



Uganda

Digital Solutions for Refugees in Uganda

May 2018

Facts and figures

Digitizing Cash-based interventions through a mobile wallet

BACKGROUND

Over 1 million refugees from South Sudan crossed the border into Uganda as of 2016, and more refugees are arriving in Uganda each day.

In order to efficiently offer adequate aid to these refugees, more and more humanitarian organizations and international non-governmental organizations have decided to convert in-kind support to cash-based transfers. These transfers are provided to people with special needs, such as pregnant women and the elderly, or to refugees taking part in 'cash for work' programmes (e.g., constructing community rubbish pits, building access roads, working on farms or planting trees). Cash-based transfers can be made to the beneficiary's digital wallet on his/her mobile phone.



PILOT

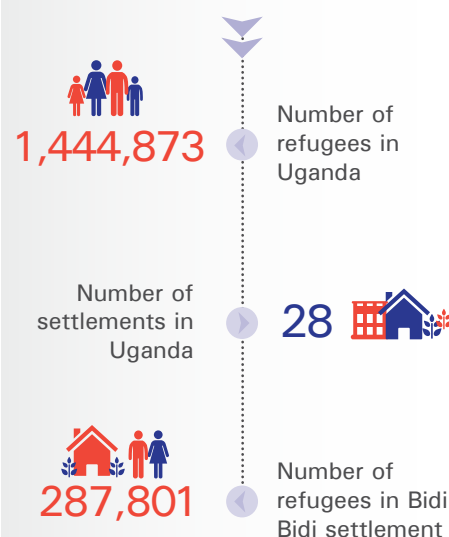
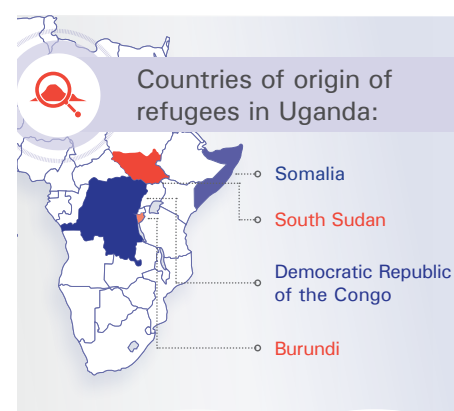
To test the feasibility of digital payments to refugees in Bidi Bidi, one of the larger settlements in the Northern region of Uganda, the UNCDF MM4P programme partnered with DanChurchAid and Airtel in 2017.

UNCDF supported Airtel, the provider selected for the project, with technical assistance and a grant.

DanChurchAid successfully made payments to over 15,000 refugees during the pilot. Beneficiaries received eight instalments of \$38 per month.

"At DCA, we wanted to make the switch from cash to digital because we are convinced of the advantages for us as the distributor of cash: it is **fast**, **transparent** and **reliable**, as well as [beneficial] for the refugees. Receiving this money on their mobile phone gives refugees **privacy**, not everybody knows that they have been paid, which increases their **safety**. Having a phone also enables them to **contact** family members."

- Emilienne Cyuzuzo, Cash and Digital Solutions Adviser, DanChurchAid, Bidi Bidi refugee settlement, Uganda, March 2018.



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During the pilot, Airtel invested in three new permanent network towers, which brings the total number of towers serving the refugee community to seven. There are however still network gaps in specific areas within the settlements.

With the support of UNCDF, Airtel increased its sales team in the area to 25. This 'booster team' subscribed over 86,000 new customers during the pilot. New Airtel mobile money customers were educated on how to use the services, navigate the USSD (Unstructured Supplementary Service Data) menu and overcome any other issues that might arise, in their own languages. Airtel also opened a new service centre in one of the markets in Bidi Bidi. Since opening, an average of 115 mobile money transactions have been made per month at the shop. In addition, beneficiaries are able to access their money if needed by cashing out with any of the 46 agents.

NEXT STEPS

In the months ahead, UNCDF will continue to work with UN agencies and non-governmental organizations to ensure the adoption of a conducive environment for digital payments within the refugee settlements and the host communities. The pilot has demonstrated clear and tangible results indicating that digital payments can increase the impact organizations have and improve the lives of refugees. Other NGOs such as Norwegian Refugee Council, International Rescue Committee, WorldVision and the World Food Programme are also distributing digital cash based transfers (through another mobile network provider). These encouraging results are not isolated; they echo the findings of another pilot that UNCDF conducted with refugees in Zambia in 2016, in collaboration with the United Nations High Commissioner for Refugees, and a subsequent digitization initiative there that is currently being designed with the support of *MicroSave*. Visit our website to learn about the results as these UNCDF pilots transition to full implementation.

UNCDF is the UN's capital investment agency for the world's 47 least developed countries (LDCs). 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.

Cash-based interventions during pilot

Number of financial service access points provided inside Bidi Bidi, including full service centre:



Beneficiaries that have received payments:



Number of new customers registered:



Number of mobile money transactions completed:



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This Research Highlight was produced in partnership with:

