



Impact Capital  
for Development



# SCALING UP ACCESS TO FINANCE IN KIGOMA, TANZANIA

Over 5 years of lessons learned in building financial and digital capability while introducing agricultural technology interventions to savings groups through the UN Kigoma Joint Programme



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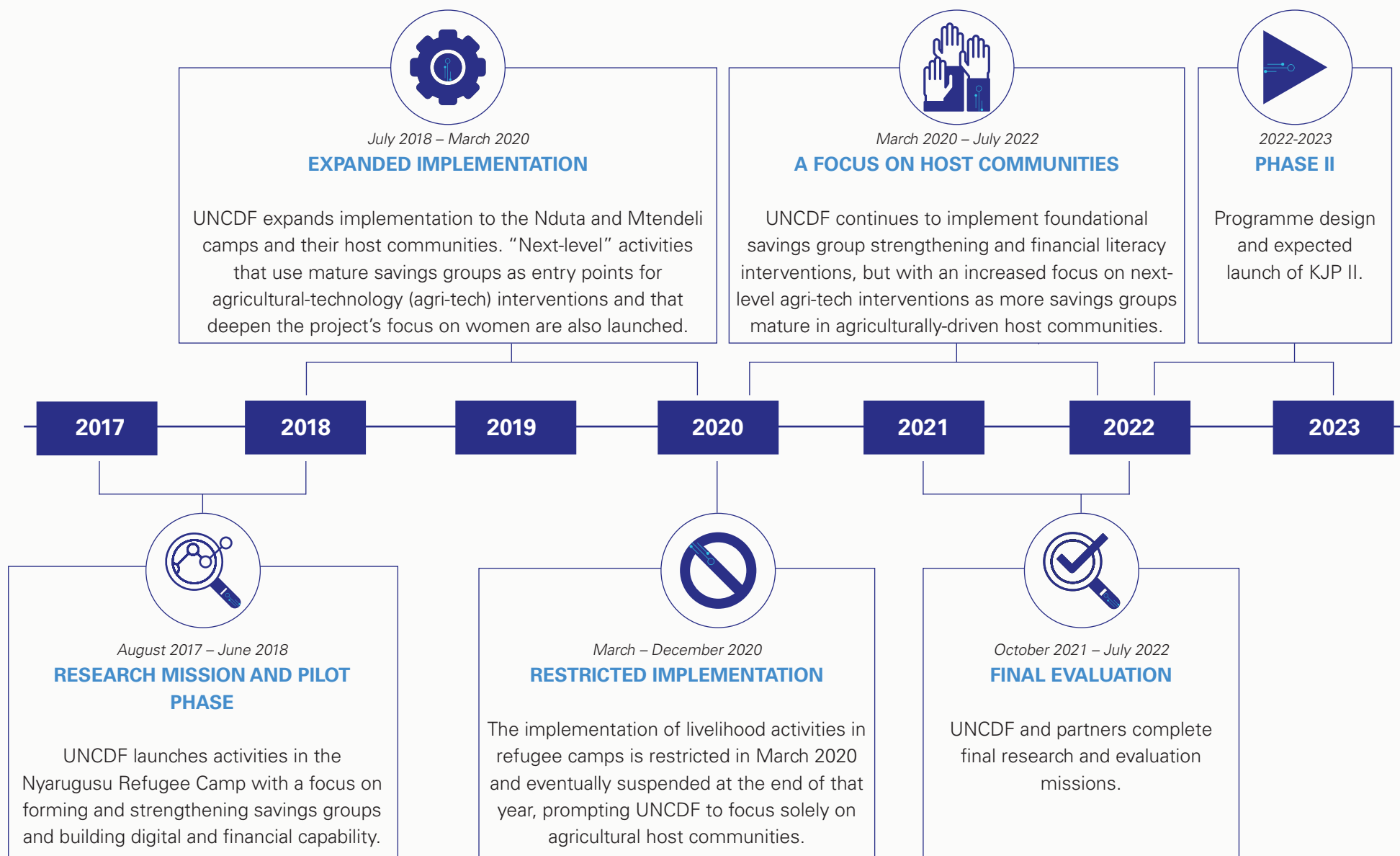




# BACKGROUND



# TIMELINE





# ABOUT

Under its global strategy of Leaving No One Behind in the Digital Era (2020-2024), the UN Capital Development Fund (UNCDF) promotes digital financial services (DFS) as foundational to inclusive social and economic development. DFS enable innovation and sustainability and create a marketplace for essential digital and non-digital products and services that help people climb out of poverty and manage their financial lives.

Building on decades of experience connecting millions of individuals around the world to financial services, UNCDF is working not only to expand digital financial inclusion, but to build inclusive digital economies in which individuals, households, and small businesses are connected to digital financial ecosystems that facilitate and promote participation in the local economy.

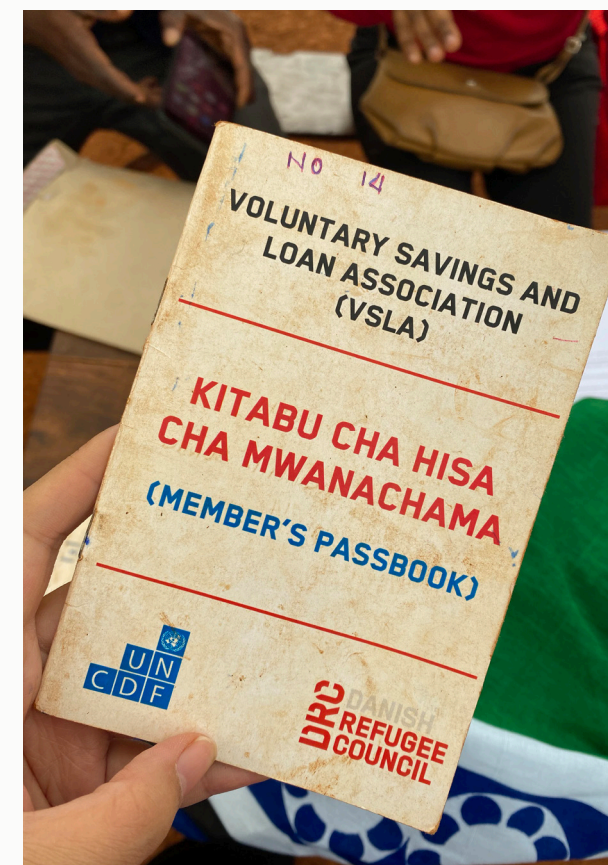
In Tanzania, UNCDF's work under the Kigoma Joint Programme (KJP) highlights the evolution from financial inclusion to inclusive digital economies. From 2013-2019, the UNCDF Financial Inclusion Practice Area in Tanzania supported several community-based finance mechanisms and extended financial and digital capability programs to rural populations. The KJP, a multi-UN agency programme providing humanitarian and development support to the Kigoma region, was a key engagement under this strategy.

