number of 100 loans.

Romoni was able to raise an additional US\$ 500,000 for its overall business through the Accelerator Asia programme as well as Singapore based angel investors.

#### iFarmer:

Business Model	Grant amount	Results to be achieved
Crowd-financing platform for farming	\$45,000 (additional \$ 10,000 approved by UNCDF ASEAN board)  <b>Grant Disbursed</b> \$20,000	<ul style="list-style-type: none"> <li>• 800 women farmers registered</li> <li>• Develop iFarmer app &amp; train all 800 farmers</li> <li>• 500 cattle disbursed</li> <li>• Partnership with 1 bank for digital loan processing.</li> </ul>

i-Farmer is a digital agriculture platform that focuses on linking farm sponsors with real farmers in order to support livestock farming in Bangladesh while promoting inclusive growth in the livestock and agriculture industry. The objective is to create an alternative for access to low cost capital for the women farmers by linking them with a farm sponsor. To do this, they created a tracking device for cattle, which will inform a data platform allowing potential investors and insurers to analyse their business. In parallel, the clients will be given hands on training on cattle, farm and fund management some of which will be delivered through an app. For the duration of the project, iFarmer hopes to impact the life of 500 women. iFarmer was rebranded to iFarmer in the first half of 2020.

iFarmer reached its second milestone in last quarter of 2020 having registered 500 women farmers, completing the basic training with them and distributing investments for 300 women cattle farmers.



To date iFarmer has ensured 797 registered new women farmers to the iFarmer platform. 499 cattle have been distributed to women farmers and an additional 65 women have received capital to support vegetable farming. The capital provided for cows and vegetable farming is raised through crowdfunding provided by urban investors through the iFarmer platform. There are a total of 493 urban investors of which 49% per cent are women investors.



Overall, iFarmer has found that 2020 has not been a good year for cattle rearing, as the market demand for beef and prices dropped due to COVID-19, and cattle rearing costs increased with the more recent flooding in rural Bangladesh. For example, the cost of cattle feed increased 13-fold. iFarmer has diversified their portfolio by introducing vegetables farming, duck farming, fruits, fisheries among others to minimize dependence on cattle.

iFarmer investors app and farmers app are now live. The facilitators have been using the app to onboard both women and male farmers. A farmers' rating mechanism was further developed within the app for future investment decisions. iFarmer foresee problems for uptake including the fact that most farmers do not have a Smart phone, and many don't use these regularly. Nevertheless, the app has had 250 unique users in the last 30 days. iFarmer was considering an assisted app usage model in which farmers are supported by field facilitators and local retailers.

iFarmer had meetings with two different banks for a partnership to ensure further funds to support their farmers for scaling up their farms. A leading commercial Bank in Bangladesh, Prime bank, having one of the largest agent banking services in the rural areas, will do a field visit in the coming months to further assess the iFarmer business model and make a partnership decision.

UNCDF proposed iFarmer to evolve into a large supply platform by introducing its own B2B and B2C platform by directly selling farm outputs online. UNCDF suggested this will help in ensuring sustainability of the model and increase profitability of the farmer by reducing involvement of middlemen in the supply chain. iFarmer has worked on the B2B channel development and created a platform where large buyers can order farm produces directly. Now iFarmer is also willing to create a B2C platform for directly selling to urban customers. UNCDF suggested that this can be done on a pilot basis for the upcoming Eid-ul-Adha when cattle demand will be high.

With respect to the investors, there was an initial drop in investments due to the COVID-19 outbreak. To maintain interest, updates were shared with the investors regularly, informing them about the livestock market as well as the new opportunities in new category farming. To date they have had 270 sponsors.

iFarmer reported that the business model has successfully attracted investors from Falcon Network and Accelerating Asia and raised \$ 700,000 in seed funding.



### SparrowPay:

Business Model	Grant amount	Results to be achieved
Digital marketplace payment processing	\$36,350	<ul style="list-style-type: none"> <li>• Train and create 35 women MSME cluster leaders/trainers</li> <li>• Training to 1800 women MSMEs</li> <li>• Open bank or mobile wallet account for 1600 women MSMEs</li> <li>• Create 120 Cash in and cash out points</li> <li>• 100 banks loans to women MSMEs.</li> </ul>
	<b>Grant Disbursed</b> \$12,000	

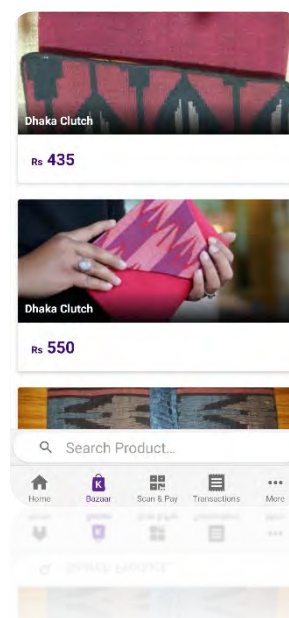
Khalti is SparrowPays's mobile wallet & payment gateway in Nepal. The project intends to deliver financial and digital literacy to 1,800 women- owned, managed or led MSMEs members of the SABAH Nepal organization - by bringing all the MSME's into a digital platform, offering them access to their bulk payments system and by generating a digital hyperlocal market through which agricultural and textile goods can be sold. As such, the women led MSMEs will be able to connect with their end users directly and receive payments on their mobile. This project directly aims to impact at least 3,850 women-owned or led MSMEs who will use the platform, and to which 100 loans will be disbursed.

In Nepal, the effects of COVID-19 have been significant. Since the end of March, the country has been mostly on lockdown. During the last quarter of 2020, project training activities had restarted after they were temporarily suspended. The 'Khalti Bazar' hyper-local market is now live and the training of 35 SABAH cluster leaders was completed and those leaders subsequently trained and onboarded 421 women entrepreneurs to the Khalti Bazar platform allowing them to showcase their products. As a result, US\$ 4,954 payments have been processed through the marketplace as sales proceeds for the women entrepreneurs.

Following UNCDF recommendation of creating end to end solution and seamless user experience to partners with a delivery channel, SparrowPay has partnered with the delivery company Puryau and NepExpress to ensure timely delivery of Khalti Bazar orders from the women micro businesses.

SparrowPay onboarded 20 CICO (Cash In Cash Out) agents in Kathmandu valley which are near the SABAH Nepal clusters, this will allow the women entrepreneurs to access their physical cash easily when required. SparrowPay is also helping SABAH to connect with other digital platforms where SparrowPay (Khalti) acts as a payment gateway and e-commerce platform to further boost SABAH women entrepreneur sales. SparrowPay shared concerns on not being able to get an active pool of 1,800 women MSMEs from partner SABAH and requested UNCDF to change the PBA to allow them to approach other women entrepreneurs' associations.

UNCDF Nepal has additionally partnered with SparrowPay to fund another project that will further support micro merchants specially 'Kiranas' (small groceries) to connect with digital payments





platforms and online marketplaces. These two projects will mutually benefit with field staffs working with MSME onboarding, agent points creations, shared support resources, among others. UNCDF has carefully decided on the deliverables to avoid duplications in beneficiary counting.

### Learning and Capacity Building

The aim of the programme is to support the business model implementation phase of grantees on the multi-regional Innovation Fund with capacity building activities which are envisioned to provide the grantees with tailored support including informal mentorship and advisory on strategic model issues, support in partnership building and regulatory issues. The exact level of support has not yet been established and is currently being evaluated. It is envisioned that some of these activities may be taken forward with SHIFT partners including VISA and/or FMO.

### Financial Summary

The following table describes the high-level budget and expense figures for 2020. **Out of US\$ US\$ 825,387.78** as per revised 2020 budget, US\$ US\$ 823,246.18 were spent resulting in a **99,74 per cent delivery rate**. Please refer to Table 1 below:

**Table 1: SHIFT ASEAN 2020 Budget and Expenses (JAN-DEC 2020)**

	DFAT	ESCAP	FMO	VISA	MAS	Total
<b>Budget</b>	715,676.26	62,695.52	16,006.00	29,110.00	1,900.00	825,387.78
<b>Expense</b>	715,676.26	62,333.71	14,751.92	28,681.52	1,802.77	823,246.18
<b>Delivery %</b>	100.00%	99.42%	92.16%	98.53%	94.88%	99.74%

### Leverage

In addition to SHIFT ASEAN budget and expenses, leverage is another important aspect of sustainability for SHIFT activities. Through SHIFT's Fund Facility, SHIFT has managed to leverage additional private sector investment both in terms of direct private sector spending on the co-funded business models and by external venture capital (VC), debt and equity funding. The below table presents the funds committed and spent, as well as capital commitments and spending from the private sector partners.

