

Financial Services Access and Agency for Women and Girls

Tanzania Country Assessment Workshop

26 October 2017

Dar es Salaam



Tanzania Financial Services for Women & Girls Country Assessment Workshop



Objective:

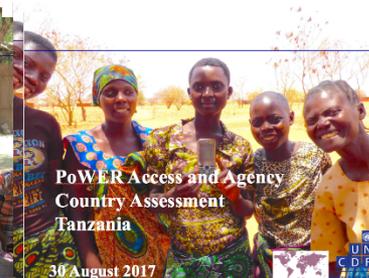
Share and validate Tan country assessment findings and insights on key constraints and enablers of women and girls' access, usage and control of finance across supply, demand and the enabling environment and the cross-cutting socio-cultural context.

By the end of the workshop, participants will have:

- Been exposed to country assessment toolkit and how use for complementary insights to other studies and data and inform programme design and partnership strategies.
- Heard key findings from country assessment report.
- Validated findings and helped prioritized recommendations for action.

Participants:

Representatives of multiple stakeholder groups including government (policymakers, line ministries, regulators), financial service providers (banks, digital financial service providers, microfinance organizations), private sector and business associations, civil society representatives, researchers, and bilateral and multilateral development agencies.



Country Assessment Workshop Agenda



Agenda 26 October 2017

8:30	Registration
9:00	Welcome
9:05	Introduction to the UNCDF PoWER Strategy
9:20	Country Assessment Findings and Q&A
10:30	Coffee/tea break
10:45	Prioritization of constraints to women's and girls' financial inclusion
11:05	Discussions on prioritization of UNCDF recommendations to address each of the identified constraints
11:45	Plenary feedback on results of sub-group discussions on prioritization
12:15	Closing remarks
12:30	Lunch

Global PoWER Strategic Goal 2018-2022



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.

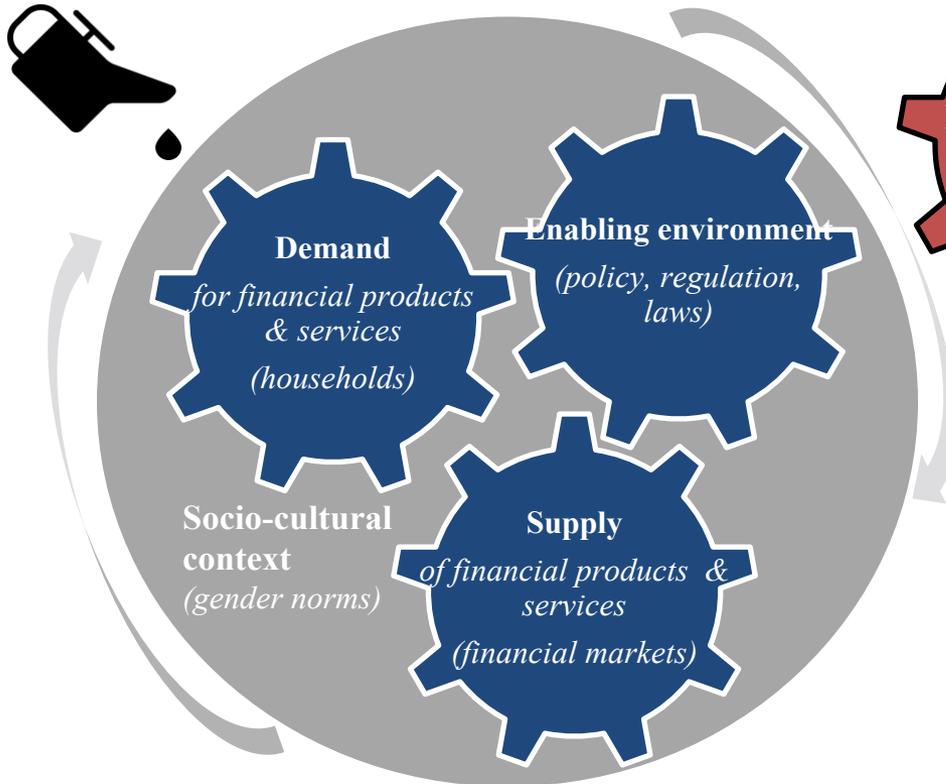
*The Global PoWER Strategy Theory of Change (TOC) assumes that this will contribute to **more inclusive financial markets that drive women's and girls' economic empowerment and participation***