Initial scoping exercises conducted in 2017 found a need to build on existing efforts to promote savings groups. This included scaling interventions that focused on forming savings groups and introducing activities to build members' financial and digital capability. This would help ensure refugees and host community members could more safely save, borrow, and invest to grow their businesses and improve their financial health and well-being.

Additionally, beyond its status as one of the poorest regions in the country, scoping and early pilot implementation pointed to several opportunities for impactful savings-led financial and digital capability interventions:

- The installation of a new cellular tower in the Nyarugusu camp in 2016 meant that thousands of refugees and surrounding host communities had more access to mobile services than ever before—including mobile money.
- 2/3 of households in Nyarugusu reported in 2017 that they had access to a mobile device, meaning they had the hardware to utilize newly accessible mobile networks and apply digital and financial education at home and in their day-to-day lives.

- Almost a quarter of refugees were receiving international remittances by phone.
- Humanitarian agencies were exploring digital means to transfer monthly stipends.





# KIGOMA AT A GLANCE



**THE KIGOMA REGION IS ONE OF THE POOREST IN TANZANIA:** It had a poverty rate of 49 percent in 2012, and in 2018, its Kibondo District (a district in which the KJP is implemented) was the second-poorest district in the country.

**AGRICULTURE EMPLOYS 85 PERCENT** of the working class in Kigoma, with the majority engaged in self-employment or subsistence farming.

**BORDERING BURUNDI AND THE DEMOCRATIC REPUBLIC OF THE CONGO (DRC),** the Kigoma region has hosted refugees fleeing civil strife and ethnic conflict in neighboring countries since the 1970s. As of June 2021, Tanzania was home to over 254,000 Congolese and Burundian refugees.

Data from GSMA 2017 Report:  
*Mobile is a Lifeline: Research from Nyarugusu Refugee Camp, Tanzania*



# OVERVIEW: THE KIGOMA JOINT PROGRAMME

**16 UN AGENCIES** working with local government authorities to provide humanitarian and development support to the Kigoma region. In line with its capital mandate, UNCDF contributes to the **Youth and Women's Economic Empowerment (YWEE)** and **Agriculture** outcomes.

## KJP OUTCOMES

Improve access to Sustainable Energy and Environmental Management (SEE)

Youth and Women's Economic Empowerment (YWEE)

Ending Violence against Women and Children (VAWC)

Empower adolescent girls and young women through education (Education)

Vulnerable groups have access to Water, Sanitation, and Hygiene (WASH)

Increased quality and quantity of agriculture sector and its markets (Agriculture)

Integrated Programme on Health, HIV, and Nutrition (Health+)



Food and Agriculture Organization of the United Nations



International Labour Organization



International Trade Centre



World Health Organization



World Food Programme



# UNCDF'S KJP INTERVENTIONS

## AUGUST 2017 – PRESENT: FOUNDATIONAL INTERVENTIONS



Refugee & Host Communities



Forming and  
**strengthening**  
savings groups



Building digital  
and financial  
**capability**



Developing  
business **skills**



Mature savings  
groups are  
entry points for  
targeted (agri-tech)  
interventions



## JULY 2018 – PRESENT: NEXT-LEVEL INTERVENTIONS



Host Communities\*



**Micro-investing in**  
**agricultural** inputs and  
extension services



**Digitally connecting** farmers,  
agricultural input suppliers,  
and financial service providers



++ Implementing Partners continue to provide  
Technical Assistance to Savings Groups

\*Government restrictions on livelihood activities in refugee camps prevented the project from continuing there.



UNCDF KJP activities fall under two workstreams:

**First are foundational interventions** that provide access to informal financial services through the formation and strengthening of savings groups, along with financial and digital education to build group members' capacity to use those services to increase income and financial resilience.

**Next-level interventions** then use mature savings groups as an entry point for expanding access to financial and non-financial (primarily agricultural) services, using digital technology as a distribution channel wherever possible.

**Savings groups** are central to both workstreams. Research and experience around the world, including in Tanzania, has shown that participation in a savings group is often the first step towards

accessing a more formal array of financial services, which in turn facilitate access to services in the 'real' economy, i.e. in agriculture. Additionally, savings groups have proven to be particularly effective platforms for improving women's economic and social empowerment.

#### Partners:

UNCDF has engaged with several partners in the design and implementation of the KJP interventions.

- At the end of Phase I, the Danish Refugee Council (DRC) and Kigoma Youth Agricultural Development Organization (KIYADO) led the formation and strengthening of savings groups in host communities. (Good Neighbors Tanzania previously supported these activities in refugee camps.)
- A financial and digital education toolkit was developed by technical partners Arifu, Fundación Capital, KhangaRue Media (KRM), and Peripheral Vision International (PVI).
- Norwegian Church Aid (NCA) is leading implementation of a horticultural initiative which includes a micro-investment opportunity and agricultural extension services (both face-to-face and e-extension) to farmers using a digital application created by their technical partner Esoko
- Finally, Digital Mobile Africa (DMA) developed and is offering farmers a mobile app that links them with input suppliers and financial service providers, although the link to the FSPs is not yet active.



FAMILIA  
EREVU  
NA SALAMA

VIDOKEZO VYA  
KUWA MKOPAJI  
MZURI  
MKOPO NI  
NINI?

