UNITED NATIONS CAPITAL DEVELOPMENT FUND

Myanmar

Women's Economic Empowerment Strategy

Myanmar Country Assessment Dissemination Workshop

October 3, 2017

PARKROYAL Hotel, Yangon

Table of Contents

1. Background

To build on UNCDF Myanmar's commitment to and ongoing work on women's financial inclusion and economic empowerment, which has been supported by the Australian Government Department of Foreign Affairs and Trade (DFAT), UNCDF held a workshop on 3 October 2017 at the Park Royal Hotel to share the data and insights from a Myanmar country assessment on the access and agency of women and girls to financial services contributing to their economic empowerment (see agenda in Annex 1). Over 50 participants representing government (Central Bank, Ministry of Gender and Youth, Ministry of Finance, etc.), private sector financial services providers (banks, mobile network operators, microfinance institutions, etc.), civil society organizations (women's associations, training organizations), development partners (NGOs, UN agencies, bilateral aid agencies, foreign affairs/diplomatic missions) participated (see list of participants in Annex 2).

United Nations Capital Development Fund (UNCDF) has developed a global strategy on women's economic empowerment, the Participation of Women in the Economy Realized (PoWER) and a comprehensive country assessment toolkit to support the implementation of the strategy, with the support of Dalberg Global Development Advisors and supported by the Bill & Melinda Gates Foundation as part of a planning grant. Myanmar was one of five countries—along with Bangladesh, Ethiopia Senegal, and Tanzania—where the new UNCDF toolkit to assess the country context for women's access and usage of and control of benefits from financial services was piloted.

The aim of this workshop was to share and validate the Myanmar country assessment findings and insights on the key constraints and enablers of women and girls' access, usage and control of finance across the supply, demand and the enabling environment key spheres of influence and the cross-cutting socio-cultural context. In addition, participants were invited to consider the key recommendations emanating from the assessment and to discuss complementarities with other activities underway and potential partnerships to translate the insights from the country assessment into reality. Based on the results of the Myanmar country assessment and with the additional inputs from workshop participants and supplementary consultations with relevant external stakeholders and potential partners, an implementation plan for Myanmar is being developed that includes convening, research, advocacy, capacity building and innovation funding to address the priority constraints and build on the enablers to enhance women's economic empowerment in Myanmar.

2. Opening remarks

Mr. Paul Luchtenburg, Myanmar Country Coordinator at UNCDF, delivered the opening address, noting the hugely important role that women play in driving growth and prosperity at both the individual and macro levels. After having thanked participants and those supporting UNCDF's work in Myanmar, Mr. Luchtenburg invited everyone to join in UNCDF's effort to advance women's economic empowerment by sharing their comments, ideas and proposals.

Ms. Beth Porter, Policy Advisor for Financial Inclusion at UNCDF, introduced the global PoWER strategy. She noted that, notwithstanding increases around the world in financial inclusion, the gender gap persisted at 9% in developing countries overall. In order to reduce that gender gap, new approaches and concerted effort were needed. The PoWER strategy is based on a recognition that we must not only look at access and usage of financial services but also at agency issues. Moreover, it is critical to understand and address key constraints and enablers of women's and girls' access to, usage of and agency over financial services over three spheres: i) demand; ii) supply; and iii) the enabling environment, and to understand the impact of the gendered the socio-cultural context that cuts across all three. Interventions across these three spheres will contribute to expanding the financial inclusion of women and girls that ultimately drives their economic empowerment and participation. And while financial inclusion is a critical driver of women's economic empowerment—and the one that UNCDF is best placed to address—there are other drivers, such as education, delayed marriage, family planning, alleviation of unpaid care, work opportunities, property and assets, etc. that need to be addressed if women's economic empowerment is to be achieved.

Key to UNCDF's global PoWER strategy is the concept that women and girls transition through various life cycle stages that have a differential impact on them than their male counterparts and moreover that they have distinct economic roles—and that both of these factors mean that they have different financial constraints and needs, and

therefore require specific products and services in the context of a gender-sensitive enabling legal, policy and regulatory environment, and that addresses women's capabilities, voice and demand for finance, and control of benefits of financial service use.

3. Presentation of Country Assessment Findings

Mr. Scott Hosking, Consultant at Dalberg Global Development Advisors, presented the Myanmar Country Assessment findings. In the Financial Inclusion Snapshot of Myanmar, he noted that financial inclusion is very low (only 30% of the population formally included in the financial system) and that the gender gap in formal financial inclusion could be as high as 12%.
He emphasised the labour force, education and demographic trends that suggest that women are a growing market that offers good potential for financial services providers (FSPs) to cultivate. In contrast to comparator countries, in Myanmar, women's current use of financial products is low, and women tend to rely on informal coping mechanisms and often find themselves entrapped in vicious debt cycles to informal lenders.

The importance of considering women and girls not as homogeneous group, but recognizing their specific economic roles and attendant financial needs was highlighted.
PoWER identified five clear economic roles: i) in-school girls; ii) out of school girls; iii) employees; iv) MSME entrepreneurs; and v) farmers.
Women and girls in each of these roles face simultaneously face different financial challenges at various stages in their lifecycle. In Myanmar, the key stages and/or transitions identified were: i) middle to secondary school; ii) childbirth; iii) building a family; and iv) caring for family. Consequently, adaptive financial services are needed to ensure that the needs of women and girls in their different economic roles and at their different stages in their lifecycle are addressed.

The two main barriers that prevent women and girls from being included in the formal financial sector were discussed. First, the lack of access points represents a significant obstacle for women - formal access points in Myanmar are less than 40% of Bangladesh - with extremely low densities of MFI branches, ATMs, bank branches and mobile money agents. Moreover, social norms limit the mobility of women who are generally responsible for housework and childcare in addition to any remunerative activities, and they are further constrained in that they are 'not supposed' to travel alone over large distances, particularly without permission of their husbands.