UNCDF Funding (Spent)	Private Sector Partner Funding (Spent)	UNCDF Funding Commitment Remaining	Private Sector Partner Funding (Committed)	Additional Private Sector Investment Leveraged (Debt/Equity/VC)
US\$ 2,103,347	US\$ 5,615,364	US\$ 344,350	US\$ 6,777,221	US\$ 151,730,000

Below an overview of the grantees which were able to raise additional private sector investment funding in 2020:



- Awantunai was able to raise debt capital of an additional US\$ 25 million, of which US\$ 20 million from an impact investor in Singapore and US\$ 5 million from UOB Bank Indonesia, as well as US\$ 4.3 million in equity capital.
- Julo was able to raise US\$ 10 million in series A2 venture capital funding from Quona Capital.
- Modalku was able to raise debt capital of US\$ 31 million from a variety of impact investors.
- It was reported by BRAC, that based on the loan products developed by them through the financial diaries was able to raise US\$ 20 million in funding from FMO, DFC and Asia Green Development (AGD) Bank for their business model expansion.
- iFarmer and Romoni were able to raise an additional US\$ 700,000 and US\$ 140,000, respectively from Asia Accelerator programmes.
- Thunes raised US\$ 60 million in Series B debt capital funding.
- BanhJi raised US\$ 300,000 in equity funding and US\$ 50,000 in debt capital.
- Zigway raised an additional US\$ 140,000 in grants.
- Aeloi raised an additional US\$ 100,000 in grants.

Although UNCDF SHIFT was not directly involved in some of the fund raising, the grantees did leverage their relationship with UNCDF to access these funds.

## Lessons Learned and Challenges

### Lessons Learned

- Based on review of the Fund Facility taken forward by an external consultant, several learnings can be identified and are presented below:
  - It was found that the timing and overall engagement and communications strategy relating to the fund facility could be improved. As such, it was recommended that SHIFT creates and develops a template communications plan that can be adapted to each funding window.
  - The information sessions have been critical to the fund facility and applications to it.
  - Partnerships with local institutions to strengthen applicant's capacity and Innovation Fund targeting is critical for improved overall results.
  - More hands-on approach and programmed capacity creation programme by SHIFT is necessary for Innovation Fund grantees. This is both at the application and implementation phase and will help improve programme outcomes. This has been noted and incorporated into the application process. Incorporation into the implementation phase is being explored.
  - It was recommended that future applications to the fund demonstrate full clarity on regulatory requirements for the business plan, as well as the ability to secure the relevant licenses. This will avoid setbacks that can affect the project implementation timeline and has been applied to the current Women MSME FinTech Innovation Funding round.



- Working with companies such as Oracle and Deloitte that provide in-kind sponsorship of the fund facility was evaluated very positively and it is recommended to continue using this type of support.
- The adjustments made to the data analysis and product development training modules have been positive and some additional learnings are listed below:
  - The modules could incorporate more specific content on the programme target beneficiaries including women and low-income groups. Although the nature of the participating FSPs (MFIs) does ensure this to a certain extent, a more focused approach on this group may help to further align their product development activities with programme objectives.
  - The quality of available data amongst the FSPs is mentioned as an obstacle for a broader commitment to data driven (and customer centric) product development which is focused on specific segments. Training support could therefore also include content related to improving data quality through survey design for example.
  - Using Tableau in the trainings has consistently been well received and evaluated. Trainees place a high value on creating dashboards in which data can be presented geo spatially. Unfortunately, SHIFT has not been able to confirm that participants continue to use Tableau after the training. This is partly due to the cost of the required licence for the software which, at least in the short term, is an obstacle. As such, SHIFT has provided some Tableau licenses.
  - Time permitting, and with the aim of strengthening programme outcomes, a local technical partner could be involved in the development and implementation of the trainings. This is a potential channel for activity sustainability and can expand programme impacts. Partnerships with technical organizations like universities are being explored. Associated to the previous point, if technical partners cannot be identified, it is important that the selected staff members in the training are chosen on the basis of their capacity to train others in their organizations on the content. As such, with the SBV, the 4 staff participants in the secondment will take a leading role on the follow up training. Also, in Myanmar, it is expected that the staff participating in the Gender Transformative Finance project take this role within their organizations.
- From the M&E perspective, it will be important to continue to take forward the high-level monitoring of the newly developed financial products by the training participants. It would also be very useful to interview the other activity participants that did not respond to the initial interview request and collect any insight from them.
- By definition, one of the criteria used to evaluate whether an activity has led to an outcome is whether the activity itself has become sustainable beyond the support of SHIFT. Although this should be the case for all activities, in reference to country NFIS, it seems that there is a continued demand for SHIFT presence as a neutral convener of parties, as this is a role that may be difficult to replace locally. Also, SHIFT may have an important role to play facilitating contact with investors and financing networks. As such, to ensure further NFIS implementation, programme activities should continue until a clear exit strategy is established, ideally with the regulator partners.



- Due to limited programme resources compared to the total amount foreseen in the Programme Document, SHIFT has taken forward an analysis based on the programmes core interests and activities and identified a niche market which it now targets. Critical to such an approach is relationship building with potential donors and concerted follow-ups that should be regular and consistent. Although SHIFT resource mobilization has continued to focus on fund facility needs, this has been expanded to other areas as well. This has been taken into consideration for future programming.

### **Risks and Challenges**

- The rise and spread of COVID-19 have presented the UNCDF SHIFT programme with significant challenges. Firstly, this has had significant impacts on the economic activities in all the countries where programme initiatives are being taken forward. As such many programme end beneficiaries have seen a significant drop in income and revenues. This has affected their capacity to repay loans, which has impacted the programme loan provision partners themselves. Furthermore, social distancing measures have meant that many other financial services (for example remittances) when not fully digitized have also had to close their businesses, and clients are no longer able to access them. Government and donor attention have also been temporarily shifted to responding to this situation resulting in licencing and agreement delays. All training activities and in person activities have also been suspended. Due to this and the previous point, some project partners have had to re-focus their business models entirely, whilst those with digital channels have been more resilient to this market shock. Therefore, the SHIFT programme has redirected resources to other activities needed to meet the expected results and prioritized donor spending accordingly.
- In response, UNCDF SHIFT has maintained regular and constant contact with programme partners collecting information on impacts and potential ways in which the programme can support them. Furthermore, all UNCDF SHIFT travel has been suspended until further notice meaning that all the work is now online, and many events and programme workshop are currently on hold. As this situation continues, alternative ways of working are being implemented to ensure the programme achieves the expected results.
- SHIFT's current M&E system is considered to be robust, however it has been noted that the aggregation of usage data presents some overall challenges for reporting purposes. Due to the variety of business models within the fund portfolio, it can be a challenge to compare usage data across grantees, and one option is to club business models according to type of service. To do so a standard definition of business models has now been developed, allowing partners to be grouped by business model and industry. This has been incorporated as a filter into the SHIFT Access and Usage dashboard meaning that access and usage can now be disaggregated. In addition, the distinction between active and inactive partners was also introduced to further strengthen the results tracking system.
- Associated to the above point is the definition of low income and the need for the SHIFT programme to gain insights into the final beneficiaries of the programme activities. This includes the clients of the grant and training recipients, as well as those indirect beneficiaries



of policy changes and implementation. This also presents an additional challenge, which is how to define and measure the indirect beneficiaries of the programme activities. To this end SHIFT has used the lean data surveys implemented with BRAC and LVPB to get insights and the results are discussed in the respective sections of the report. It should also be mentioned that an analytical deep dive into Thunes data, has shown that 29 per cent of the remittance transactions to CLMV, are below \$ 200 USD. Currently, work has been taken forward to define the programmes indirect beneficiaries. Initial work has shown that the most accurate data to do this can be extracted from the challenge fund KPI. A draft calculation is being prepared.

- With the completion of the 5<sup>th</sup> challenge fund window on Women MSME, an implementation challenge has been faced with respect to the M&E framework which needs to be harmonized across regions and country teams. To this end, SHIFT has been sharing and training other country teams in the M&E tools and setting up a coordination structure to clarify roles and responsibilities as well as timelines.
- By taking a market systems approach, SHIFT's aim has been to incentivise and trigger market change by focusing on the strengthening of the market supporting functions such as policy and capacity amongst regulators and private sector professionals. An additional focus has been to provide risk capital for the piloting and developing of new financial products and services that target specific market segments. To get a holistic picture of the market response to programme activities it is necessary to make an overview of current activity evaluations and collect SHIFT evidence towards building this picture. At the same time evidence gaps will require filling and based on this a narrative will be constructed which will help understand the actual process of change vis a vis the programmes Theory of Change. Work on this is currently being completed.
- Although some programme activities have a clear beginning and end, there are many that do not. Most activities in these areas require as series of long-term efforts which will only progress as quickly as the market and partners allow. Regarding upcoming activities, a concept note for another innovation fund has been shared with donors and funding has been committed from FMO and UNESCAP, with VISA support in the form of technical assistance. In addition the SHIFT ASEAN ProDoc was extended until 30<sup>th</sup> of June 2022 to allow for more time to transition to the new regional strategy.

