



# Digital Financial Services for Rural Populations in Benin

## Reaching rural populations with CashZone

In Benin, only 16% of the adult population has a mobile money account in rural areas.<sup>1</sup> Moreover, there are 37 communes with fewer than eight agents per 10,000 inhabitants.<sup>2</sup>

Access to financial services is a key factor in achieving financial inclusion. That is why MM4P, a UN Capital Development Fund programme (UNCDF-MM4P), in partnership with the Mastercard Foundation, supported CashZone, a Beninese service aggregator to deploy agents in rural areas of northern Benin.

<sup>1</sup> Asli Demirgüç-Kunt and others, The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution (Washington DC, World Bank, 2018). doi: 10.1596/978-1-4648-1259-0. Licence: Creative Commons Attribution CC BY 3.0 IGO.

<sup>2</sup> 'Benin - Principales conclusions,' 2016 data. Available from [https://public.tableau.com/profile/finclusionlab#!/vizhome/Benin\\_fr/Principalesconclusions](https://public.tableau.com/profile/finclusionlab#!/vizhome/Benin_fr/Principalesconclusions)

**16% OF ADULTS** HAVE A

**MOBILE MONEY ACCOUNT** IN RURAL AREAS<sup>1</sup>

**37 COMMUNES** HAVE

**FEWER THAN 8 AGENTS** PER 10,000 INHABITANTS<sup>2</sup>

## Three challenges to solve

- ↑ Increase number of active agents in rural areas with economic potential
- ⚙️ Improve agents, activities and management
- 😊 Enhance customers' experiences

## Solution

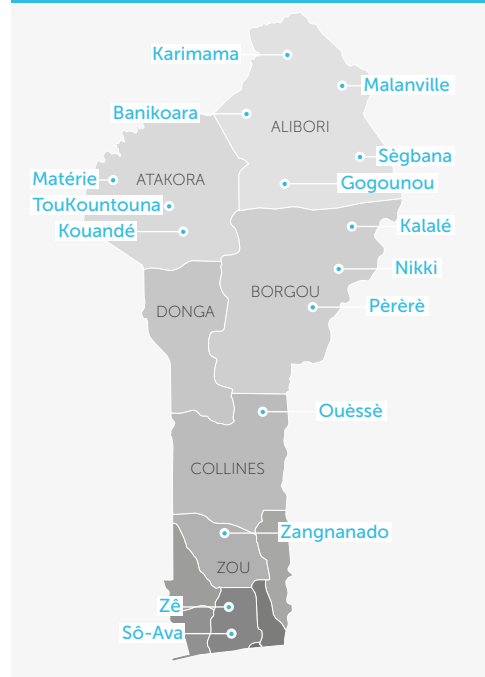
CashZone offers a digital platform that integrates the main digital finance providers in Benin. The platform has management tools to help agents follow up on their business activity. Agents can also access a dashboard with statistics on transactions.



## Project scope

- 👤 2,051,492 population in targeted areas
- 👥 500 digital finance agents to deploy
- 📍 15 rural communes to reach

### TARGETED AREAS



## Project timeline



## Results

UNCDF-MM4P supported CashZone in the development of its business plan and the provision of training to its agents, encouraging the aggregator to expand outside its comfort zone. Six months later, a network began to take shape in targeted areas where people had to travel long distances to access digital financial services.

**967** AGENTS RECRUITED



**76,300** 

NEW MOBILE MONEY CUSTOMERS  
IN TARGETED AREAS

**2.5** MILLION TRANSACTIONS  
IN 15 MONTHS



**523** ACTIVE AGENTS



254 YOUNG AGENTS  
167 WOMEN



SOUNOUVOU, A CLIENT FROM SÔ-AVA

### WACHILATOU IBRAHIM, A HAIRDRESSER RECRUITED AS AN AGENT

“I received a loan of US\$900 from an MFI [microfinance institution] to start my business activity, which allows me today to earn US\$63 per month in addition to the income from my hair salon.”

“The new agents who deployed in our village helped solve the major difficulty related to the long distances we had to travel to receive or send money. As a bricklayer, now I just need to share my mobile money account with my client and easily withdraw the cash to perform the service.”



## Lessons learned

### 1. IT TAKES A SIGNIFICANT AMOUNT OF TIME TO OBTAIN ADMINISTRATIVE DOCUMENTS

To be registered, agents must provide an extract from the trade register (RC), a certificate or a Unique Tax Identifier (IFU), a copy of an identity document, and a residence certificate. Many recruited agents are unaware of the processes for requesting these administrative documents and the steps to take to overcome barriers along the way.

In this project, CashZone negotiated with one provider to lighten the requirements (called 'Know Your Agent') and ease the process, allowing agents with a national identity card and residence certificate to start the business activity.

### 2. IT IS HARDER TO RECRUIT A WOMAN AGENT

In rural areas, the social context can limit the role of women to that of wives and mothers. In addition, the mindset in a religious or certain cultural context does not necessarily promote jobs for women. Women agents often need the permission of their husband or parents to start any activity. During the last recruitment process, CashZone included husbands and householders and organized financial education sessions with women's groups.

## Looking forward

The results of the pilot demonstrated the opportunities of going rural for digital finance providers. CashZone plans to deploy new agents to reach more customers in remote areas of Benin. The aggregator has already started improving its mobile application based on the lessons learned during the pilot phase.

BY 2020

**3,000**

ACTIVE AGENTS

in all rural areas of Benin

**500,000**

NEW CUSTOMERS

SERVED



New services integrated on the platform, such as insurance and pay-as-you-go services



A training module integrated to reinforce the capacity of agents in financial education for customers

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