SURA 2: KUWEKA AKIBA VS

AKIBA AU MKOPO?

SABABU ZA  
KUKOPA

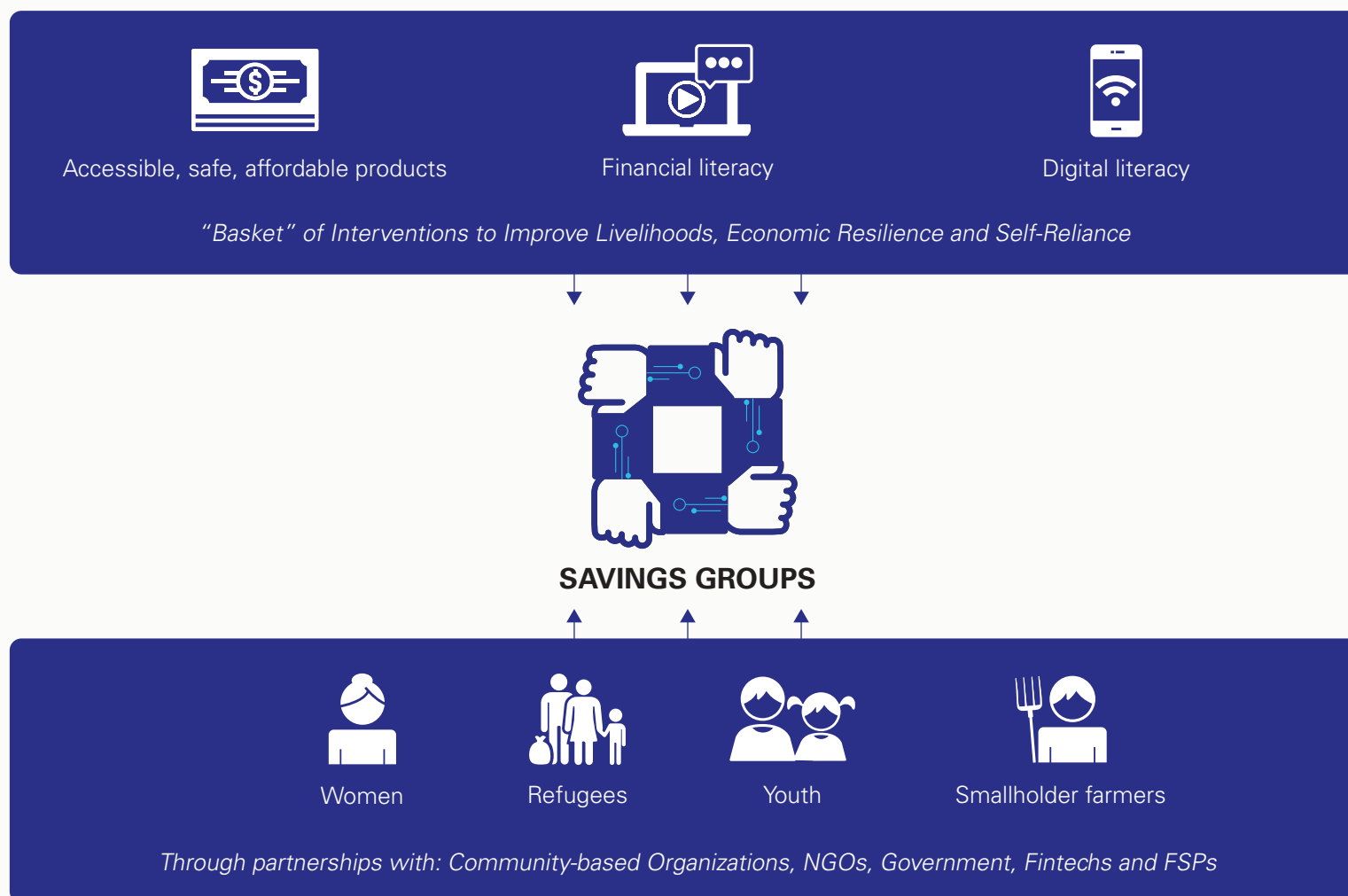
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OUR APPROACH



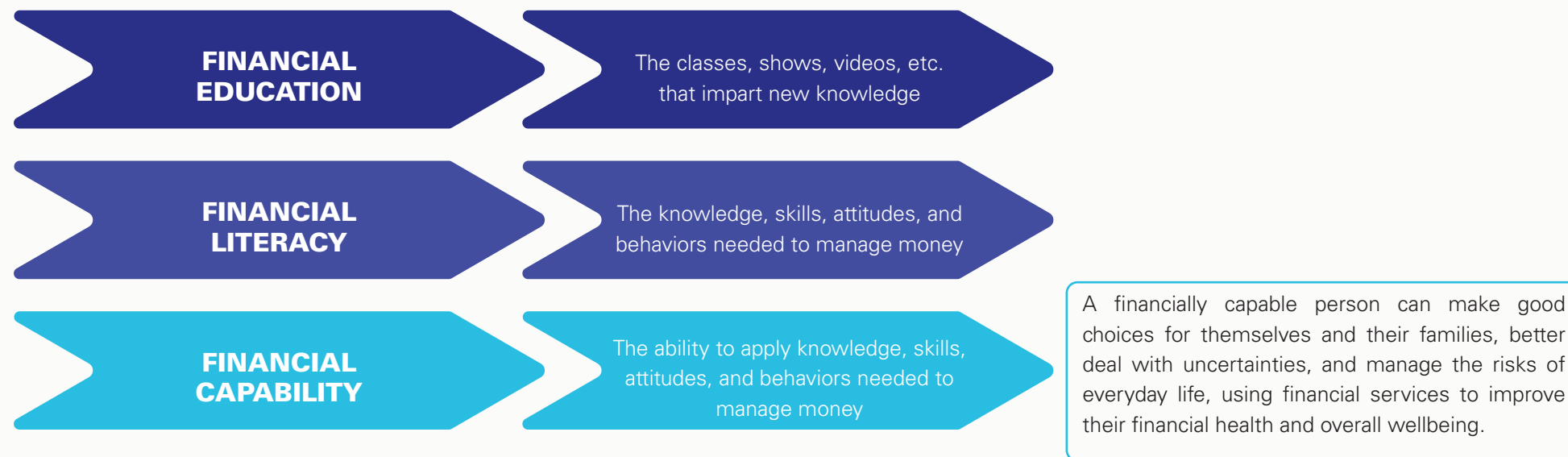
# OUR APPROACH

## ACCESS TO INFORMAL AND FORMAL FINANCE FOR THE UNBANKED THROUGH STRONGER SAVINGS GROUPS: BUILDING FINANCIAL AND DIGITAL CAPABILITY