The PoWER Empowerment Framework



Inspiration drawn from: World Bank, M4P, Care, ICRW, Gates, DCED, Oxfam

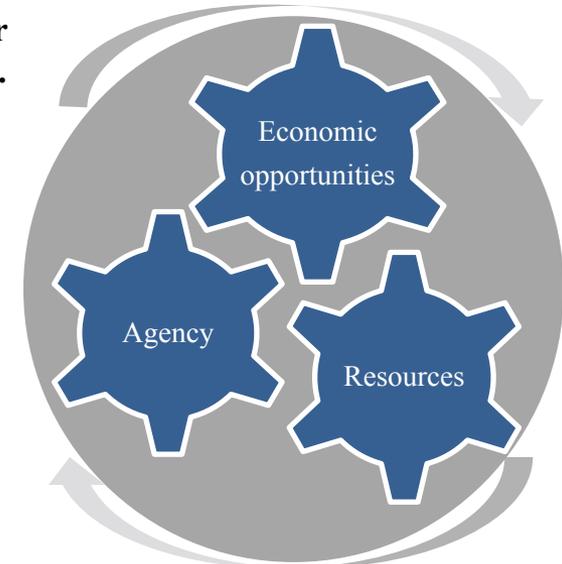
1 Interventions across three spheres of influence, adapted to women's lifecycle needs and economic roles....



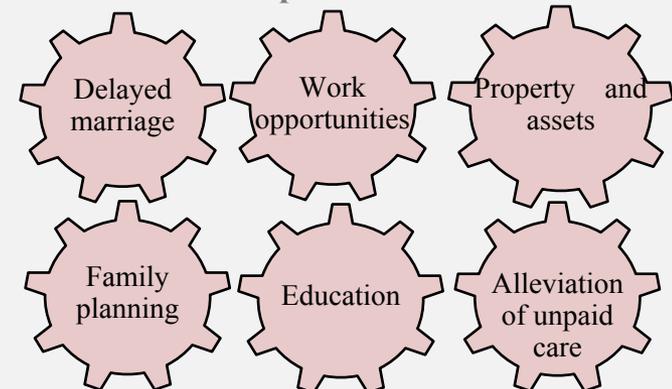
2 ...Drive financial inclusion for individual women and girls....