#### *SHIFT ASEAN Supporting Partners:*



Implementing Partners



## Annexes

### 1) Stoplight



DFAT\_Stoplight\_Report\_Q4\_2020\_FINAL.xlsx

### 2) Snapshot



Snapshot\_2020\_FINAL.xlsx

### 3) HR



SHIFT HR 2020.docx

### 4) Risk log



Risk Log Dec 2020.xlsx

## ANNEX IV - M&E SYSTEM

UNCDF SHIFT's Monitoring and Results Management (MRM) has the functions of informing and driving programme improvement through organizational learning, providing proof for donor/stakeholder accountability purposes as well as informing analytical and communication products. UNCDF SHIFT MRM system is inspired by the Donor Committee for Enterprise Development (DCED) and the Consultative Group to Assist the Poor (CGAP) standards. This has ensured the design of a robust internal monitoring system which follows international best practice, as well as giving provision for external evaluations in line with UNCDF global policy.

The aim of the MRM is to provide regular insights related to grantee performance throughout their full programme cycle with SHIFT, establish and evaluate their impact on program outcomes, monitor and adapt for change in the market and, finally, create challenge fund learnings for future innovation rounds and transfer relevant knowledge to external audiences in order to encourage the up-take of this learning and experience by other enterprises across the ASEAN region through sharing best practices.

For improved programme design, effective interventions and improved impact, effective knowledge management is crucial and contributes to the improved external anchoring and embedding of inclusive business practices/model among private/public partners. As such, SHIFT has made a monitoring dashboard of each company, in which it stores key intervention information using tools such as results chains which is a causal chain linking intervention activities to behavioral change among different market actors and intervention outcomes. Mapping out these series of changes is crucial to monitoring a market systems approach, allowing the evaluation team to visualize how changing activities influence outcome. Furthermore, the dashboard stores the MRM plan, intervention projections and a framework to evaluate market changes (Adopt Adapt Expand Respond Framework). The latter is crucial for a market system approach like SHIFT, and the aim is to capture unintended and indirect results of the intervention which may be leading to the desired systemic change.

### Data Collection and Analysis

SHIFT ASEAN regularly collected data from companies through quarterly and yearly reporting activities which are taken forward on the basis of previously designed indicators and milestones which were stipulated in the Performance Based Agreements (PBA) and signed with each company at the launch of each business plan. These indicators, along with a narrative report, are shared with SHIFT with the aim of highlighting achievements, risks, challenges, changes and future activities. Field visits to verify performance and capture learnings are also taken forward on requirement basis, and are characterized by arranging semi structured interviews with key partner staff and company clients, as well as ecosystem stakeholders. Focus group discussions, as well as surveys are also used for this purpose, and which one is used depends on the nature of the activity that is being monitored as well as the type of information required by SHIFT. SHIFT also takes forward a systematic review of the data that each company generates, requesting access to it to take forward specific analysis of company performance and/or customer behavior (sex-disaggregated and other demographics disaggregated where possible). Where access is granted, this quantitative data is analyzed using software appropriate to the data size sample, and analysis needs. Qualitative data is analyzed using NVivo software.

### Reporting

Overall performance is analyzed and where large deviations exist, the SHIFT Innovation fund management team is alerted using emails and feedback meetings aimed at triggering corrective action where necessary. The purpose of these feedback loops is also to ensure SHIFT team is aware of specific findings which may be of interest for their relevance to broader UNCDF work and/or future SHIFT work. In some cases, presentations are made of the findings, and these are shared with the partner companies so that they can be made aware of the findings and a management response can be formulated where necessary. In some cases, findings are turned into external communications pieces for the benefit of the market in general. This includes the development of blogs, newsletter content and case studies.

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## UNCDF SHIFT's Monitoring and Results Management

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### M&E Capacity

- Donor Committee for Enterprise Development (DCED) and the Consultative Group to Assist the Poor (CGAP) standards
- UNCDF SHIFT MRM team includes one full time UNCDF staff member, 2 full time consultants and one part time M&E expert
- MRM system had been used since 2015, and has continually been updated to reflect partner and context changes
- Robust system providing a strong evidence base for follow up activities and the adjustment of future plans.

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### M&E Systems

- Intervention Dashboards including Results Chain, MRM plan, Estimations and framework to capture systemic change (AAER)
- Performance Based Agreement (PBA) and Key Performance Indicators (KPIs) stipulated MRM framework used during full project cycle
- Due diligence processes for new applicants

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### Data Collection and Analysis

- Company due diligence
- Regular reporting schedules by partner company
- Regular calling and site visits as per requirement
- Company records and transactions data
- Data analysis using software including EXCEL, NVivo, Tableau

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### Quantitative and Qualitative Tools

- Quarterly reporting on key performance indicators
  - Quarterly narrative report
  - Milestone reporting
  - Yearly reporting
  - Quarterly Calls
  - Verification field visits as per requirement
  - Yearly client satisfaction surveys
  - Ad hoc surveys
-

## ANNEX V - CASE STUDIES

To illustrate the outcomes resulted from SHIFT's Fund Facility work three case studies of investments have been summarized below.

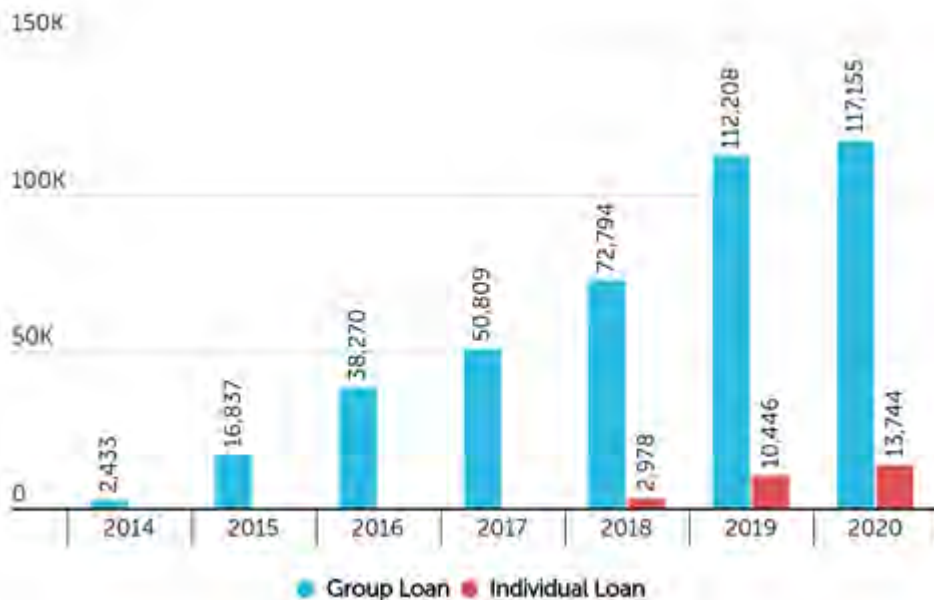
### BRAC

As mentioned above, SHIFT's investment in BRAC has allowed them to pioneer the design and scaling of individual loan products for women MSMEs in Myanmar Throughout the model's implementation, the total number of unique enterprise loan customers (both the small enterprises programme (SEP) and women enterprises programme (WEP)) reached 13,744 (Dec 2020). The loans were well marketed in two regions: Yangon and Bago. The WEP loans were particularly successful and saw a rapid increase in uptake over the years. The loans were sustainable with good portfolio growth. The repayment rates remained high (99 percent) until Q1 2020 but went down later in Q2-Q4 due to the restrictions on operations imposed by the government to prevent the spread of COVID-19.<sup>2</sup> Further impact assessment is ongoing.

*Growth of BRAC individual loan clients from 2018 to 2020*

	Q4 2018	Q4 2019	Q4 2020
<b>Total number of active individual loans to date</b>	2,978	10,446	13,744
Percentage of loans taken by women	77%	87%	89%
<b>Number of BRAC-SEP active loans to date</b>	1,601	3,629	4,430
<b>Number of BRAC-WEP active loans to date</b>	1,377	6,817	9,314
<b>Total volume of active individual loans</b>	\$ 3.7 M	\$ 12.1 M	\$ 17.0 M
<b>Loan repayment rate per quarter</b>	99.9%	99.6%	84.5%

<sup>2</sup> Department of the Ministry of Planning, Finance, and Industry (FRD-MoPFI) officially suspended MFI operations related loan repayments and taking on of new clients starting from April 6 until May 15 (MoPFI 2020), and later limit the operations in some regions in November and December.



*BRAC: Total number of active customers at the end of each year by loan type*

#### CUSTOMER STORIES:

Daw Sabel shares as she showcases her jam production facility in Mingalardon, Yangon. Together with her eight employees, she sells pineapple and papaya jams to Shwe Kyee bakery and wholesalers in Bayintnaung market, and supplies marrow candy to shops downtown. She earns approximately MMK 16 million (US\$ 11,050) in revenue and MMK four million (US\$ 2,762) in profits every month. Her largest expense is on fruits, where she buys up to 500 bags of fruits every month.