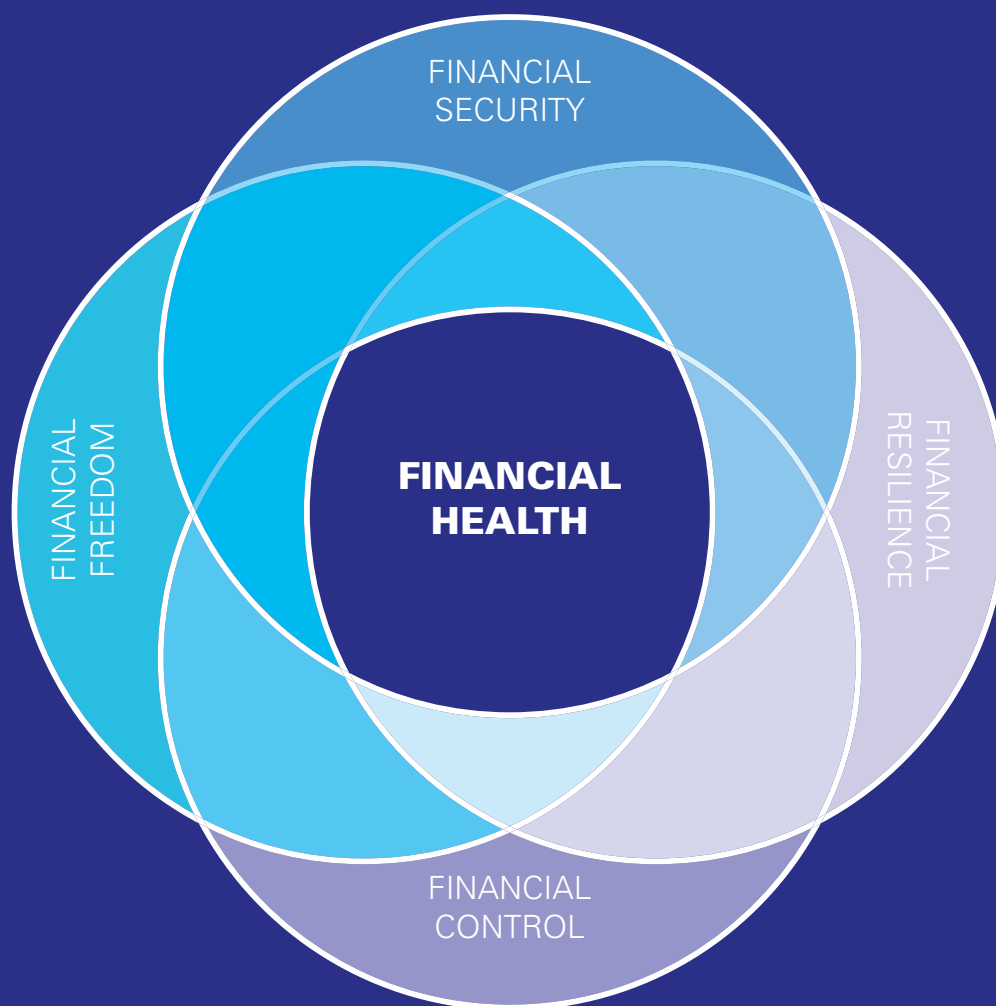
# THE CAPABILITY APPROACH



The project aimed to take a capability approach by not only delivering engaging, relevant financial education for the target population, but also by offering them opportunities to apply their new knowledge in real-life settings (i.e. saving for ag-inputs; investing in micro-irrigation; the DMA product).

Note that because UNCDF aims to promote positive changes in behavior through the *capability* approach rather than simply “sensitizing” or raising awareness, in this document the terms “financial and digital capability programmes” and “financial and digital capability building” are used.

# FROM FINANCIAL INCLUSION TO FINANCIAL HEALTH



**WE MUST MOVE BEYOND ACCESS AND USAGE AND FOCUS ON FINANCIAL HEALTH** - a concept that considers how financial products not only help people **better manage their cash flow, absorb economic shocks, and plan for their financial futures**, but also to **access health care, education, and other opportunities in the real economy**.



# THE FinEd TOOLKIT

Based on the approach outlined, the following tools were developed to cover the key topics of **saving and savings groups**, **household budgeting and money management**, and **mobile money**.



## VIDEO

- Savings is Love: Benefits of Joining a Savings Group
- Budgeting for our Future
- Mobile Money Part 1
- Mobile Money Part 2
- Mobile Money Part 3 – Create your PIN
- Plan for Life
- Understanding Types of Savings Groups



## SMS BASED LEARNING – ARIFU

- Create a simple savings plan to meet a goal
- How to form or join a savings group
- How to grow your savings group shares
- How to use M-Pesa
- How to use M-Pawa
- Tell your friends



## LENGA COMIC MAGAZINE

- Booklet 1: Kutengenesa Bajeti (Making a budget)
- Booklet 2: Kuweka Akiba na Kukopa (Savings and loans)
- Booklet 3: Simu yako ni enki yako (Your phone is your bank)



## IN-PERSON LEARNING

- Savings Group Modules: *Operations and governance; Record-keeping; Conduct share-out sessions; Monitoring and technical assistance to groups*

MicroSave modules on:

- *savings and savings groups*
- *budgeting*
- *mobile money*
- *consumer protection*



## LENGA PODCASTS (RADIO AND AUDIO)

- Episode 1: Joining a savings group
- Episode 2: Saving and loans
- Episode 3: Use of Mobile Money



## TABLET BASED LEARNING – JIJENGE

- Module 1: Mobile money
- Module 2: Mobile money simulator
- Module 3: Saving
- Module 4: Budgeting
- Module 5: Spending game





IMPACT



# IMPACT

Savings groups remain an effective entry point for reaching large numbers of people in rural areas with targeted, relevant education, especially women. Digital products, services, and delivery channels allow us to deliver engaging and relevant interventions in a cost-effective way.