3 ...Leading to their economic empowerment

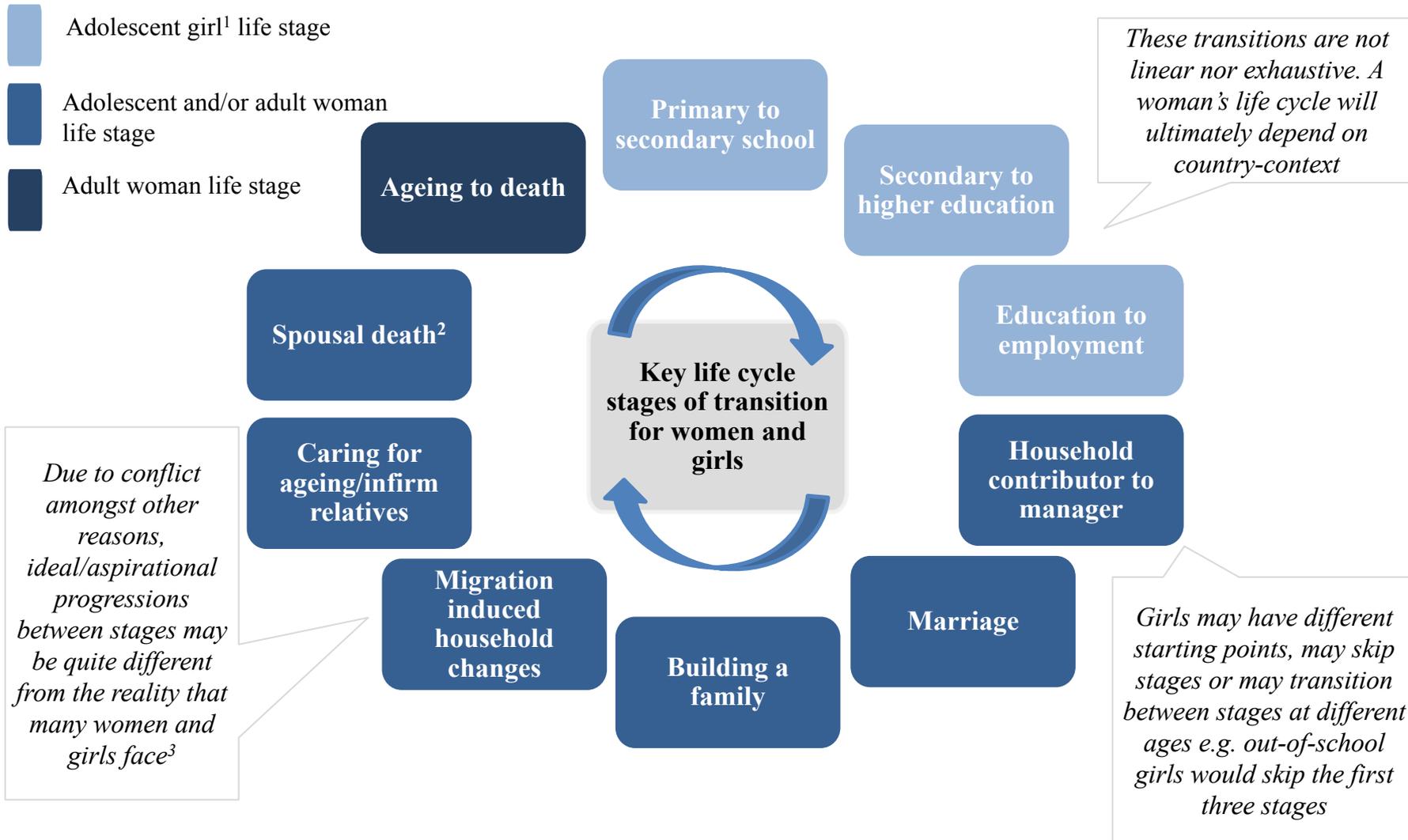


Other drivers of women's economic empowerment²



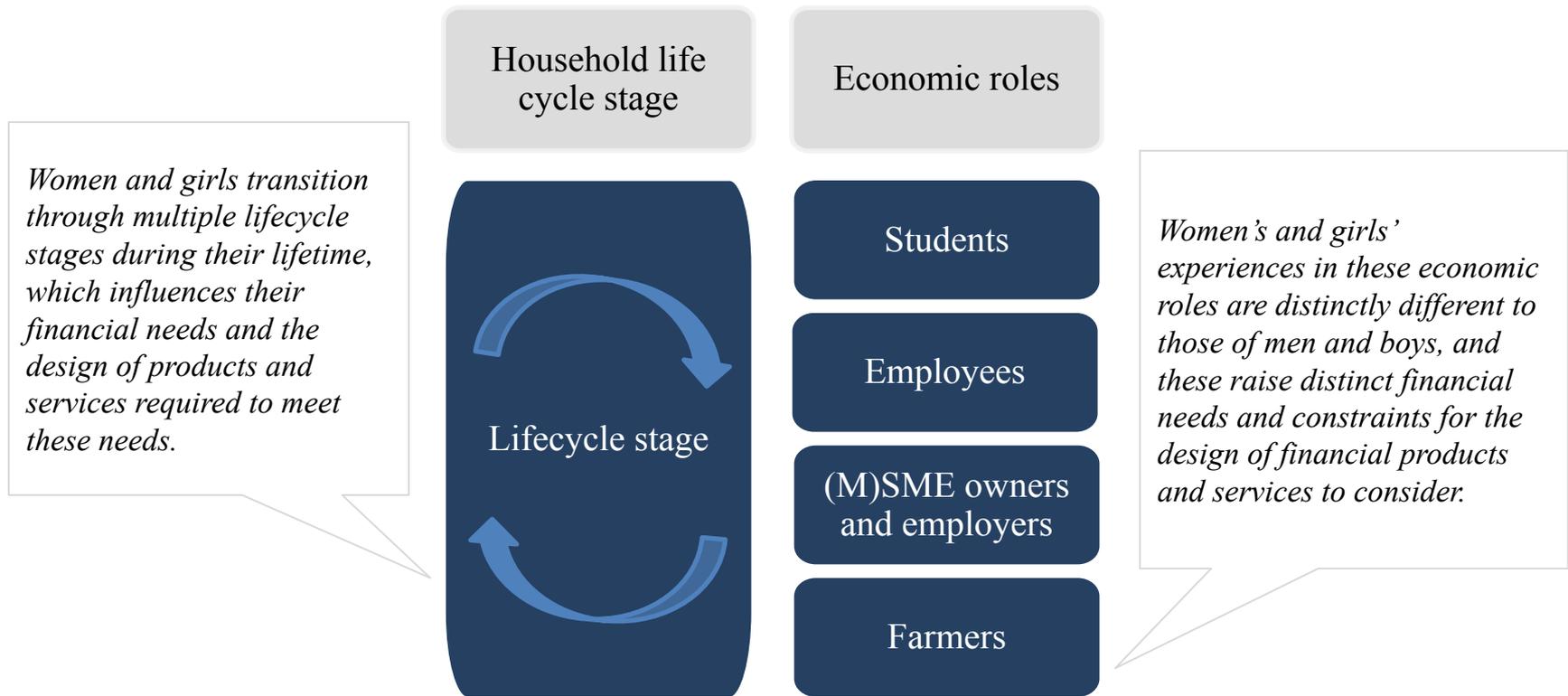
[1] The definition of agency in the financial inclusion context refers to controlling the benefits of financial product & service use. [2] A recent Gates Foundation study highlighted 6 other key drivers of WEE.

During a woman's life, she goes through multiple life cycle transition stages



¹ Adolescent girls are defined as those in the 10 to 24 year age group. ² This could include other family members dying. ³ In Ethiopia for example, some girls may be forced to migrate for marriage.

Women's financial needs are determined by their life cycle stage and economic roles



All women and girls will occupy a lifecycle stage alongside an economic role outside of the household

Given each woman and girl segment is also a consumer, we have omitted the economic segment "consumer".

Global PoWER Strategic Objectives



1

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.

2

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.

3

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.