Mobile money could address some of these constraints. While mobile phone penetration is increasing rapidly—including smartphones—there is a growing gender gap in phone ownership and digital literacy is an issue, especially for women. Second, the stringent requirements of formal FSPs constitute a serious barrier, particularly for access to credit. Banks, for example, require applicants to show a National Registration Card (NRC), as prescribed by law, but many women do not possess one. In addition, banks provide loans only if backed by collateral - a major access barrier since women are less likely to hold land titles under their name.

In terms of product usage (see below charts), a majority of women utilise informal savings channels and/or physical assets (gold, jewellery, saving in a secret place at home, etc.) with only 4% of women saving at MFIs (few MFIs are able to offer savings products due to stringent requirements for savings licence).
Restricted loan sizes from MFIs and the MADB is another limiting factor, and leads many women to rely on moneylenders, where high interest rates are the norm, and women often find themselves trapped in a debt cycle.

In regard to agency issues, the assessment found that while women may retain control over smaller, predictable expenses, larger expenses were made exclusively or in tandem with men.

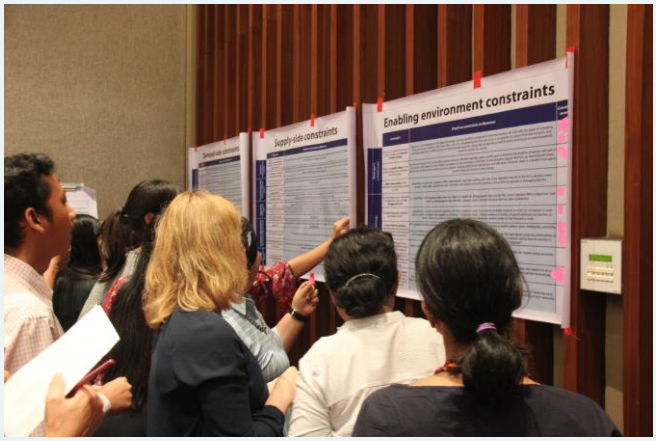
4. Question and Answer Discussion Session

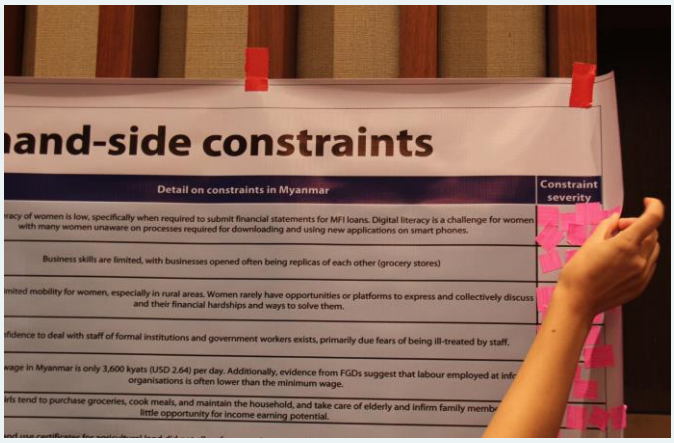
A number of ideas and questions were raised following the presentation. The mandatory interest rates to be paid by MFIs on savings are high, but that has the effect—along with other licensing requirements—of making it unattractive for MFIs to provide those services—leaving women, in particular, without savings opportunities. The low number of access points, liquidity preferences and low awareness amongst women exacerbates this problem. It was also noted that there is a huge gap in SME financing, which particularly affects women seeking finance to scale up their businesses.

Participants discussed how best to leverage mobile money in solving the problems associated with a lack of access points. It was noted that MFIs and retail banks are not open long enough, late enough and are not available readily. Mobile money through agent networks is one potential way to address some of these challenges.
Yet Wave Money reported that the investments required to expand access points particularly in more remote areas do not present a viable business case, and that support from development agencies is needed at lease in the short term.

5. Interactive Activity #1: Prioritisation of Constraints

In order to prioritized the importance of the constraints identified in the country assessment report, workshop participants were given nine stickers ('votes') and asked to identify the three top constraints to women's financial access they thought were most severe across the three spheres of enabling environment, supply, and demand. The most severe constraints for each sphere are presented in the following chart.





DEMAND	
Financial and digital literacy are limited	Financial literacy of women is low, specifically when required to submit financial statements for MFI loans. Digital literacy is a challenge for women with many women unaware on processes required for downloading and using new applications on smart phones.
Access to market information and vertical social networks are limited	Evidence of limited mobility for women, especially in rural areas. Women rarely have opportunities or platforms to express and collectively discuss and their financial hardships and ways to solve them.
Land ownership, and control/usage of land is limited in society	Until recently, land use certificates for agricultural land did not allow for more than one name, which gave men, as the household head, a natural advantage in land ownership. According to a land rights organisation, only 16% of land registrations were done by women, a majority of whom were single, widowed or divorced. Evidence from KIIs and FGDs suggests that government officials at land registration offices often refuse to sign off on land certificates held by women.