"I used to only sell papaya jam, but after switching to BRAC's small enterprise productive (SEP) loan, I started selling pineapple jam and marrow candy too. My friends and neighbours told me about BRAC, and I took my first loan with them two years ago." - Daw Sabel, BRAC Myanmar customer, Mingalardon, Myanmar.

Daw Sabel started with the small enterprise group loan before switching to the individual small enterprise productive loan. With this loan product, she now has the capital to purchase more raw materials and increase her production. This led to an increase in sales and growth of her main source of income, which has allowed her to better support her seven-year-old daughter financially.

Daw Yee Mon is a 54-year-old micro entrepreneur running a small garment facility. Daw Yee Mon's business sews hoods for a Korean garment factory located in Shwe Pyi Thar, earning a profit of seven to eight lakhs (US\$ 483 to 553) per month. Since most of the raw materials are provided by the main factory, her largest expenditure is on the wages of her 15 employees, in which 12 work full-time. Her first four years with BRAC was as a group loan member. In the last two years, she became a client of the WME loan. Daw Yee Mon expressed her satisfaction on the product.

"I like the BRAC loan. it is convenient and i have no problems repaying my monthly instalments." - Daw Yee Mon, BRAC Myanmar customer, Mingalardon, Myanmar.

She used the loan to invest in other entrepreneurial endeavours within her household to improve their economic livelihood. The loan has been used for her son's grocery store and to maintain another property that she owns and rents out.

Unlike the others, Daw Hnin Yu Htwe is relatively new to BRAC. The WME loan she took nine months ago is her very first loan. For the past 13 years, income from her small grocery store has been enough to support her 13-year-old daughter and she did not need a loan. However, with aspirations to grow her business, she decided to take an MMK 1.2 million (US\$ 832) loan from BRAC.

"I want to expand my business while i am still young. so, when my friends told me about BRAC, i decided to apply for a loan." - Daw Hnin Yu Htwe, BRAC Myanmar customer, Mingalardon, Myanmar

With this, she now purchases rice, oil, prepaid mobile cards and other supplies in bulk directly from factories instead of from wholesalers. This has lowered her unit cost and increased her profits, which are being saved for a bigger shop in future.

### LVPB and the ViViet app

In 2017, LVPB piloted the mobile wallet in 10 provinces of Viet Nam, and this was quickly followed by a nation-wide expansion. In the first year of the launch of the ViViet e-wallet, the number of registered accounts reached 1.8 million, further increasing to a total of 2.7 million by the end of 2019. In line with the increase in the number of accounts, the total transaction volume has increased from US\$312 million in 2017 to US\$4.2 billion in 2019. The number of active ViViet merchant agents eventually rose to almost ten thousand outlets by the end of 2019. In 2018, the wallet expanded the financial products portfolio to include savings. The wallet was also used by lending group supported by CARE international. LVPB also partnered with Xelox Technology to install the wallet on mobile devices in rural areas for farmers. The ViViet app received recognition and was praised in the market, winning the Asia Pacific ICT Alliance (APICTA) Awards 2017 for Financial Industry Application.

Although ViViet experienced growth in the number of accounts from the launch, the wallet's usage rate has remained low compared to a global benchmark of 33 percent (see Salazar, D. and C. Monteverde, February 2020).

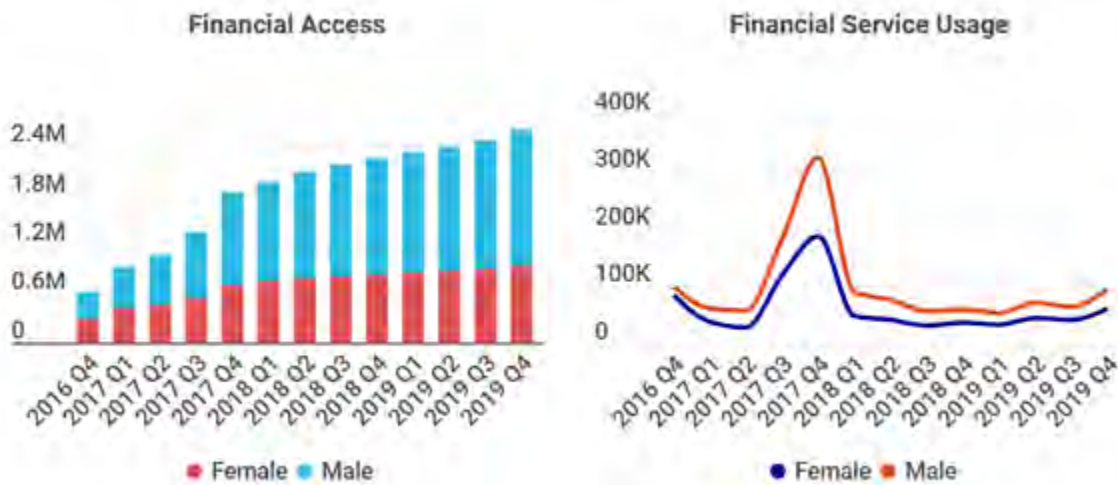
#### *Access and usage of the ViViet app*

	Dec 2017	Dec 2018	Dec 2019 <sup>11</sup>
Number of accounts opened per year	1,209,408	421,973	347,265
Total cumulative number of accounts to date	1,840,799	2,262,772	2,610,037
Accounts owned by women, in percent	39%	37%	36%
Number of active accounts	513,950	96,005	155,946
Active accounts owned by women, in percent	37%	38%	40%
Cumulative active accounts to total cumulative accounts, in percent	27.9%	4.2%	6.0%
Total number of transactions per year*	2,829,326	6,540,568	9,699,860

Total dollar amount of transactions in a year	\$312,227,209	\$1,613,843,737	\$4,220,022,095
Number of active merchant agents	8,243	5,857	9,893

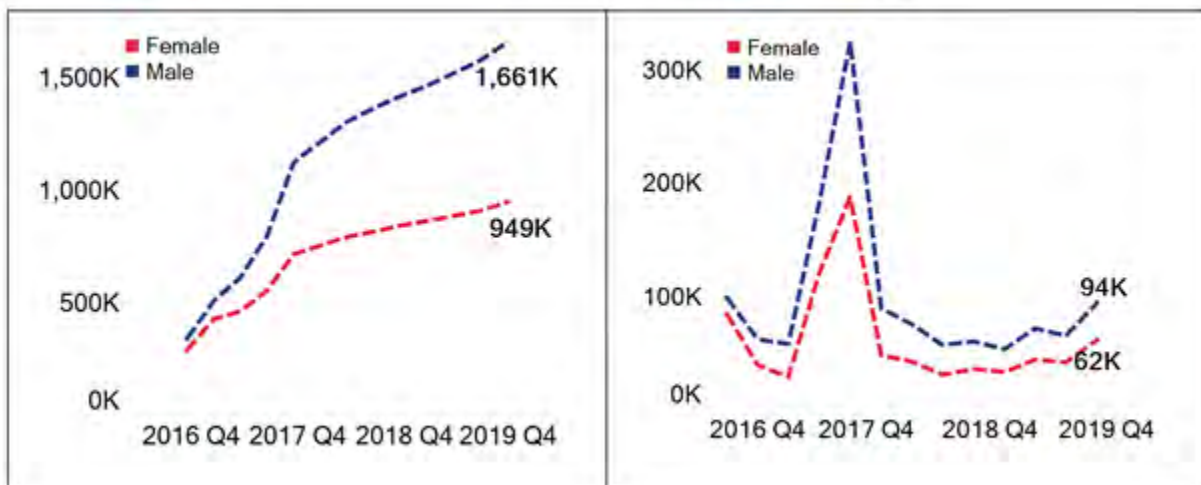
<sup>[1]</sup> LVPB involvement ended up in 2019.

