

Digital Inclusion for Women's Empowerment (DIWE)



Over two billion adults still do not have access to financial services. These unbanked consist predominantly of women (1.1 billion), the poor and those living in remote rural areas.

But digital technology now makes the provision of financial services to rural women feasible. The Digital Inclusion for Women's Empowerment programme (DIWE) will build off the knowledge gained from UNCDF's MicroLead (ML) and MicroLead Expansion (MLE) programmes to expand last mile financing to rural women, leveraging digital technology, informal community groups, and linkages with digital financial service providers (DFSPs) to reach the "last mile."

MicroLead and MicroLead Expansion—Lessons Learned

From 2009-2014, MicroLead, funded by the Bill & Melinda Gates Foundation and UNCDF, worked with savings-led FSPs in 13 countries to greenfield in underserved markets. Its budget: \$28 million. We discovered that commercial banks employing an agency model reached significant numbers of customers in a short period of time. But three main challenges remained: access (reaching women and rural areas), usage (high dormancy), and product quality. These challenges were tackled in the MicroLead Expansion (MLE) programme from 2012-2017.

With funding support from The MasterCard Foundation and LIFT Myanmar, the \$30.5 million MLE programme challenged formal financial service providers (FSPs) to reach rural unbanked populations, particularly women, with customer-centric deposit products and financial education. By deploying alternative delivery channels (ADCs), such as agency banking and digital financial services, and predominantly working through informal groups, MLE has increased understanding and capacity amongst institutions to effectively serve excluded populations. At the programme level, MLE facilitated peer learning amongst institutions to explore the business case in serving these excluded populations. Together, the two projects combined \$58.5 million budget resulted in \$631 million in savings mobilized by 1.5 million female depositors in Africa and Asia.

ML + MLE \$58.5M Budget



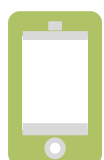
\$631M

Voluntary savings deposits mobilized by women.



1.5M

New female savings clients reached



31

New savings products developed, including digital financial services (DFS).

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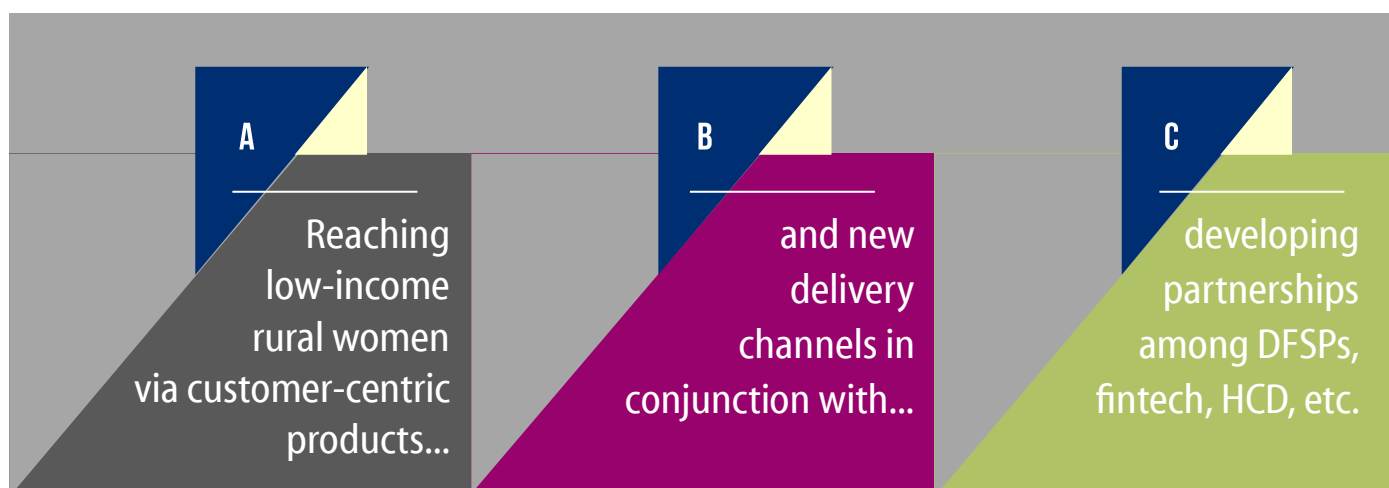
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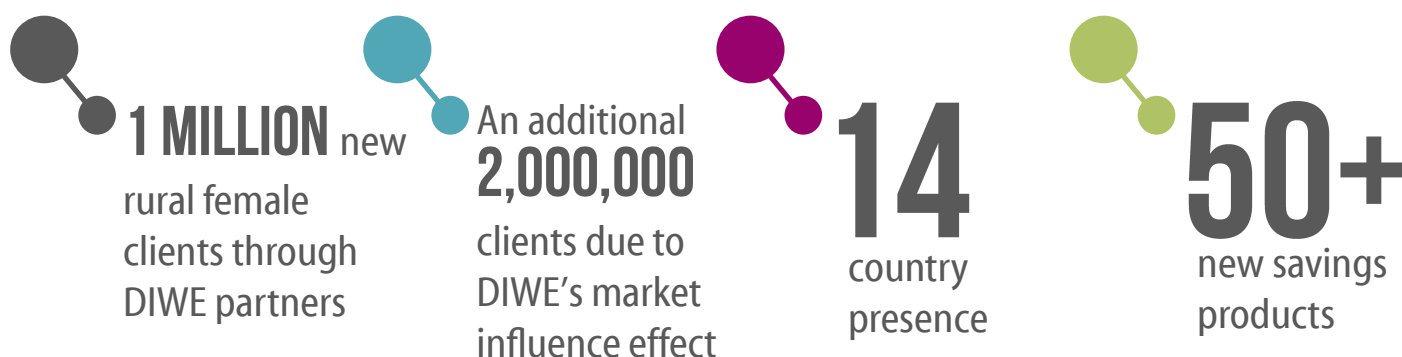
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DIWE 2020...

DIWE's strategy is to combine the best of our knowledge and state of practice in multiple fields, including sociology (sociology behind groups being effective savings mechanism), behavioural economics (use of human-centered design, customer journey and customer engagement strategy), technology (digital financial services, alternative delivery channels, etc.) and financial analysis (business case and viability). This strategy combined with UNCDF's ability to engage with market actors and governments will result in systemic market changes which drive financial inclusion for all. From 2018-2021, DIWE will expand access to rural women in Sub-Saharan Africa and Asia through these types of demand-driven financial products and ADCS, reaching...



Leveraging the lessons learned from the ML and MLE programmes, the new DIWE program will...

- Expand the use of demand-driven digital technology pioneered in the ML and MLE programmes;
- Provide group savings accounts so DFSPs can build customer information and transaction histories of women members;
- Increase the provision of technical assistance to DFSPs committed to reaching the underserved;
- Employ a market systems approach to affect measurable change at the country level; and
- Maintain ML and MLE's customer-centric approach and focus on last mile financing.

BENEFITS OF DIGITAL FINANCIAL SERVICES (DFS)

- DFS respond to rural women's needs, promoting economic empowerment and increasing women's control over their finances;
- DFS improve women's financial autonomy, business performance, and ability to save;
- DFS provide low-cost access to savings and other financial services, including loans, insurance and remittances; and
- DFS take advantage of multiple channels, include roving agents, mobile phone interfaces, and/or informal savings group linkages, providing customer-centric financial services in hard-to-reach rural areas.