SUPPLY	
Physical financial service access points and agent network are limited/ inappropriate and do not cater to time and mobility constraints	Access points across delivery channels are extremely limited in Myanmar. Myanmar has less than half the number of bank branches as Bangladesh, and 10 times as few microfinance branches. Agent banking and mobile money agents are nascent, with less than 10 times fewer banking agents and 500 times fewer mobile agents per 100,000 people than Bangladesh.
Even when they are aware, they may not have the capacity or resources to effectively collect and analyse	The capacity and resources to effectively collect and analyse sex-disaggregated data is minimal, given that most of the data is in paper form, and there is limited human resource availability to digitize data. Furthermore, there is limited capacity to effectively analyse digital data.
FSPs lack awareness of the 'women's market' which can feed into biased/prejudiced attitudes of FSP staff	Traditionally excluded women have a perception that banks are not for them, and feel intimidated at the prospect of visiting banks. Evidence from FGDs suggests that this is due to the attitude of bank staff, who can be rude, inconsiderate, and unhelpful.
ENABLING ENVIRONMENT	
Financial infrastructure such as payment systems, credit bureaus and collateral registries do not exist or function effectively	A collateral registry does not currently exist in Myanmar. The Central Bank is in the process of launching a Credit Bureau, and expects to do so officially by the end of 2017. Four foreign payment firms (Visa, MasterCard, JCB and Union Pay) were given permission to operate domestically in early 2017.
Product/ delivery regulation constrains private sector innovation e.g. agent banking, mobile financial services, collateral requirements	MFS regulation mandates interoperable services with other MFS providers at the agent, customer, or mobile platform level. Additionally, practicing agent exclusivity is prohibited by MFS regulations.
There is no gender strategy or the gender strategy does not mention financial inclusion	The National Strategic Plan for the Advancement of Women (NSPAW) identifies twelve priority areas to improve the situation of women and girls in the country, and is aligned to the CEDAW (Convention on the Elimination of All forms of Discrimination against Women), an international treaty. Priority areas include women and the economy, decision making, institutional mechanisms, and education. However, there is a limited coverage of women's financial inclusion in the strategy.

6. Interactive Activity #2: Discussion of Recommendations

Building on the key constraints identified for each of the three spheres, Ms. Porter explained that UNCDF developed a number of recommendations to address each of these constraints.

Participants were divided in seven (7) groups and asked to reflect on the recommended actions—and complement or add to them as needed, and prioritize the proposed recommendations.

One participant from each group was then invited to present the results of the discussions to the audience. The main findings of the plenary discussion are listed below.

DEMAND SIDE

- Using mass media to run campaigns to raise women's digital and financial literacy, taking into consideration generational differences when conducting such campaigns
- Pushing for education, literacy and awareness on digital and mobile financial services
- Using university students and volunteers as part of a digital education campaign

Enhancing digital literacy and financial literacy through a mass-media-led but multi-channel approach was identified as a core priority.

SUPPLY SIDE

- Providing capacity building and training for FSP staff in gender sensitivity, ensuring that all staff have an awareness of gender-based constraints
- Increasing the attention given to MFIs as part of the solution set, as they can play a vital role to expand the outreach (2.4 million clients vs. 9 million target)
- Introducing incentives such as capital and medium-term strategic goals to incentivize data collection to address the lack of sex-disaggregated data
- Providing capacity building and training on how to analyse data with a gender lens
- Drawing on women as 'agents of change' by involving them more heavily in agent network expansion to expand access points
- Incentivising projects specifically targeting women-dominated sectors and accelerate expansion of women access points in these areas using challenge fund mechanisms

In addition to capacity building, providing the correct incentives to collect, analyse and operationalise sex-disaggregated data across the financial sector was identified as a key intervention. Staff training, MFI expansion and involving women in agent network growth were also highlighted as priority areas.

ENABLING ENVIRONMENT[1]

- Expanding advocacy and capacity building for regulators (Financial Regulatory Department, Central Bank) on specific, product-delivery regulatory constraints
- Continuing to open up distribution channels for mobile financial services and mobile banking, insurance and remittances by the regulator
- Moving beyond advocacy to improving the financial infrastructure, in particular: expedite establishment of credit bureau, improve payment system architecture.
- Optimising information sharing between government, INGOs and FSPs
- Developing guidelines for gender-related issues and women's access amongst FSPs
- Budgeting additional funding for gender-related activities and policy-making processes

Participants emphasised the importance of capacity building for regulators and the need for advocacy, as well as working to improve existing financial sector infrastructure.

[1] The working group raised the question of why there was a disparity between the identified constraints and the proposed interventions in this category. The facilitators indicated the actions were focused on what could be addressed by UNCDF and potential partners, given their comparative advantage, but noted the importance of these constraints being addressed in order to facilitate women's economic empowerment in Myanmar.

7. Closing and Next Steps

In closing, the valuable work that all the participants are putting in every day in moving toward solving these issues, and improving women's access to and agency over financial services in Myanmar was acknowledged. Furthermore, participants were thanked for their feedback on the country assessment and their contributions to the design of the UNCDF strategy in Myanmar and invited to engage further in partnering with UNCDF to advance the economic empowerment of women and girls in Myanmar through financial inclusion.

The full Myanmar Country Assessment Report will be available upon request to UNCDF, as well as the country assessment toolkit that served as the basis for the Myanmar country assessment.

UNCDF invites all the participants to engage in ongoing discussions and partnerships to work together on the issues identified – and incorporate feedback into its strategy. UNCDF welcomes any input and ideas participants wish to share.

UNCDF is the UN's capital investment agency for the world's 47 least developed countries. With its capital mandate and instruments, 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 two channels: financial inclusion that expands the opportunities for individuals, households, and small businesses to participate in the local economy, providing them with the tools they need to climb out of poverty and manage their financial lives; and by showing how localized investments — through fiscal decentralization, innovative municipal finance, and structured project finance — can drive public and private funding that underpins local economic expansion and sustainable development.

For more information, visit our website: www.uncdf.org/myanmar **or contact UNCDF's Myanmar Country Coordinator Mr. Paul Luchtenburg at uncdf.myanmar@uncdf.org**

Annex 1- Myanmar WEE Country Assessment Workshop Agenda

Time	Agenda Item
8:30 am	**Registration**
9:00 am	**Welcome and overview** Paul Luchtenburg, Myanmar Country Coordinator, UNCDF
9:10 am	**Introduction to the UNCDF PoWER Strategy** Beth Porter, Policy Advisor Financial Inclusion, UNCDF
9:30 am	**Country Assessment findings followed by Q&A** Scott Hosking, Analyst, Dalberg Global Advisors
10:30 am	**Coffee Break**
10:45 am	**Prioritization of constraints to women's and girls' financial inclusion**
11:05 am	**Discussions on prioritizing UNCDF recommendations to address each of the identified constraints**
11:45 am	**Plenary feedback on the results of subgroup discussions**
12:15 pm	**Closing remarks** Beth Porter, Policy Advisor Financial Inclusion, UNCDF
12:30 pm	**Lunch**