**11** new or improved financial products/services piloted

3 partners supporting savings groups to manage savings and loans

6 financial education tools

1 micro-investment kit

1 agri-tech solution



**800**

SAVINGS GROUPS SERVING OVER

**18,000**

active saving clients, 68 percent women

**3,769**

MICRO-INVESTORS



**18,537 INDIVIDUALS TRAINED** ON SAVINGS GROUP OPERATIONS, FINANCIAL & DIGITAL CAPABILITY, AND BUSINESS & ENTREPRENEURSHIP, **68 PERCENT WOMEN**

**85**

producer groups  
formed and functioning  
to date



**2,310** farmers linked to market making sales of **312,000,000 TZS** (approx. \$133,790) with a profit of over

**200,000,000 TZS** (approx. \$85,763) with a total volume of **84 metric tons of produce**

**3,189** DIGITAL PAYMENTS CLIENTS



# IMPACT (CONT'D)

In 2020, implementing partners conducted an endline survey mirroring one that had been used as a baseline and for curriculum development.

It offered a number of promising insights, later validated by a final mixed-methods assessment, that suggest the approach of blending digital tools, financial services, and targeted education can drive acquisition of positive knowledge, skills, attitudes and behaviors:

- **Over 70 percent** of those who participated in financial and digital capability building activities (“recipients”) during the project could

demonstrate using a mobile money account without help compared to less than 30 percent of those who had not received the intervention.

- Recipients reported using **double** the number of types of transactions as non-recipients.
- Recipients were **1/3** more likely than non-recipients to identify how to know a mobile agent is legitimate.
- In case of an emergency, recipients were **more than twice as likely** as non-recipients to have savings to deal with it, while non-recipients

were more than twice as likely to sell an asset or ask for money as a gift, showing a tendency towards more proactive behaviors to increase resilience.

- Finally, **almost half** of recipients reported feeling more financially secure six months after the intervention, compared to less than 10 percent of non-recipients.



# ASSESSMENT OF UNCDF INTERVENTIONS IN THE KJP

In July 2021, UNCDF conducted another assessment to validate findings from the endline survey, to gather insights into the key achievements, challenges, and lessons learned, and to make recommendations for future phases of the KJP.

The assessment relied on qualitative and quantitative data, including desk review of key project documents and primary data collection with the target population, local implementing partners, and local government officials.

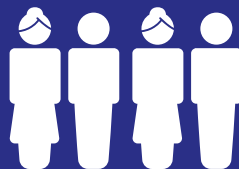
Key questions and areas of exploration with beneficiaries	
What tools are most effective for building financial and digital capability?	Assessment of all 'tools' in the toolkit, both digital (SMS, tablet, video, audio) and non-digital (comics, in-person, classroom)
What challenges do savings groups face in accessing and implementing the information delivered by the intervention?	Exploration of the interaction between the different tools and different levels of group maturity, digital capability, access to resources, and access to formal financial services
What delivery approaches/platforms are most effective for sustainable behavior change?	Exploration of the linkages between content learned and applied, how savings groups can work together to create economies of scale, and how to unlock better access to local markets (financial and non-financial)
Key questions and areas of exploration with other project stakeholders	
How can different actors assist in fostering the growth and sustainability of savings groups?	Consider local government, local NGOs, private sector actors in the agriculture value chain (agri-dealers, financial service providers, etc.)
What challenges do various stakeholders face in promoting financial capability under the KJP ?	Assess implementing partners' capacity to reach all groups, logistical challenges, coordination and aggregation of groups, and trust between market actors and savings groups.
How can market actors play a role in promoting financial education?	Explore how market actors can improve dissemination of financial education to build financial capability. For example, what approaches could be delivered by FSPs and MNOs? What is needed to build trust between market actors and savings groups? How can market actors demonstrate the value of the savings groups (to financial and non-financial markets) and ensure sustainability?



# RESEARCH METHODOLOGY

## MIXED-METHODS EVALUATION

**22 FOCUS GROUP  
DISCUSSIONS AND 12 KEY  
INFORMANT INTERVIEWS WITH  
BENEFICIARIES, PARTNERS, &  
LOCAL GOVERNMENT**



**PRIMARY**



**QUALITATIVE**

**DESK REVIEW OF KEY DATA AND  
PROJECT DOCUMENTS**



**SECONDARY**



**QUALITATIVE**



**QUANTITATIVE**

# FinEd TOOLKIT: KEY SUCCESSES

## THE TOOLKIT

- A toolkit allows learners (and implementers) to determine which delivery channel—or combination of channels—works best for them and in the specific context.
- Edutainment materials designed for KJP can drive changes in knowledge, skills and attitudes, the precursors to the adoption of new behaviors and habits.
- Even though people are initially most comfortable with “traditional” in-person trainings, they appreciate new and digital learning modalities, especially when they are introduced clearly. A mix of delivery channels allows for replication and reinforcement of the educational content.
- Additionally, among all delivery channels, people prefer demonstrative content and learning-by-seeing, preferably from a ‘teacher’ (i.e. character) that they identify with. This increases the likelihood that they will be able to apply the educational content in their everyday life, which is essential to behavior change.



### SMS

People appreciated the ability to ask questions and receive responses from the chatbot in real time.



### TABLET

Highly interactive, demonstrative, and entertaining, the *Jijenge* application was one of the most-preferred tools for learners of all literacy levels.



### RADIO

Suitable for literate and illiterate learners, people appreciated that accessing audio content did not require learning a new technology. If playtimes were communicated early, there were multiple opportunities to listen.