Global PoWER Supporting Objectives & Interventions

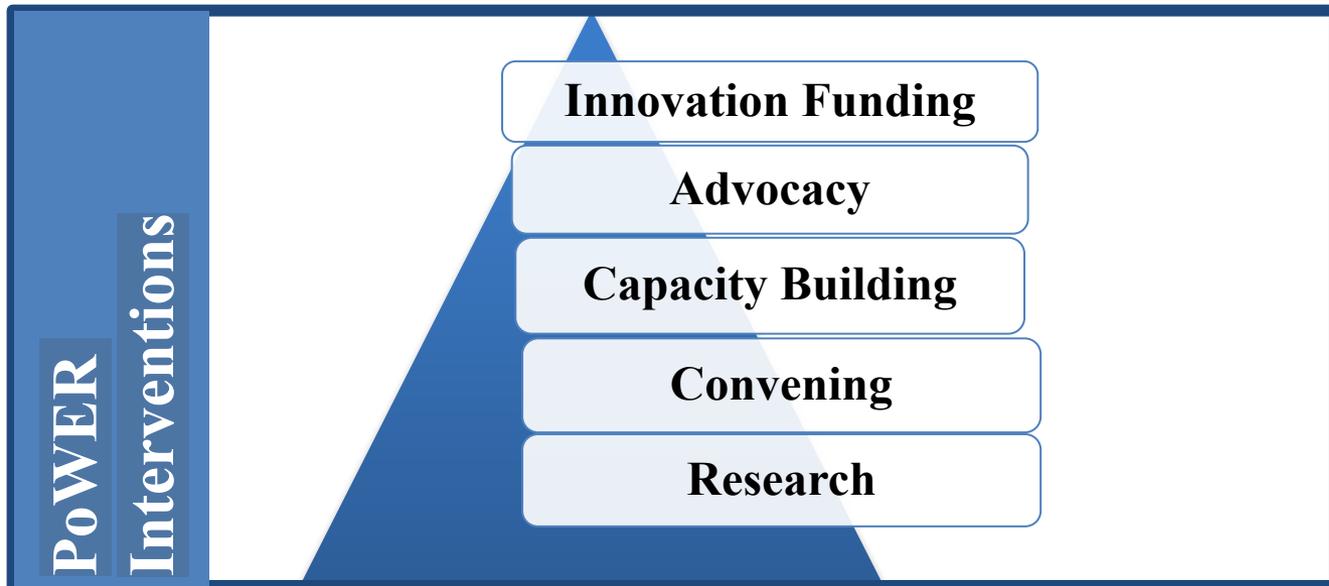


1

Strengthen UNCDF's learning agenda on women's and girls' access and agency in financial inclusion through contributing to hypothesis-driven primary research; and participating in regional and global forums to share research findings and advocate on the global gender agenda.

2

Strengthen the gender-sensitivity of UNCDF programming and internal capacity through conducting an internal review of current programming and incorporating a gender dimension in ongoing and all future programming; and additionally, advocating for and building internal capacity to more effectively incorporate a gender dimension throughout programming.



Global Implementation – 3 Key Phases



Diagnose: Use the toolkit to run country-level diagnostics of the critical constraints to women and girls' financial inclusion for economic empowerment.

Develop: Develop recommendations for UNCDF actions at country level based on findings and analysis from country assessment; prioritize recommendations for action and relationship with existing programme activities; and identify specific partnerships required for these recommendations.

Do: Implement recommendations and partnerships through new country program activities or integration into existing program activities.

Components of Access, Usage and Agency 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)

UN Capital Development Fund

THANK YOU

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Unlocking Public and Private
Finance for the Poor



Tanzania WEE Country Assessment Exhibit

Prepared by Dalberg Global Development Advisors

October 2017



Unlocking Public and Private Finance for the Poor

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Financial inclusion snapshot

Profile: Who is she?

Access points and mobility

Requirements for account opening and credit

Usage of financial products

Financial inclusion and agency

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Financial inclusion snapshot

Profile: Who is she?

Access points and mobility

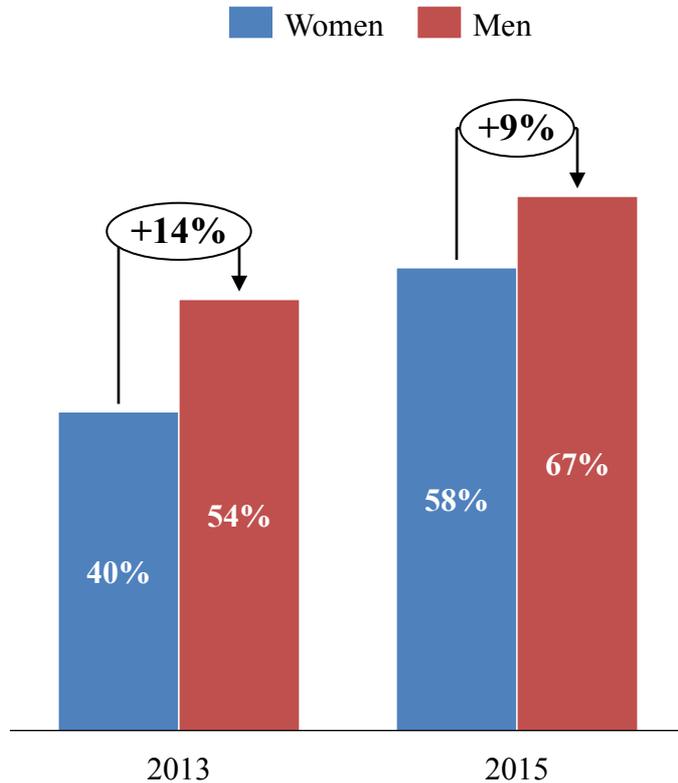
Requirements for account opening and credit