Annex 2- Workshop Participants List

Organization	Participant
ASA Microfinance	Mr. Faridur Rahman
Australian Department of Foreign Affairs and Trade (DFAT)	U Aung Myint Myat
BRAC Myanmar	Ms. Sharmin Sultana Md. Sazaduzzaman
Coca Cola	U Zeyar Chit Daw Ei Ei Aung U Khant Min Thaw
Danish Development Cooperation (DANIDA)	Daw Sandar Hla
Dawn Microfinance	Daw Khin Thida Daw May Thazin Oo
GIZ	Daw Phyu Phyu Baw Daw Htate Htar Aung
Global Affairs Canada	Ms. Heather McBride Daw Aye Myat Thanda
Hana Microfinance	Ms. Soo Hyun Park Daw Khine Khine Win
ILO	Ms. Jacqueline Pollock Daw Mhwe Lon
Italian Agency for Development Cooperation (AICS)	Mr. Nicola Amoroso

Japanese International Cooperation Agency (JICA)	Mr. Masayuki Nakamura Daw Thet Lyir Win Daw May Zin Mar Soe
KBZ Bank	U Lucas OO Daw Nang Le' Nanda hnin
LOLC Myanmar Microfinance	Daw Nilar Soe
Mennonite Economic Development Associates (MEDA)	Ms. Cavelle Dove
Myanma Agricultural Development Bank (MADB)	Daw Khin Nan Myint
Myanma Awba/One stop	Daw Khin Nyein Chan Oo Daw Hsu Lei Yee Hnin
Myanmar Central Bank	Daw Than Than Swe Daw Phyu Pyar
Myanmar Centre for Responsible Business (MCRB)	Daw Su Myat New
Myanmar Microfinance Association (MMFA)	U Minn Aung
Myanmar Women Entrepreneurs Association	Daw Khin Ohmmar Moe
Nathan Associates Inc.	Daw Myat Su Sam
Proximity Finance	Daw Aye Pyae Sone Tun
Social Vision Services	Daw Yi Yi Win
Spring Accelerator	Mr. Andy Annett
Swedish Development Cooperation (SIDA)	Ms. Tilda Segerberg
United Kingdom's Department for International Development (DFID)	Ms. Liz Patterson
UNDP	Ms. Eleonora Gatti
UNFPA	Daw Yu Myat Mon
UNODC	Ms. Wanda Grimaldi
USAID	Ms. Maureen Seng Taung
Vision Fund	U Aung Zaw Minn Ms. Rachel Yu
Wave Money	Mr. Steve Haley
Winrock	Daw Lay Thida Ms. Jennifer Lee
World Concern	Ms. Janine Roelofsen

Annex 3 - Myanmar WEE Country Assessment Executive Summary

Recognizing the essential role that financial inclusion plays in women and girls' economic empowerment, UNCDF has developed a global strategy, called "PoWER"[2], to facilitate women and girls' economic empowerment through improving their access, use and control over financial services. This strategy will be operationalized at a country level with a market-led outlook to innovate, scale and replicate evidence-based financial service interventions. PoWER will help bridge existing gaps and reduce the barriers that impede women's and girls' access of, use of, agency over and benefit from financial services.

The PoWER strategy anchors around a framework that **identifies three key spheres of influence affecting women and girls' financial inclusion:** supply of financial services, demand for financial services and the enabling policy and regulatory environment. These are mediated by the socio-cultural context, or gender norms. To further understand the constraints and enablers in each of these spheres, UNCDF has developed a **comprehensive toolkit** to support the PoWER strategy. The toolkit has been deployed in multi-country assessments to gain a deeper understanding of the country specific constraints that women and girls face in Bangladesh, Ethiopia, Myanmar, Senegal and Tanzania. The PoWER country assessment toolkit is available as a public good to deepen understanding of these constraints in other countries.

This document presents the results of UNCDF's country assessment in Myanmar through the toolkit: desk research, 20 key informant interviews, 5 focus group discussions and a survey of 400 women and girls[3]. Together, this analysis seeks to understand key constraints and enablers of women and girls' access, usage and control of finance in Myanmar across supply, demand and the enabling environment.

Introduction: Key Macro-Trends and Macro-Insights

Myanmar's financial sector is in the early stages of development; 39%[4] of the population is excluded from both formal and informal finance. Per Finscope, the gender gap is at 4% points, with 29% of females accessing finance through either formal banks or non-banks compared to 33% of males, and per Findex, the gender gap between men and women in formal financial product usage stands at 12% points[5] (at 20% of women vs. 32% of men accessing formal finance). Women are also more likely to use informal products compared with men by 5% points[6]. Women's current financial usage is not an effective motor for economic empowerment, in contrast with other focus PoWER countries, likely due to the limited scope of informal coping mechanisms (e.g. low levels of savings groups) and vicious debt cycles induced by use of money lenders (<10% monthly interest). This indicates that the quality of financial services matters if financial inclusion is to contribute to women's economic empowerment. Evidence of a business case for targeting women with financial products exists, in the form of higher education levels, labor force participation in alignment with high priority sectors & a higher life expectancy.

We analyze the macro-insights on women and girls by segmenting them based on (a) their lifecycle stage and (b) their economic strategies. The key lifecycle stages identified in Myanmar are (i) school transitions, (ii) childbirth and building a family, and (iii) caring for infirm relatives. The financial needs at these stages are unmet by formal products with informal coping mechanisms filling product gaps. For example, focus groups revealed that relying on informal moneylenders for loans is a common tactic when faced with an emergency medical expense, such as a complication while giving birth. Micro health insurance or a saving plan tailored for maternity care can address this need. Women also occupy economic roles, which expose them to various financial needs and challenges. For example, women entrepreneurs borrow either informally or via MFIs to set up a business, but these businesses are often replicas of each other (village groceries), given lack of non-financial support services to help women entrepreneurs start and grow businesses. This report focuses on (i) farmers ii) adolescent inschool girls (iii) adolescent out-of-school girls (iv) MSME entrepreneurs & (v) informal employees. All women and girls face barriers in accessing, using and controlling finance[7]. Women and girls also occupy important roles as household contributors or managers as well as consumers regardless of their other economic roles and throughout their lifecycle, but these roles have not been explicitly analyzed in this report.