The spike in usage (active accounts) came in the fourth quarter of 2017 and can be attributed to the promotion campaign run during the same period (such as discounts on first payments, free cinema tickets, multiple gifts, and prizes). However, most of these promotions showed to be ineffective in stimulating long-term active usage for the majority of customers as they have several alternatives offering constant promotions through the other wallets.



a. Financial access

b. Financial service usage



Access and usage the ViViet app (Cumulative number of active accounts, in thousands)

## Thunes

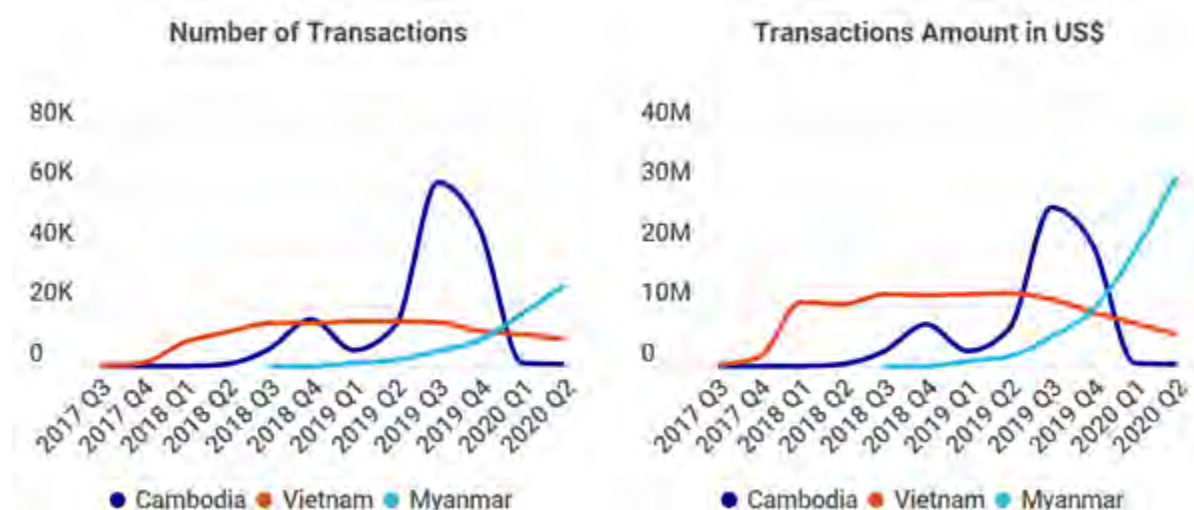
Through the Innovation fund, Thunes was able to expand its network to the CLMV economies, providing cross-border migrants with a safe, convenient and accessible way to remit money home.

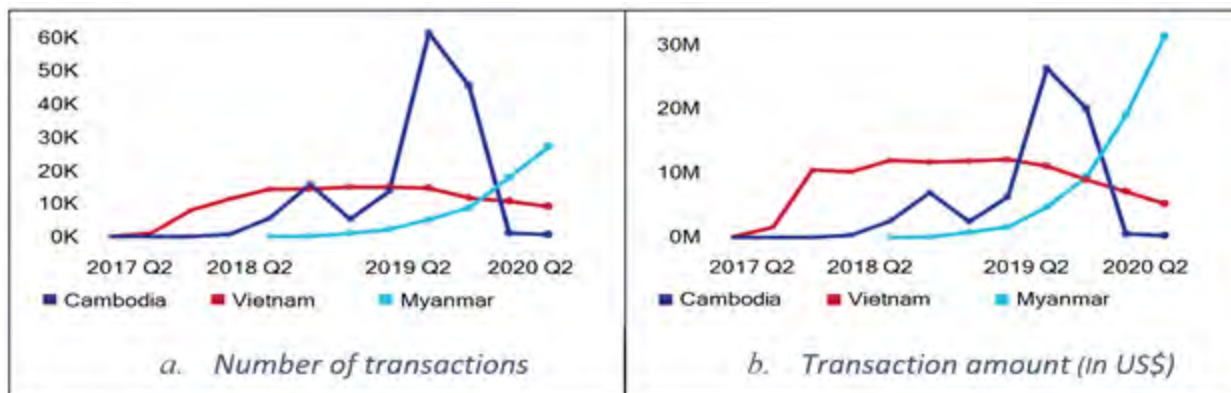
Through its platform, Thunes managed to reach over 166,479 unique senders and receivers, enabling a total estimated transaction amount of US\$236 million in remittances to these countries. Initially, Viet Nam formed the largest share of the total value of remittances to date, while the number of people receiving remittances in Cambodia and Myanmar has grown since the beginning of the project with the latter currently representing the largest proportion of client sin the CLMV region. Women remain the primary beneficiaries of the remittance service, where the percentage of women receivers have increased from 58 percent in 2018 to over 70 percent in 2019.

*Cumulative remittance beneficiaries of Thunes as of Q2 2020*

Receiving country	Senders	Receivers	Total Amount, (In US\$)
Cambodia	20,851	56,917	66,049,040
Myanmar	12,180	24,259	67,289,888
Viet Nam	15,831	36,446	102,944,882
<b>Grand Total</b>	<b>48,857</b>	<b>117,622</b>	<b>236,283,810</b>

Although there were different launch dates of the project in Myanmar and Viet Nam, by the end of 2019 (Q4), both countries reached almost US\$9 million remittance inflow per quarter. The average quarterly remittance inflow to Viet Nam for 2019 was US\$11.1, while this number was only US\$4.2 for Myanmar. As it can be seen in the figure below, while there is a growing increase in remittances flowing into Cambodia, Myanmar and Viet Nam through Thunes, the flows themselves are very dynamic and depend on the success of their remittance service providers partnerships.

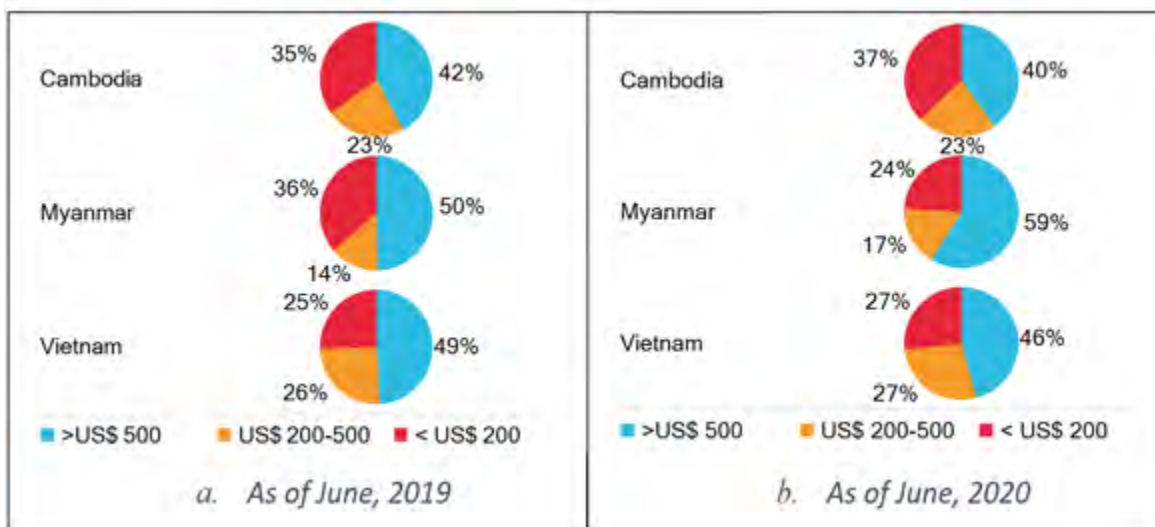




Quarterly number of transactions and amounts by receiving economies

As of mid-2020, 88 percent of Thunes transactions towards CLMV economies came from the Republic of Korea, and 12 percent came from Singapore, while the other ASEAN markets such as Thailand are still to be reached by Thunes.

On reaching low-income beneficiaries, only 10 percent of the customers of BRAC Myanmar lived below the income line of MMK 100,000 (US\$78) per month against 53 percent for female adults living below that line nation-wide (see Annex 6). In Viet Nam, only 16 percent of the LVPB customers lived below VND 2 million per monthly income (US\$86 per month) compared to 28 percent for the Viet Nam total adult population. Approximately 10,000 low-income women are still actively using the app (see Annex 7). Around 29 percent of remittance recipients using Thunes service in CLMV economies received low value of remittances of below US\$200, which may be used as a proxy to estimate the percentage of remittance likely to flow to low-income recipients (see Annex 8). About 49 percent of the senders had completed transfers lower than US\$500.



Transactions categorized by value\*

Thus, using the various context specific definitions of low-income outreach, it may be stated that through the partnership with UNCDF, all three innovations had a small outreach towards low-income groups.

## ANNEX VI - ADDITIONAL CAPITAL RAISED OF SHIFT FUND FACILITY GRANTEES

UNCDF SHIFT Programme partners have committed a total of US\$ 6,777,221 in matching contribution for the projects that are supported by UNCDF and till the end of 2020 the reported expenses made by the grantees totaled US\$ 5,615,364. SHIFT has also leveraged UNCDF EFA Programme funding, UNCDF CleanStart programme funding, and contributions from Monetary Authority of Singapore (MAS) were also welcomed.

Through SHIFT's Fund Facility, SHIFT has managed to leverage additional private sector investment both in terms of direct private sector spending on the co-funded business models and by external venture capital (VC), debt and equity funding. The below table presents the funds committed and spent, as well as capital commitments and spending from the private sector partners.