### VIDEO

Like the tablet, video-based learning overcomes literacy barriers and appeals to people’s preference for learning-by-seeing. Like the radio, it does not require learning a new technology and offers communal learning.



### COMIC

Well-kept and described as ‘beautiful,’ participants perceived value in the *Lenga* comic books. Some shared them with their household and wider network, suggesting potential spillover learning effects.



### FACE TO FACE

In addition to being what many people are most used to and comfortable with, in-person training can be leveraged to introduce new delivery channels and at key touch points, such as training of trainers.

# FinEd TOOLKIT: KEY CHALLENGES

## THE TOOLKIT

- While participants were eager to use new and digitally enabled learning platforms, the challenges of learning how to use a new technology were underestimated. People need time and hands-on guidance to learn how to use a new device before we can expect them to take-up and retain the content it delivers.
- Distribution of learning materials was inconsistent and, at times, not well-organized. For example, some individuals spent a few days with the tablet, while others only engaged for a few hours, causing them to complain about lack of resources. Additionally, while the radio was a promising delivery channel, insufficient mobilization meant that many people did not know that a show was airing. Organization and clear communication between partners could have been better.
- Although using delivery channels such as audio, video, telephone and tablet are meant to lessen the administrative oversight as compared with quality face-to-face training, administration skills and buy-in from implementing organizations is still needed. Implementing partners must either demonstrate these skills at the outset or build them during pilot implementation.



### SMS

Weak Vodacom network, which the tool required, coupled with low literacy levels among many participants, presented a challenge for take-up.



### TABLET

Participants' time spent with the tablet—both learning how to use the device and engaging with the content itself—was inconsistent across groups and in many cases, insufficient. Risk of theft prevents learning at home.



### RADIO

Weak marketing/mobilization meant that many beneficiaries were not aware of radio playtimes. Unreliable connectivity, limited radio/mobile phone ownership, and limited free time, especially for women, were also challenges.



### VIDEO

While community video screenings do not require people to learn a new technology, they require a spacious venue and the support of a partner organization/local government body for set-up.



### COMIC

Despite being picture-heavy, the comics were challenging, if not impossible, for learners with low literacy levels. Like the tablets, inconsistent distribution of resources meant that some users had insufficient time to engage with the content.



### FACE TO FACE

Face-to-face training is expensive, as it requires significant staff and travel time. This is especially challenging if there is high staff turnover at the implementing organization.



# (MICRO) INVESTING IN PERMACULTURE: KEY SUCCESSES AND CHALLENGES

## SAVING FOR AGRICULTURAL INPUTS AND INVESTING IN LOW-TECH IRRIGATION

- Savings groups members are offered a micro-investment opportunity in the form of a micro-irrigation kit bundled with quality inputs and horticultural/ agronomic support.
- With horticulture typically more popular among women, the intervention aimed to increase the project's gender focus.
- Micro-investors are encouraged to join producer groups that purchase inputs, plant, and harvest at the same time.

### SUCCESSES

- The simple materials for agri-tech extension and “e-extension” messaging were easily replicated and broadcast throughout Kigoma. Implementing partners found this useful and local government appreciated the implications for sustainability.
- Demonstration plots and sharing success stories mobilized farmers to invest. In-person and video-based content, viewed communally, were effective for good agricultural practices (GAP) training (SMS campaigns were not).
- Some people benefitted from increased income from selling produce in local markets, while others benefitted from direct consumption, which reduced their food budget. Given savings groups' strong foundation, climate smart irrigation and rotating crops allowed a more continuous income stream throughout the year
- At endline, 100 percent of micro-investors surveyed were still using the irrigation kit and planned to continue. Among those that accessed loans from their savings group to invest, 70 percent were women.
- Anecdotal evidence suggested that once men saw their wives benefiting from increased income, they wanted to invest. Similarly, it was observed that youth groups – often difficult to engage for savings and agricultural groups – were also attracted when they saw that returns, such as those in horticulture, were possible in the short term.
- Targeted savings schemes work well, especially when connected to livelihoods and income generation, as they guide people to achieve a specific and tangible goal.

### CHALLENGES

- More work needs to be done to ensure that producer groups are beneficial to their members. Although 93 percent of survey respondents were in a producer group at endline, compared to 18 percent at baseline, 91 percent of them reported that they did not benefit from the group. Purchasing, planting, and selling was not done as a collective, and implementing partners agreed that producer groups could benefit from management/ governance training like the training provided to savings groups.
- The limited number of agricultural extension workers in the Kigoma region continues to pose a challenge in reaching farmers with e-extension messages and digital tools.

# DIGITALLY LINKING FARMERS, SUPPLIERS, AND FSPS: KEY SUCCESSES AND CHALLENGES

## DIGITALLY CONNECTING FARMERS, AGRICULTURAL INPUT SUPPLIERS, AND FINANCIAL SERVICE PROVIDERS

- Savings groups members create profiles in the DMA platform, recording key information such as their name, location, and savings activity
- Farmers save for agricultural inputs and place input orders through DMA via mobile phone, local agents, or agri-dealer shops
- Aggregated demand data allows agri-dealers to offer better prices and better plan. Digital records of farmers transactions and yields also provides FSPs with key information on their risk profiles

### SUCCESSES

- Savings groups members, local government authorities, and agri-dealers alike see a lot of potential in DMA's service. DMA achieved full bank integration, which could allow them to link future users to formal financial services.
- Agri-dealers benefited from increased visibility among savings groups members, as well as market actors at the local and regional levels.
- Farmers received almost \$500,000 worth of inputs and made payments of almost \$100,000 via agri-dealers, mobile & village agents demonstrating the possibility for greater scale.