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[2] Participation of Women in the Economy Realized
[3] Girls refers to adolescents between 10-24 years of age; Country research engaged in- as well as out-of-school adolescent girls
[4] UNCDF and Finscope, 2013
[5] World Bank Findex, 2014
[6] UNCDF and Finscope, 2013
[7] Dalberg UNCDF Focus Group Discussions, 2017

Access: Key Constraints and Enablers

Access points across delivery channels are extremely limited in Myanmar, with mobility constraints and limited phone ownership exacerbating this issue for women. Myanmar has less than half the number of bank branches per 100,000 people as Bangladesh, the other Asian country of focus in this engagement, and 10 times as few microfinance branches, when weighed by population. Agent banking and mobile money agents are nascent, with less than 10 times fewer banking agents and 100 times fewer mobile agents per 100,000 people than Bangladesh[8]. While banking agents represent an opportunity to extend the reach of banks, they need to incorporate as a financial corporation. **MFIs, MNOs and cooperatives are high potential banking agents that cannot currently participate in the agent banking process[9]. Mobile money could address these constraints, but phone ownership is low among women**, with a gender gap of 20% points[10] in ownership. However, rapid growth in mobile phone penetration indicates that this is less likely to be a constraint in the future. **Women are also nearly twice as likely as men to use a common phone, which can limit women's use of mobile money. More importantly, even if women do use mobile money on a borrowed phone, it may limit the agency that mobile money in general can provide.** Limited access points compound low awareness, misperceptions, and perceived need on requirements to access banks: 58% of women believe that employment is necessary to own a bank account, and 62% believe that low incomes do not justify a bank account[11].

Access requirements beyond retail bank loans are not a key constraint for most women to meet. 93% of women have a National Registration Card[12], which is a Central Bank requirement to open an account at a retail bank. MFIs and MMOs are more flexible; MFIs accept alternative I.D. such as a letter of recommendation from a local authority, and MMOs operate per the Central Bank's tiered Know Your Customer regime[13]. **Requirements to secure loans at retail banks are the key constraint for women business owners looking for larger ticket loans, as banks require >200% collateral in land & building which women are less likely to own[14]**. For example, until recently the farmland registration process had space for only one name, which was generally allotted to the head of the household - 76% of all households are headed by men[15]. In addition, the Central Bank requires that married individuals get permission from their spouses to borrow money formally against collateral, but anecdotes suggest that men often have the final say, limiting women's agency.

Usage and Agency: Key Constraints and Enablers

Women save and borrow to meet recurrent household expenses, but do so informally; formal gaps exist across their needs - a lack of safe and liquid formal savings options lead to women relying on informal mechanisms. The top three savings methods for women are at home, in jewelry and in livestock[16], all of which are either unsafe, illiquid or both. Lack of formal, sage and/or liquid saving mechanisms, coupled with a lack of access to formal loans, force women to turn to informal lenders to meet household expenses and emergencies. Monthly interest rates that exceed 10% or more on these loans leads women to debt traps[17]. Insurance could address emergency financial needs but only 16% of rural women are aware of insurance. There is an opportunity to generate large volumes of transactions by targeting women to use mobile money (given that they are the main recipients of international and domestic remittances[18]) and expanding rapid financial inclusion, but less than 5% of women currently use it. Additionally, women's primary uses of phones are for calls and SMS, with limited smart phone literacy[19]. A market opportunity also exists for formalizing remittance services given costs of informal services. Beyond usage, not all women retain control of financial tools – per UNCDF/ Dalberg's survey of 400 women, >66% of married women share knowledge on savings and borrowing with their husbands, and >50% of women share control. Intra-household

[8] IMF Financial Access surveys
[9] Mekong Business Initiative, 2017
[10] LirneASIA, 2016
[11] UNCDF and Finmark Trust, 2013
[12] UNCDF and Finmark Trust, 2013
[13] UNCDF Dalberg KII, 2017
[14] UNCDF Dalberg KII, 2017
[15] Myanmar Census, 2014
[16] UNCDF and Finmark Trust, 2013
[17] UNCDF and Dalberg Focus Group Discussions, 2017
[18] UNCDF and SHIFT, 2017
[19] GSMA, 2015

dynamics also limits women's access to mobile money, with women twice as likely as men to not have an account if another family member has one[20].

A weak culture of using sex-disaggregated data limits tailoring of financial products and channels for women and girls and prevents FSPs from meeting their needs. Beyond FRD requirements for MFIs to report on their user profile, there is limited evidence of sex disaggregated data requirements. While supply side actors do collect some basic customer data including sex, not all digitize this data given high costs and limited capacity among employees for data analysis which limits potential segmentation analysis. **There is also low general agreement** beyond women-focused MFIs such as BRAC, **on the potential rewards for targeting sub-segments of women with tailored product offerings**, suggesting a need for building a strong business case based on suitable economic indicators that favor targeting women[21].

Stakeholder analysis

On the **demand** side, stakeholder activity is clustered around **developing women's financial capabilities**, and on the **supply** side, stakeholders are focused on **providing capital and helping build technical and gender-sensitive capabilities among FSPs**. In terms of the **enabling environment**, stakeholders have been successful in **informing policy and regulations** aimed at **advancing financial inclusion, along with advancing the status of women.** While most stakeholders work with women MSME owners, farmers, and employees, there is a segment gap in terms of stakeholders explicitly targeting girls.