UNCDF Funding (Spent)	Private Sector Partner Funding (Spent)	UNCDF Funding Commitment Remaining	Private Sector Partner Funding (Committed)	Additional Private Sector Investment Leveraged (Debt/Equity/VC)
<b>US\$ 2,103,347</b>	US\$ 5,615,364	US\$ 344,350	US\$ 6,777,221	US\$ 151,730,000

As a result, the following leverage ratios can be considered:

- Actual based on spending: 1:2.7
- Actual based on spending including additional private sector debt/equity investment: 1:73.4

Below an overview of the grantees which were able to raise additional private sector investment funding in 2020:

- Awantunai was able to raise debt capital of an additional US\$ 25 million, of which US\$ 20 million from an impact investor in Singapore and US\$ 5 million from UOB Bank Indonesia, as well as US\$ 4.3 million in equity capital.
- Julo was able to raise US\$ 10 million in series A2 venture capital funding from Quona Capital.
- Modalku was able to raise debt capital of US\$ 31 million from a variety of impact investors.
- It was reported by BRAC, that based on the loan products developed by them through the financial diaries was able to raise US\$ 20 million in funding from FMO, DFC and Asia Green Development (AGD) Bank for their business model expansion.
- iFarmer and Romoni were able to raise an additional US\$ 700,000 and US\$ 140,000, respectively from Asia Accelerator programmes.
- Thunes raised US\$ 60 million in Series B debt capital funding.
- BanhJi raised US\$ 300,000 in equity funding and US\$ 50,000 in debt capital.
- Zigway raised an additional US\$ 140,000 in grants.
- Aeloi raised an additional US\$ 100,000 in grants.

Although UNCDF SHIFT was not directly involved in the fund raising apart from facilitating connection to the Singapore FinTech Festival to connect with investor networks, the grantees did leverage their relationship with UNCDF to access these funds.

## ANNEX VII HUMAN INTEREST STORIES

Human interest stories have been gathered as part of SHIFT’s ongoing M&E, Knowledge Management (KM) and Communications activities. Various interviews have been conducted by beneficiaries of SHIFT’s Challenge Fund facility, Learning & Skills Development Hub, Data Hub and government regulators of the Policy & Advocacy arm of the program.

A number of these beneficiary stories have been included in the SHIFT Digital Report case studies, including:

Pillar	Country	Organization	Number of interviews:	Link to case study
Fund Facility	Myanmar	BRAC	3	<a href="#">Pioneering the individual MSME loan market for women in Myanmar (adobe.com)</a>
Fund Facility	Myanmar	Wave Money	1	<a href="#">How gamified education can help increase financial service usage in Myanmar (adobe.com)</a>
Fund Facility	Myanmar	Greenlight Planet	3	<a href="#">Developing the market for Solar Home Systems to Bring Affordable Clean Energy to Rural Households in Myanmar (adobe.com)</a>
Fund Facility	Indonesia	Modalku	2	<a href="#">The Power of Intermediaries in Driving Digital Lending amongst Indonesia’s Micro, Small and Medium Enterprises (MSMEs) (adobe.com)</a>
Fund Facility	Indonesia	Gandengtangan	3	<a href="#">The Power of Intermediaries in Driving Digital Lending amongst Indonesia’s Micro, Small and Medium Enterprises (MSMEs) (adobe.com)</a>
Fund Facility	Indonesia	AwanTunai	3	<a href="#">The Power of Intermediaries in Driving Digital Lending amongst Indonesia’s Micro, Small and Medium Enterprises (MSMEs) (adobe.com)</a>
Fund Facility	Cambodia	Amret	2	<a href="#">How did UNCDF SHIFT ASEAN support Cambodia’s Financial Inclusion Strategy? (adobe.com)</a>
Policy & Advocacy	Cambodia	National Bank of Cambodia	1	<a href="#">How did UNCDF SHIFT ASEAN support Cambodia’s Financial Inclusion Strategy? (adobe.com)</a>

### Wave Money

Moe Moe is a second-year university student who also works part-time as a customer care support officer. During her free pockets of time, she and her friends enjoy playing mobile games like Shwe Toe. She used to only play “mobile legend”, but she now spends some of that time on this game – since this is a short game that takes her under 20 minutes to complete, she finds it an easy and convenient activity. Through Shwe Toe, she learnt more about the different types of saving accounts and how to differentiate types of spending. Since playing the game, she has also become an active user of Wave Pay (i.e., Wave Money’s mobile wallet) and became curious about other financial tools, particularly insurance schemes.

“The game has provided me with useful financial knowledge, especially since I’m saving up for my parents’ healthcare expenses and my own education.” - Moe Moe, Shwe Toe user, Yangon, Myanmar

Without understanding basic financial concepts, people cannot make informed decisions related to their finances. For Moe Moe, her newfound financial knowledge has empowered her to better manage her own finances and work towards her savings goals.

### AwanTunai

Yuni Irawati runs a medium-sized shop selling food and FMCG goods in central Jakarta with her husband. Most of her customers are coffee peddlers who come by to pick up their supplies of Kapal Api. "Besides coffee, I also sell things like cigarettes, sugar, rice and eggs. I have been getting my goods from Toko Cung for the past five years." In a typical month, she earns a profit of IDR 21 million (US\$ 1,536), which is the only source of income for the couple and their three children.

In April 2019, she took a loan for the very first time. AwanTunai was introduced to her by Toko Cung, the distributor she has been working with. Ever since, she has been taking a loan once every two weeks. She enjoys the ease of using AwanTunai and never misses her repayments thanks to a WhatsApp reminder from them. Her sales have also improved, thus bringing in more income for her family.

"Since taking the loan, my shop has more inventory and i can sell more types of products." - Yuni Irawati, AwanTunai customer, Jakarta, Indonesia

### **Gandengtangan**

Siti serves up delicious plates of Indomie (instant noodles) to elementary school students during their recess. In 2002, shortly after giving birth to her third child, she opened her store in the school canteen as a necessary source of additional income.

"I buy my supplies from a distributor as it is significantly cheaper. if i have enough money to buy in bulk, i can save up to IDR one million (us\$ 71) per month." - Siti, Gandengtangan customer, Jakarta, Indonesia

This is where GandengTangan has helped her business – her unit cost has been reduced thanks to increased credit access. In the past, she relied on daily loans offered by a local cooperative and had to repay an IDR 200,000 (US\$ 14) installment every day. With GandengTangan, her installments have fallen to IDR 75,000 (five US\$).

Itaquallah, runs a small street-side drinks cart selling coffee, vitamin drinks and more. He earns about IDR 200,000 (US\$ 14) daily and has been buying his supplies from distributor Toko Asak for the past two years. His loans with GandengTangan are his first.

"I enjoy the low interest rates offered by Gandengtangan and with the loan, i can feature new products at my drinks cart." Itaquallah, Gandengtangan customer, Jakarta, Indonesia

These additional earnings help to better support his ten-year-old son living in his hometown Ciracap, who he sends money to every month.

### **Modalku**

"If I have a question, the Modalku agents will come and answer them." - Yayah, Modalku customer, Jakarta, Indonesia

Yayah is a 44-year-old shop owner selling LPG gas and large water bottles to residents in the neighborhood. Her biggest expense is on water bottles and refills, and she usually brings in a 20 percent profit. She took a loan for the first time with Modalku, using the IDR two million (US\$ 143) to buy more water and expand her inventory. She finds Modalku's agents convenient and approachable, and is thankful for their help whenever she has questions on her loan product.

### **Greenlight Planet**

"I first learnt about sun king through a radio advertisement and decided to buy it through the EasyBuy scheme. thanks to sun king, i can cook and open my shop later into the evening, and i don't have to run over to my parents' home to charge my electrical lamp!" - Thuzar, Greenlight Planet Customer, Aye Thar Yar, Myanmar

She was previously relying on candles for lighting, but has since switched to clean energy upon purchasing the solar home system through Greenlight Planet's EasyBuy scheme. She pays a monthly installment of MMK 22,500 (US\$ 16) to the Energy Officer who visits her, or to a Wave Money agent in the vicinity. Operating her business for three additional hours has boosted her sales and income, and she enjoys staying up to date with the latest news and weather reports through her television.

"With the sun king products, I can now open my shop safely until nine pm, and watch the news on my television! - Shwee Yee, Greenlight Planet Customer, Aye Thar Yar, Myanmar

Thae Su has been living in Mon Zu with her daughter, sister and mother since her husband passed away. Her shop selling clothes and beauty products has been powered by Sun King for the past three months.

"I find it easy to pay the wave money agent each time." - Thae Su, Greenlight Planet Customer, Aye Thar Yar, Myanmar

Previously, she relied on a gasoline generator to light up her home. She has now converted to a cleaner and more affordable source of energy, which she also uses to charge her mobile phone and light up the road outside her home, thus sharing the benefits with her neighborhood.

Unlike the other interviewed customers, Naung Ye paid upfront in full for the Sun King products. He resells metal scraps for a living, and lives with his wife in the Bago region. In the past, he used batteries to power his home. Ever since his purchase in August 2019, he and his wife have enjoyed the convenience of having their own renewable energy source.