### CHALLENGES

- Timeliness of delivery is key to this digital tool providing value to users, but DMA struggled to deliver inputs on time, in part due to poor knowledge of roads and conditions, leading to a lack of trust among farmers, whose activities are time-sensitive.
- Agri-dealers struggled to purchase and deliver inputs without a guarantee that farmers will pay on time. While the planned solution was to link mobile wallets to DMA, the rollout of this solution was delayed.
- Delays in the roll-out of the digital platform meant that DMA had to rely on implementing partners to support farmer registration, which caused duplication of efforts and tension regarding each partners' role and responsibility.
- Unforeseen issues such as the drastic price increase of fertilizer caused by the war in Ukraine reduced demand and decreased the number of farmers in the last cohort.



# WOMEN'S EMPOWERMENT

✓ **ECONOMIC INDEPENDENCE**

✓ **CONFIDENCE AND SELF WORTH**

✓ **VOICE AND LEADERSHIP**

✗ **TIME-USE AND MOBILITY**

? **DECISION-MAKING**

- Many women expressed that they were more confident in their ability to make financial decisions after the project.
- One implementing partner saw an increase in the percentage of women in savings groups leadership positions from 25% at baseline to 60% at endline.

UNCDF places the empowerment of the most vulnerable populations, especially women, at the heart of its interventions. Savings groups are gender aware by design and most practitioners agree that they empower women: they meet a need for improved access to finance by women, foster principles of groups governance that favor women, and provide a safe space for women to discuss issues that are important to them (SEEP, 2019).

By working through savings groups, requiring that 70 percent of beneficiaries be women, and creating implementation plans with women's needs in mind, UNCDF took a gender-intentional approach to the KJP. To what extent did this contribute to women's empowerment?

We asked female beneficiaries about their experiences in five domains of women's empowerment: economic independence, confidence and self-worth, voice and leadership, decision-making, and time-use and mobility. We found a positive impact on some dimensions of empowerment, such as **economic independence**, **confidence** and **self-worth**, and **leadership**. Many women took on leadership positions over the course of the intervention and expressed increased confidence in themselves and their ability to make day-to-day financial decisions. Impacts on decision-making and time-use and mobility, however, were less positive. While women make small financial decisions, they rely on their husbands for larger ones and care-taking responsibilities prevent them from engaging in many income generating activities.

Thus, while savings groups remain an effective platform for reaching and empowering large numbers of rural women, gender inequalities remain. Overcoming these will require addressing both women's and men's attitudes towards traditional gender norms and intervening at the individual, household, and community levels. This could include incorporating modules that explicitly address these issues into financial and digital capability activities or good agricultural practices (GAP) and promoting female leadership in traditionally non-female roles (e.g., promoting women to serve as agricultural extension officers).



4

# RECOMMENDATIONS





# RECOMMENDATIONS

**Understand basic and digital literacy levels of the target population first, to segment groups and tailor interventions.**

- **Assessment and segmentation should also occur at key milestones throughout implementation** to ensure groups progress as expected—or receive supplemental technical assistance as needed—before graduating from foundational to next-level interventions. UNCDF conducted both qualitative and quantitative research throughout the project lifecycle and developed a battery of key questions that have subsequently been used in programming in other countries.

**Take advantage of the flexibility that a toolkit approach allows.** Not everyone needs to receive the same interventions. Therefore, having a number of materials to choose from increases the likelihood that learners will receive the training they need in a delivery mode that suits them; when choosing, consider the relevance and group readiness of each tool.

- Include digital but keep the content **simple, focused, timely and practically applicable** to real products, services, or income generating activities. This will make it more likely for learners to complete the lesson. If implementing partners (or village agents) are

supporting delivery, this can be done in one group, saving time and resources.

- **Do not underestimate the time it takes to learn a new technology.** With digital delivery channels, ensure sufficient time for learners to get comfortable with new devices before expecting them to take in knowledge through it. Consider identifying youth ‘digital champions’ to support digital skills at the group level.
- **Create continuity between tools to reinforce and link lessons.** Create characters that will occur throughout the toolkit that engage learners’ interest and dramatize storylines as much as possible. Further, ensure that there are tests with target group members during the materials development phase so that they are able to inform the process.
- Rather than conveying information in a pedantic way, **dramatize for engagement** whenever possible. For example, create a cast of characters who have lives that are relatable to your target audience, and who face and overcome challenges that resonate to them. Rather than an infomercial be a soap opera!
- Recognizing that traditional in-person training will be required at key inflection points, explore ways to make it as robust as possible, for

example **ensure that TOTs are structured to better prepare peer leaders and minimize learning loss for end learners.**

- Allow for **community-learning** where possible, for example communal listening of radio shows or viewing of videos, to mimic the classroom, even when a physical teacher is not present.

**Ensure that implementing partners are organized and have clear roles and responsibilities** for resource distribution, beneficiary mobilization so that learners have adequate time with learning content as well as the capacity to manage a project that blends financial services and relevant education.

Explore ways to **minimize learning loss** over the course of implementation—for example by providing refresher trainings or take-home materials such as comics, or shareable audio or video files.

For any passive methods of training included in your toolkit, whether these be for awareness of a digital tool or to build financial and digital capability, do not ignore the importance of **marketing**. For example, during the implementation of the KJP, youth, men, and local government actors were all exposed to the benefits of the use of digital tools linked to savings groups with financial and digital literacy

to support their activities. This, along with a model that allowed for more regular incomes for project participants, caught the interest of these groups and is likely to allow a greater group of people to benefit in the KJP II.

**Building local capacity** is an essential part of programming. For example, UNCDF worked with local training institutions, in this case the Ministry

of Agriculture Training Institute (MATI) to train students as extension workers for digital tools. This led to more than 20 students being hired or taken on as interns by NGOs and other organizations, ensuring that their participation in the KJP would have longer lasting benefits.

Don't forget to **budget and plan for impact measurement** – leverage the power of data, but do so efficiently (avoid duplication of efforts, only collect essential data, and minimize respondent burden).







5

# CONTRIBUTION TO THE SECTOR



# CONTRIBUTION TO THE SECTOR



## **IMPORTANCE OF THE CAPABILITY APPROACH:**

Trainings and any other interventions must be practical and applicable, delivered at “teachable moments” and be designed to lead to the adoption of beneficial behaviors, not just awareness or knowledge.