In the **stakeholder landscape**,

I. **civil society and international organizations** are focused on building women's financial and digital capabilities and some advocacy work to government for gender sensitive regulation/legislation. UN Women works with the private sector to develop policies on decent work and entrepreneurship for women. There are some efforts to support the growth of credit and savings associations from organizations such as Welthungerhulfe, a German NGO, but these have not yet been linked up to formal institutions, and the penetration of informal credit and savings associations is low;
II. **on the supply side**, FSPs do not explicitly target women as customers beyond microfinance, and products and services are not currently tailored for women's needs. There is room to increase access to formal finance through gender sensitive agent networks, linkages with informal savings groups, and collecting and analyzing sex-disaggregated data to inform product and service design, including formal savings, credit, and mobile enabled remittances;
III. amongst **government stakeholders**, the CB and FRD have been taking steps to relax regulations that increase overall access to formal financial services, however, there is no differentiated strategy for women. As such, there are opportunities to bring a gender sensitive lens to regulation, such as collecting sex-disaggregated data from retail banks, and working to ensure the credit bureau is gender sensitive. The Ministry of Social Welfare identifies women's economics as key to gender equality in its National Strategic Plan for the Advancement of Women (2013-2020) but there is room to link up the dots with CB and FRD;
IV. amongst **private sector actors**, there are opportunities to transfer good practice in wage digitization from the RMG sector in Bangladesh and elsewhere to Myanmar to shift from pre-paid ATM cards to digital wallets. Furthermore, companies with women supply chains can be targeted to advocate for uptake of best practices.

Recommendations

Our analysis has identified (i) the supply of products and services tailored to women and (ii) promotion of the use of sex-disaggregated financial inclusion data as strategic focus areas.
Additionally, key sectors for strategic focus have been identified as women MSME owners and employees.
To deliver on these focus areas, the following activities are recommended.

[20] UNCDF and Finmark Trust, 2013
[21] UNCDF Dalberg KII, 2017

1. Supply-side recommendations:

Access/Usage

- Calls for proposals under **the existing challenge fund to develop targeted product bundles for specific women segments such as: mobile wallets for digital payments linked to mobile remittances along with financial/digital literacy training for garment workers;** safe, liquid savings mechanisms for women (equivalent of a current account); and micro-health/credit life insurance products
- **Convene international gender-lens investors** such as the Sasakawa Peace Foundation to crowd in investment into Myanmar MFIs to scale their operations, and increase access points
- Compile **lessons learned on bank linked savings groups from other contexts**, and pilot offerings by brokering partnerships with key commercial banks e.g. KBZ, and CB Bank, the Myanmar Association of Savings groups and Welthungerhilfe (can provide technical input)
- Develop **context specific business cases in Myanmar for serving specific women's segments** (e.g. women MSME owners) with adapted products and services such as for digitization of wages, along with exploring other products and services that women would need that banks/MFS providers can offer on top of digitization. Banks such as KBZ, CB Bank and Aya Bank, and MFS providers such as Wave money are high potential partners. Partner with organizations such as Global Banking Alliance for Women to support the development of business cases
- Provide **capacity building** and/or technical support to select **financial service providers t analyze existing customer datasets with a gender lens** to better understand women's financial usage and behavior; in some cases, technical assistance is required to **digitize data collection that is currently paper based** (e.g. KEB Hana Microfinance)
- Provide **training programs for FSP staff on product and channel development for women,** along with support on possible partnerships for pilots with CSOs such as MDK and GEN for channel support
- **Convene across FSPs and empl**oyers, especially in the garment sector, to **digitize wages** and provide additional financial and non-financial services
- Launch calls for proposals under the existing challenge fund and provide capacity building to FSPs **to pilot alternative forms of credit scoring for women segments** (e.g. using psychometric tests)

2. Enabling environment recommendations:

Access/Usage

- Provide **capacity building to the Central Bank to support the development of sex-disaggregated indicators** for the **tracking of the national financial inclusion roadmap**
- Advocate and build capacity in the Central Bank to require **sex-disaggregated data reporting from FSPs and analyze it**
- Advocate for **flexibility in range of collateral accepted** (including moveable collateral), **compiling lessons learned from other contexts where alternative collateral/credit scoring is permitted**

3. Demand-side and social norms recommendations:

Access/Usage

- Compile lessons learned on **innovative models of identification such as using biometric capabilities of smartphones** to circumvent unequal phone ownership of women, and provide capacity building to MMOs to develop **pilot products that will enhance the privacy of financial transactions for women**
- Identify & advocate to key supply chain actors (beginning with those with a strong social mandate) to link with FSPs & demand support actors to **integrate women in supply chain**s
  learning from Coca-Cola's 5by20 initiative, targeting the garment and frozen fish sectors where women's participation is high
- Partner with Facebook and Viber to generate **mass market financial awareness program content,** such as **targeting informal credit sources commonly used by women** (pawnshops, moneylenders, etc.) **as unsustainable long term finance mechanisms,** and outlining/explaining processes to access formal credit – potential partners to develop financial literacy modules include the UNDP/iWomen app

Agency

- Integrate **PoWER questions on women's agency and control over financial product usage** into the next iteration of the UNCDF MAP survey
- Launch an **innovation fund targeting CSOs** such as the GEN, MWEA and WON and **others identified through UN Women outreach/partners** with the theme of **understanding good practices on shifting social norms** related to control over finance, and piloting initiatives based on learnings

Finally, several research questions have also emerged, pointing towards a broad learning agenda for Myanmar:

Demand

- What are **key enabling factors** (including shifts in socio-cultural norms) that would allow women and girls to **access** and **use formal savings**?
- What is the **impact of formal versus informal product usage on women's economic empowerment** (e.g. involvement in household spending and self-confidence)?
- What is the **impact of women's time and mobility constraints** on financial access and usage? What **interventions can circumnavigate these constraints** to enable greater financial inclusion?
- How can **digital skills be made more accessible for women** so that they are less reliant on others to benefit from mobile phone usage?