"I love how we can charge our phones or switch on our lights whenever we want to." - Naung Ye, Greenlight Planet Customer, Aye Thar Yar, Myanmar

## **Amret**

"I moved to Phnom Penh in 2000 to work at a garment factory. my parents live in rural kandal in southern Cambodia, so I always use Amret to send money to them. As i learnt about Amret's savings account, i was told that they also have a remittance service. So i decided to switch to their remittance service too. it is trustworthy and convenient. The service fee is also affordable." - Srey Mom, Amret Customer, Phnom Penh, Cambodia

Just like Srey Mom, Sok Phea moved to Phnom Penh in 2003 seeking employment at a garment factory. While being employed at the garment factory, Sok Phea was able to save, take a hairdresser vocational course and eventually started her own hair salon in 2010. Since 2017, she has been using Amret's remittance service through the mobile teller to support her niece back in rural Takeo, in Southern Cambodia, as well as her older brother who works as a Cyclo driver in Phnom Penh. She usually sends one million Riels (US\$ 250) every month through this safe and convenient channel. Since her niece lives close to an Amret agent, it is easy for her to receive the transfer, which she uses to support her personal expenses and join an informal savings group.

## ANNEX VIII MEDIA

Since launching a new communication strategy in 2017, UNCDF SHIFT communications saw a significant boost in outreach and visibility on the content produced. This strategy focused on getting content to users in ways they prefer. This includes direct outreach and increased engagement across digital platforms.

### Social Media

Below is an overview of UNCDF SHIFT social media outreach, specifically on the UNCDF SHIFT Twitter account (which as now posted over 7,000 times since 2015). The figures below do not include outreach on UNCDF HQ platforms or individual staff outreach.

Year	New Followers	Mentions	Impressions
2015- June 2017	477	N/A	N/A
June 2017	421	272	495,000
2018	467	318	678,000
2019	517	195	626,000
2020	288	154	411,600
<b>Total</b>	<b>2,170</b>	<b>939</b>	<b>2,210,600</b>

### News and Blogs:

UNCDF SHIFT also introduced new methods and platforms to communicate ideas with a broad audience. This includes the introduction of blogging through Adobe Spark, which has now become a standard platform across the organization. Below are figures highlighting the cumulative views on all blogs and news items produced from UNCDF SHIFT.

Year	Views (cumulative)	Year-On-Year Growth
2015-2017*	N/A	N/A
2018	24,788	
2019	48,738	+23,950
2020	67,881	+19,143

\*The lack of data from 2015 to 2017 reflects a change in UNCDF SHIFT web presence. During that time, UNCDF SHIFT hosted its own website where news and blogs were posted. After 2017, UNCDF Global began a policy of deactivating programme websites in favor of one organizational website ([www.uncdf.org](http://www.uncdf.org)). As a result of the deactivation, stats on specific items are not available.

### All Media and Publications

Type of Media	2015	2016	2017	2018	2019	2020	2021	Total
Third party mention			8	4	12	14	5	43
Blog		3	9	13	7	6	1	39
Infographic			2	10				12

<b>Case Study</b>						11		11
<b>Working Paper</b>	1	2	1	3		1		8
<b>Video</b>			2	2	1			5
<b>Policy Briefing Note</b>			3	1				4
<b>Dashboard</b>				1	1			2
<b>Total</b>	1	5	25	34	21	32	6	124

### List of events SHIFT team participated in speaking about the program's activities and results

<b>Event</b>	<b>Date</b>
AFI 8th Financial Inclusion Strategy Peer Learning Group (FISPLG) Meeting, and High-Level Conference: "Bridging the Gap: Commitments and Actions for Women's Financial Inclusion"	Apr-16
Cambodia MicroFinance Association Annual Conference	Dec-16
Presentation of CJAR at the Bangkok Fintech Festival	Feb-17
ASEAN Finance Inclusion Forum (Malaysia)	Apr-17
Participation in SEEP Conference	May-17
AIT Workshop on big data and financial inclusion	Aug-17
MAPC Conference 2017 - Harnessing innovation for the sustainability of the money services industry	Sep-17
Singapore Fintech Festival 2017	Nov-17
CMA Annual Microfinance Conference	Dec-17
AFI 8th Global Standards and Proportionality Working Group (GSPWG) meeting and the 12th Financial Inclusion Strategy (FIS) Peer Learning Group (FISPLG) meeting	Apr-18
5th ACCMSME Meeting	Apr-18
Global Forum on Remittances, Investment and Development 2018 (GFRID)	May-18
International women entrepreneurs' summit, 2018	Aug-18
ME Fintech innovation challenge fund (UNPulse)	Sep-18
ASEAN Financial Inclusion Forum	Sep-18
Mekong inclusive growth forum	Oct-18
Singapore Fintech Festival 2018	Nov-18
WC-PSS meeting	Feb-19
ACCMSME Meeting	Apr-19
AFTECH - UNCDF: Innovative Solutions to Digitize MSMEs	Jun-19

BRAC with respect to the financial diaries work generated around 20,000 data points and a dashboard for data analysis is available on their [data portal](#). In 2019, BRAC Myanmar also organized a Financial Diaries results dissemination workshop with the support of UNCDF and L-IFT. The aim of the event was to inform the financial community of the availability of the data, present findings and incentivize its use

for product development. This half day event included a presentation by UNCDF on *“Collecting data from low-income people: Use of Financial Diaries research in the Context of South and South East Asia”*, as well as two separate presentations by BRAC and L-IFT on the use of data for new product design.

Also, in Myanmar, Wave Money showcased their Shwe Toe experience through a webinar on digital literacy organized by Consultative Group to Assist the Poor (CGAP) with the aim of improving market capacity in financial inclusion. In total the webinar was attended by 50 people.

## **ANNEX IX: SHIFT ASEAN and COVID-19 update**

### **SHIFT ASEAN programme adjustments due to COVID-19**

On March 25, United Nations Secretary-General António Guterres launched the UN Coordinated Appeal for COVID-19 (*Global Humanitarian Response Plan COVID-19*) whose priorities are : 1) coordination and cooperation to suppress the virus; 2) minimizing the social and economic impact of COVID-19 for everyone and stimulating a faster recovery everywhere, including by providing immediate liquidity relief to the private and financial sectors in the developing world; and 3) helping poor countries to “recover better,” with more inclusive and sustainable models of development.

In this context, UNCDF can support LDCs in ASEAN through its core mandate to build stable and resilient economies and by leveraging a range of technical expertise and investment instruments to reduce and limit economic and social hardship for poor communities.

UNCDF’s tools include supporting digital payments to enable key financial flows and injecting targeted investment funds into micro, small and medium enterprises (MSMEs) to stabilize local economies and accelerate recovery, among others. SHIFT ASEAN can play an active role in the COVID-19 response thanks to its investments in digital solutions, data analysis, policy and advocacy support to Governments, among others.

### **Programme level implications**

After reviewing the current SHIFT ASEAN programme activities planned for 2020, some delays are expected in the delivery of the following:

- **Innovation projects:** most of Window 5 implementation partners (Women MSME FinTech Innovation Fund Asia - Pacific) will require an extension to complete the established PBA milestones and targets currently expiring in December 2020. Some partners are even considering changing their business models in response to the new market needs and government priorities.
- **Initiative for disadvantaged segment:** The workshop activities around people with disabilities in Cambodia, Lao PDR and Viet Nam are on hold for now until the COVID-19 situation improves. Post the workshop discussions, the proposed intervention note will be developed and shared.
- **Policy work:** The launch of the National Financial Inclusion Strategy (NFIS) in Cambodia has been delayed as well as the launch of the NFIS and FINSCOPE refresh in Lao PDR. Engagements with the ASEAN Secretariat and WC-FINC have been undertaken virtually and further workshops related to NFIS M&E frameworks and reporting are on hold until further notice. The ASEAN M&E Guidance note is being made into printable format, and the ASEAN 2020 Financial Inclusion Progress Report is delayed.

- **Trainings and Data Hub:** Training workshops being taken forward within the scope of the Gender Transformative Finance initiative in Myanmar were initially adjusted so that they could be delivered digitally. Currently additional trainings are on hold until the situation stabilizes.
- **Events:** The envisioned ASEAN 2.0 roadshow and donors' event are also postponed, now to be organized around third quarter of this year.
- **Monitoring & Evaluation:** To avoid too much delay, SHIFT ASEAN is focusing on completing components of the final review document based on available insights, data and information. M&E fieldwork is on hold pending further notice. This has also delayed the survey with NearMe agents and field visits to i-Farmer and Romoni clients. Quarterly reporting has also been postponed by one month, as well as final Window 1 and 2 reporting and the Challenge Fund survey and review.