## **VALUE OF THE TOOLKIT APPROACH:**

Create complementary interventions, but do not be pressured to deliver every tool to every person.

Likewise, the benefits of using digital delivery mechanisms are clear, but they are not appropriate in every sector. The combination of approaches that works best for building financial capability may be different than the approaches that work best for training on good agricultural practices.



## **LINK FINANCIAL SECTOR INTERVENTIONS TO THE REAL ECONOMY:**

In the case of the KJP, focusing on agriculture, the heart of Kigoma’s economy, helped UNCDF find and apply an intervention that met the immediate needs of people in the district in terms of managing their money and stabilizing and growing their incomes.



## **IMPORTANCE OF ALIGNING PARTNERS:**

Having a dedicated technical assistant to convene partners and understand progress and challenges is vital especially when working with a mix of NGO and private sector partners.



## **NO NEED TO “REINVENT THE WHEEL”:**

When it comes to financial and digital capability interventions, put the greatest effort into the research necessary to contextualize content and to support implementation. Instead of creating new delivery mechanisms from scratch, use the information gleaned during field work to choose, update, and adapt existing content.



## **INVEST IN HARDWARE WHEN DIGITAL IS AT THE HEART OF PROGRAMMING:**

Vulnerable groups often have limited access to the devices (e.g., tablets or phones) utilized in implementation, and which they need to use such digital services/platforms on their own. Sufficient hardware must either be provided, or an affordable mechanism for participants to purchase them must be included in the project, to ensure sustainability.

# A MODEL TO CONSIDER

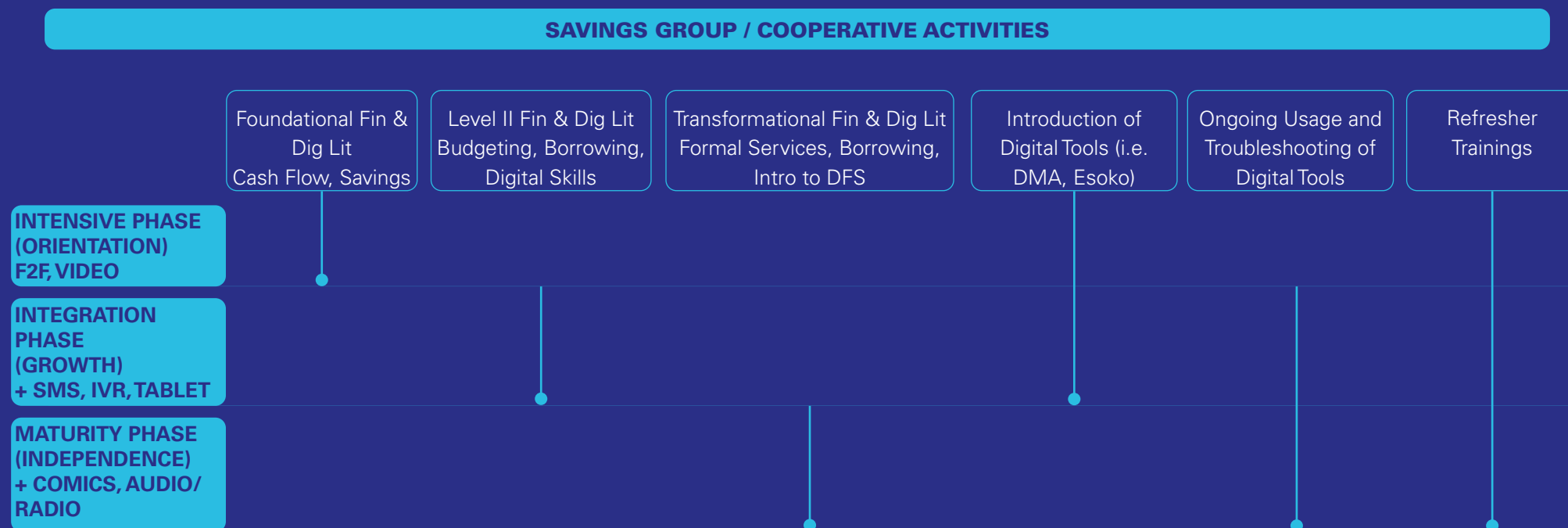
Finally, consider a model such as the below, which emerged from reflecting on what worked and what did not during Phase I of the KJP. A phased approach could better-ensure that participants receive the right information, practice, and tools when they are ready to.

- a. **Intensive phase** - Focus on strengthening savings groups to fully function, such that all members adhere to the requirements outlined in their constitution and see value in being part of a savings group.
- b. **The Integration** - Implement additional content (e.g. more advanced financial and digital literacy), in sequenced phases.

- c. **Maturity Phase** - Introduce use-cases for (digital) financial services and associated new tools, such as saving for agricultural inputs incrementally to mature groups.

Other topics, including the introduction of NCA and DMA, can be layered incrementally during the developmental and maturity stage.

*\*Implementing partners could consider developing a simple test to gauge the readiness of a group as it transitions across the phases. The test will assist in determining if a group is able to apply knowledge before the introduction of new set of training.*



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The UN Capital Development Fund makes public and private finance work for the poor in the world's 46 least developed countries (LDCs).

UNCDF offers “last mile” finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development.

UNCDF's financing models work through three channels: (1) inclusive digital economies, which connects individuals, households, and small businesses with financial eco-systems that catalyze participation in the local economy, and provide tools to climb out of poverty and manage financial lives; (2) local development finance, which capacitates localities through fiscal decentralization, innovative municipal finance, and structured project finance to drive local economic expansion and sustainable development; and (3) investment finance, which provides catalytic financial structuring, de-risking, and capital deployment to drive SDG impact and domestic resource mobilization.

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## FOR MORE INFORMATION ABOUT THIS PUBLICATION, PLEASE CONTACT:

Jessica Massie  
Financial Sector Development Specialist, UNCDF  
[jessica.massie@uncdf.org](mailto:jessica.massie@uncdf.org)

Caroline Morrow  
Research and Insights Specialist, UNCDF  
[caroline.morrow@uncdf.org](mailto:caroline.morrow@uncdf.org)

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