Supply

- What is the **market opportunity for different products to serve different segments of women?** - e.g. credit gap for women-owned MSMEs, agricultural insurance for farmers, commitment savings for the needs of female household managers
- What are the **barriers to the uptake of SME credit insurance**, and will a **similar insurance vehicle for MFI loans enhance MFI risk appetite** and lending amounts?
- What **good practices are emerging from the garment sector** and other women prevalent supply chains **in other contexts** (e.g. Bangladesh) that Myanmar could learn from in terms of **digitizing wage payments and linking them to accounts**?
- What is **the impact of the sex of the agent on customer engagement,** comfort levels and behavior?
- What **incentives can help increase women's participation as banking agents**?

Enabling environment

- What is the level of **gender diversity in the financial regulatory bodies** - including the central bank, Financial Regulatory Department, and what **good practices exist to promote greater female representation**?
- What good practices can help to ensure the **development of a gender-sensitive credit bureau**?
- What is the **impact of spousal permission for loans** on women's agency, and based on this, **what policy reforms** should be embarked upon?
- What are the **unintended policy consequences of the agricultural credit policy** that is encouraging families to split land holdings on women's land titles?

Annex 4 - UNCDF Global PoWER Strategy Brief

Women and Girls Financial Inclusion – The Scale of the Challenge

Women and girls face barriers in the enabling environment, in the supply of and in their demand for financial products and services, as well as in their socio-cultural contexts. Together these limit their access, usage and agency over these products and services in ways that constrain their opportunities for further economic empowerment. Consequently, women remain disproportionately excluded from the formal financial system. More than one billion women are still excluded, and there is a 9% gender gap in account ownership across developing economies. While there has been overall progress on financial inclusion in recent years, this gender gap has remained unchanged since 2011.[22] Even where women's and men's level of financial access is more equitable there are gender variations in usage patterns and in ways that affect women's ability to participate economically. Furthermore, access and usage of financial services does not automatically confer women's agency to control the benefits of financial product and service use. For instance, supply-side barriers restrict the availability of gender sensitive financial products and services. On the demand side, women and girls lack financial capabilities, confidence and voice. The legal, policy and regulatory environment tends to be gender blind and at times discriminatory. In sum, the interaction of these supply-side, enabling environment and demand-side constraints underpinned by discriminatory social norms restrict women and girls' access, usage and agency over financial services, with implications for their economic empowerment. Overcoming these diverse spheres of constraints is critical as financial inclusion is a key enabler of women's economic empowerment - a global development goal in itself and essential to achieve sustainable economic development and poverty alleviation. As such, **any strategy to accelerate women's financial inclusion will require a multi-stakeholder approach that addresses financial inclusion constraints and enablers and their interdependencies across the ecosystem.**

About UNCDF PoWER Strategy

Participation of Women in the Economy Realized (PoWER) is a new global strategy on women's economic empowerment from the **United Nations Capital Development Fund** (UNCDF), the UN's capital investment agency for the world's 48 least developed countries, to be implemented in collaboration with **UN Women**, the UN entity working for the empowerment of women. UNCDF developed the strategy with support from a Bill & Melinda Gates Foundation (BMGF) planning grant. The PoWER strategy is informed by UNCDF's strong foundation of successful programmes. It will build on previous and current UNCDF programmes that have explored new ways to financially include women and girls, leveraged over 100 million USD of existing and past programming towards this clear vision, and draw on its solid reputation in financial inclusion and performance in CGAP SmartAid assessment of donors in financial inclusion.

UNCDF's strategic goal for PoWER Implementation 2018-2022 is that by 2022, nearly two million women and girls, in ten countries, starting with the five LDCs of Bangladesh, Ethiopia, Myanmar, Senegal, Tanzania, will have improved awareness of, access to, use of and control over financial products and services responsibly provided by diverse and sustainable service providers in a well-regulated environment. In addition, the enabling environment and the socio-cultural context for greater access and agency for women and girls will be improved in these countries. This outcome is intended to contribute to more inclusive financial markets that drive women's and girls' economic empowerment and participation.

The objectives of the PoWER strategy are to:

- **Promote gender sensitive financial products and services and supporting non-financial services** through innovation funding, advocacy, convening, capacity building and research to incentivize collection and use of sex-disaggregated data by FSPs; develop and raise awareness of the context-specific business cases; develop gender-sensitive financial products, services and delivery channels; and provide minimum critical non-financial services to address agency constraints.
- **Advance a gender sensitive enabling legal, policy and regulatory environment for financial inclusion** through: advocacy, convening and capacity building to address barriers and facilitate reforms; and incentivise the collection and use of sex-disaggregated data by financial inclusion regulators and policy makers.

[22] Demirguc-Kunt et al., 2015.

- **Enhance women and girls' capabilities, voice and demand for finance and control over the benefits from use of financial services** through advocacy, convening, capacity building and research by fostering innovative new partnerships for non-financial service delivery to account for their lower capabilities and confidence; strengthening and partnering with women's organizations and civil society organizations to address women's agency issues relating to women's capabilities, asset ownership, time and mobility; and understanding the barriers women and girls currently face in accessing, using and having agency over financial products and services.

To support these main strategic areas of focus UNCDF will work to:

- Strengthen UNCDF's learning agenda on women's and girls' access and agency in financial inclusion; and
- Strengthen the gender-sensitivity of UNCDF programming and internal capacity.

UNCDF will operationalise the strategy in line with five **intervention functions**, namely **convening, research, capacity building, advocacy, innovation funding**.

The PoWER Approach

Box 1: Key PoWER Definitions

Defining Women's Economic Empowerment
Women's economic empowerment is achieved when women and girls gain the **resources and skills** to equally access economic opportunities in the market, as well as the **agency** to use and control the benefits of **participating equally in the market.** This is determined by the enabling (policy, regulatory, and legal) environment, equitable markets and the socio-economic context that allow women and men to reach their potential.