Currently we are hoping to be able to take forward all the above-mentioned activities from July onwards depending on COVID-19 situation. The programme team will approach the donors and Board with specific approvals where required to ensure adequate implementation time for achieving the programme objectives. It is also envisaged to extend the SHIFT ASEAN Programme duration beyond December 2020, to ensure all activities planned are achieved and also to accommodate new funding coming in (e.g. expected from FMO on next Innovation round for Asia) until the next phase of ASEAN regional strategy and programme document gets approved internally within UNCDF.

### **COVID-19 response through SHIFT ASEAN Programme**

In the meantime, to address the current situation, SHIFT ASEAN is adopting the following approach:

- Assess the implications on programme's targeted beneficiaries, mainly women, migrants and MSMEs.
- Focus and support MSMEs where possible, which are the backbone of the economies in the region, and engine for pro-poor growth. Of special interest are the MSMEs that respond to immediate market needs including health, infrastructure, education and food.
- Support MSMEs that are in the process of adjusting the business models to meet the newly developed market needs.
- Provide specific support to the economic sectors (e.g. migrant, women households) that have been hardest hit by COVID-19, exploring the use of digital tools and channels for sector recovery and employment maintenance.

### ***SHIFT ASEAN investments response to COVID-19 challenges***

Below are some examples on how SHIFT ASEAN implementation partners are contributing towards response and resilience during COVID-19:

#### **Thunes/SingCash**

SHIFT ASEAN partnered with SingCash and Thunes to establish and strengthen the remittance corridor between Singapore and Myanmar. With SHIFT ASEAN support, Thunes successfully opened this corridor

by building a partnership with MCB Bank in Myanmar. SingCash subsequently launched their remittance service using the Singtel Dash app, which is the first remittance service in Singapore using an e-wallet. Due to the COVID-19, the remittance transfer demand using digital vehicles such as the Singtel Dash app has increased. See graph of transactions below:

*Graph: Remittance transaction trend Singapore – Myanmar using Singtel Dash App*



As can be seen, SingCash’s app based digital wallet remittance service to Myanmar has presented an increasing trend from 600 transactions (US\$ 300,000) per month in January 2020 to more than 1,500 transactions (US\$ 700,000) per month in March 2020. This has been facilitated by the recent establishment of real time remittances with CB Bank in Myanmar, as well as the temporary waiver of remittances fees.

**GandengTangan (GT)**

In Indonesia, with support from the SHIFT challenge fund, GandengTangan (GT) created a system to provide credit for kiosks/microenterprises to purchase more products from distributors, by providing a close-loop payment system between them. Due to the COVID-19 outbreak, GT is currently facing field mobility restrictions of their business development officers (sales team) although loan processing is ongoing using the digital platform. To respond to the new market demand created by COVID-19, GT has partnered with new business segments like B2B e-commerce sites and logistics companies which are offering highly demanded products and services such as ecodoe.com that sells PPE, facemask, sanitizers, etc, Truckita.com, Cargotech and Shipper.id, which offer urgent delivery services and Edenfarm.id which offers fresh vegetable products. GT is now offering its digital loans to the MSME users of these platforms, allowing these companies to access valuable working capital. During these difficult times, GT has also responded by supporting people who lost jobs due to COVID-19, offering start up loans for the opening of new Kiosks or merchant services.

**BanhJi**

In Cambodia, BanhJi’s subscription based bookkeeping services have been hugely impacted by the COVID-19 outbreak and they are currently struggling to onboard new MSMEs. Nevertheless, BanhJi has

highlighted that they are observing an increase in demand and use for their digital loan processing platform, as banks and MFIs are looking for digital channels to reach their clients. In response to this, BanhJi has now fast tracked their digital loan processing platform which is now being piloted.

### ***SHIFT ASEAN partners resilience during COVID-19 outbreak***

The important short-term economic impacts associated to the rise of COVID-19 have highlighted the need for sustainable and resilient economic growth and development. In a context where social distancing has become the norm and lockdowns are in place, digital technologies have a very important role to play.

In this regard, SHIFT ASEAN partners have been resilient, responding in different ways to the challenges posed by the COVID-19 outbreak, including by using their existing infrastructure and capacity to respond to their market's needs within the scope of their business model or temporarily changing their business model altogether. SHIFT ASEAN is in regular contact with its partners, offering support where needed. As such, most have been able to continue offering services which are now critical to the everyday life of their clients.

Digital payments platforms are allowing clients to continue to access basic services such as electricity (Greenlight) as well as phone and internet (NearMe) allowing people to communicate and strengthening social capital amongst their communities. E-wallets have also become critical, offering a digital portal to make utility payments, as well as transfers to friends and families who are in need of financial support (LVPB), allowing them to maintain adequate consumption habits. Being able to send money to families and friends internationally has also become critical in these times and being able to do this digitally has proven to be fundamental as can be seen in the increased uptake of SingCash remittance services to Myanmar (see graph on Remittance transaction trend Singapore – Myanmar using Singtel Dash App above) with the added insurance service SingCash is offering to regular customers.

This is allowing people in need to access finance not only to cover basic costs and access basic services, but also to maintain their main sources of income as many of SHIFT ASEAN beneficiaries also own small business and MSMEs. As an important source of income for the poor, it is fundamental that these businesses are supported, and digital loans are proving to be a fundamental lifeline as banks are reducing their disbursements of loans and going to a Financial Service Provider branch is no longer possible. BanhJi has responded by accelerating its loan offering and AwanTunai, Julo and GT continue to be important sources of accessible funding with the latter responding to this situation by partnering with online marketplaces offering food, sanitation products, supplying working capital loans to the MSMEs using these platforms so that they can continue to operate. By using digital channels, MSMEs are also able to continue offering their products and services as the digital marketplaces Khalti, Romoni and potentially SkyEye (although their service is not yet online) are doing.

Uptake until now has been slow, but transactions volumes are expected to increase and to further facilitate the use of these digital channels, most grantees have set up call centers through which they are supporting their clients in the use of their respective digital services.

### ***Using SHIFT ASEAN platform and constituency by development partners***

The programme is well placed with its public and private sector partnerships to reach out to the most affected segments (e.g. women, migrants, MSMEs) for immediate response and recovery. The field level infrastructure of implementation partners coupled with digital channels and data hub analytics can be leveraged further to provide health and essential commodity related benefits, financial support to meet present economic shocks and recover over a period of time, and overall mainstream these segments into the formal economy so as to ensure resilience during future pandemic and climate change related impacts.

The programme is well placed to receive funds quickly and deliver the same based on UNCDF's revised guidelines on quickly responding to COVID-19 related socio-economic impacts.

### ***SHIFT ASEAN plans***

SHIFT ASEAN aims to resume the normal implementation of its activities by Q3 2020, evaluating the situation with time and taking the appropriate measures, as needed, to search for alternate modalities of implementation. In addition to this, SHIFT ASEAN is exploring all the potential options to support its partners navigating its business models and outreach to its targeted customers in these uncertain times by providing expert advice and technical assistance, addressing their requests of changes to the PBAs in view of the COVID-19 outbreak as well as discussing with the current donors to potentially repurpose some of the funds for a more explicit COVID-19 response.

SHIFT ASEAN is committed in consolidating and further building on the results achieved over the years and, depending on how the COVID-19 situation evolves, may need to be extended beyond December 2020 to make sure it achieves the planned results, especially those interventions that may be put at risk in case that the COVID-19 situation is not resolved by mid-year.

At the same time, SHIFT ASEAN has also been in discussion with FMO and other potential donors on new interventions urgently focusing on improving women's enterprise livelihood in selected South and South-east Asian countries, strengthening their COVID-19 recovery and climate resilience through leveraging digital solutions. These digital solutions aim to meet the business financing and capacity gaps currently faced by women due to COVID-19 socio-economic fall out, to build their resilience for handling future critical events and future growth. This new intervention through the use of Innovative business models aims to address the multiple constraints faced in the Agricultural and Fast Moving Consumer Goods Supply Chains and improve women smallholders' as well as women's MSMEs' digital inclusion, livelihood and climate resilience.

The SHIFT ASEAN team is also now finalizing the next phase of ASEAN regional interventions to carry forward the substantial work and impact created under the SHIFT ASEAN programme. The new ASEAN regional strategy "No-one left behind in the digital era in ASEAN", aims to support building inclusive digital economies in the region. Within the scope of the strategy, UNCDF will engage at the ASEAN secretariat level, and also with public and private sector partners and ecosystem stakeholders at country and multi



country level, to develop solutions and provide technical assistance to address the economic recovery and growth needs for vulnerable segments (mainly women, youth, migrants, people with Disability, farmers, MSMEs etc.) who are now at greater risk, being severely impacted by the disruptions caused by COVID-19 socio-economic fallout and need resilient products and services to overcome future climate and economic disasters.

*In addition to the Australian Government, UNCDF SHIFT ASEAN is supported by:*



Implementing Partners