Defining Financial inclusion
Financial Inclusion is achieved when all individuals and businesses have **access** to, **agency** over, and can effectively **use** a broad range of quality, adapted financial services that are provided responsibly, and at reasonable cost, by sustainable institutions in a well-regulated environment.

The PoWER strategy will anchor on existing UNCDF programming, incorporating a more intentional and structured focus on **women's and girls' (aged 10 – 24).** The PoWER strategy draws on an Empowerment Framework (figure 1) that identifies three key spheres of influence of the **supply of financial services, demand for financial services, the enabling policy and regulatory environment** and the **cross-cutting socio-cultural context** affecting women and girls' financial inclusion. The framework asserts that women's financial needs are determined by their **life cycle stage** (e.g., transitions from school to work, marriage, building a family) and by their **economic roles**. UNCDF will focus on four key economic segments: **students; employees; MSME owners and employers; and farmers**. Interventions to operationalize the PoWER Strategy will address constraints related to each of the three spheres of influence and cross cutting socio-cultural context in the PoWER Empowerment Framework.

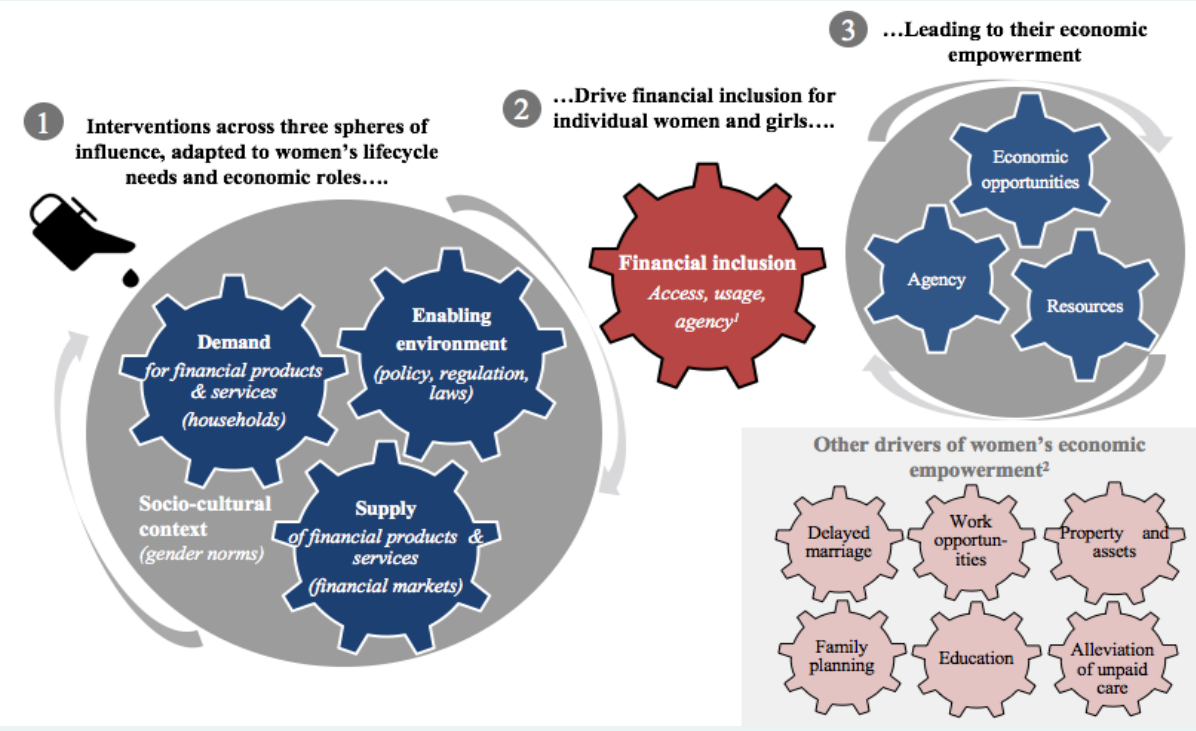

Figure 1: PoWER Empowerment Framework

Diagnosing the Constraints and Enablers to Women and Girls

UNCDF has developed a comprehensive **country assessment toolkit** to support the implementation of the PoWER strategy. The application of this mixed-methods approach combining qualitative and quantitative insights, supports the **identification of country specific constraints that women and girls face** and the presentation of a synthesis of findings to form country level recommendations for action. The toolkit was developed as a public good with the support of the Bill & Melinda Gates Foundation and has been piloted in **Bangladesh, Ethiopia, Myanmar, Senegal and Tanzania**.

Figure 2: The PoWER Country Assessment Toolkit

Tool	Description	Source
DESK RESEARCH	Secondary data capture tool to collect existing public information	Country level research and datasets by international/ local financial inclusion actors
KEY INFORMANT INTERVIEWS	Semi-structured interview tool to validate and poke holes in desk research information	**20 interviews** with FSPs, governments, civil society and industry associations (20 targeted)
HCD INSPIRED FOCUS GROUP DISCUSSION	Primary qualitative interview tool to elicit a conversation around needs, barriers and motivations	**5 FGDs** with women farmers, entrepreneurs, employees and adolescent girls (in and out-of-school)
QUANTITATIVE SURVEY	Primary quantitative survey tool to quantify key indicators of constraints and enablers building off of existing Findex/Finscope/Financial Inclusion Insights questionnaires	**Survey with 400 women and girls** (rural/urban, married/unmarried, age)

Rural Farmer, Myanmar

*Lay Thida and her husband suffered huge losses when a **flood destroyed their crops**. They were **forced to borrow from a wealthy person** in their village to **support their family's basic needs**. She is worried about illnesses occurring in the family –*

"Moneylenders do not treat us well. It is very difficult to repay them, and they send you to jail if you do not repay"