Usage of financial products

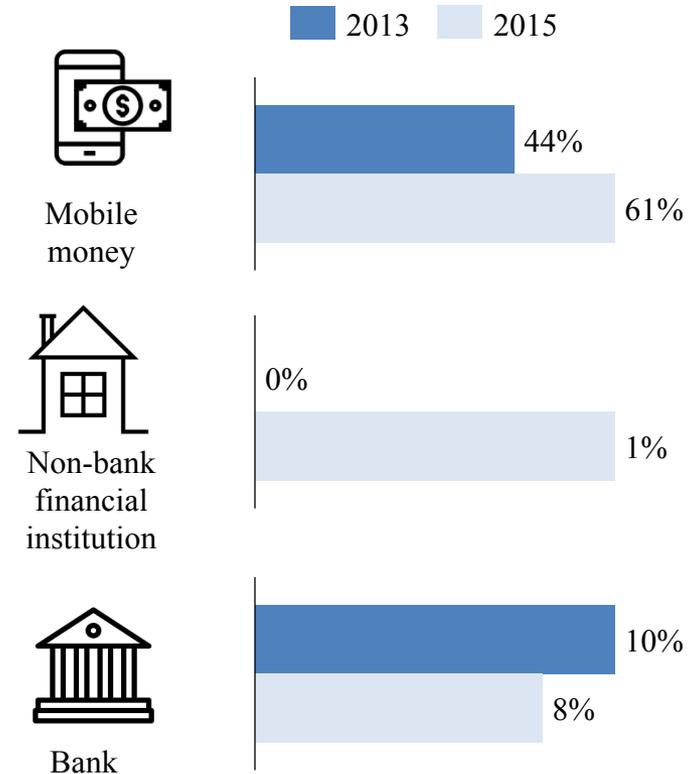
Financial inclusion and agency

There is a 9% gender gap in financial inclusion¹, mostly driven by the gap in mobile money

Registered financial service use by gender (% of adults)



Growth in financial product accounts by channel (% of adults)



Overall financial inclusion has increased by 15% points between 2013-15 driven by large growth in mobile money. At the same time the gender financial gap has fallen from 14% to 9%

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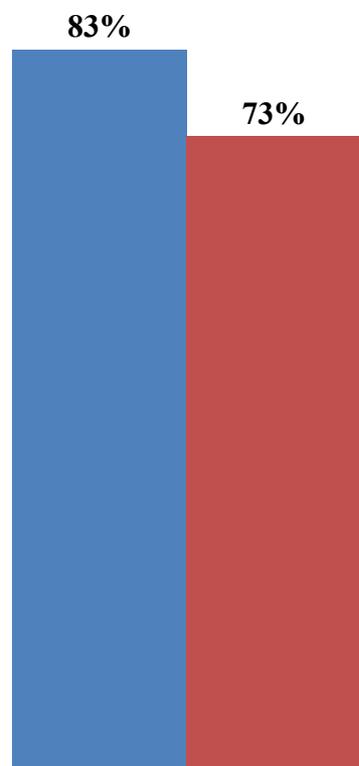
Financial inclusion and agency

Women play a central role in the economy, presenting a large potential market for financial products/services



Labor force participation by gender (2015)¹

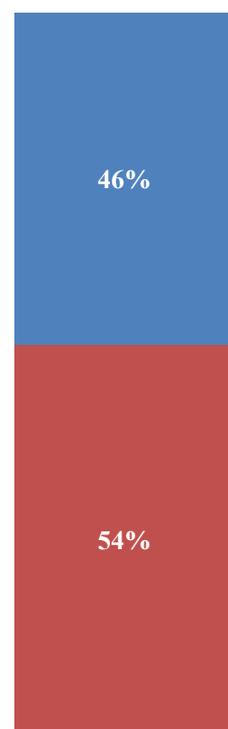
Men Women



Labor force participation rates

Overall ownership of MSMEs by gender (% MSMEs)²

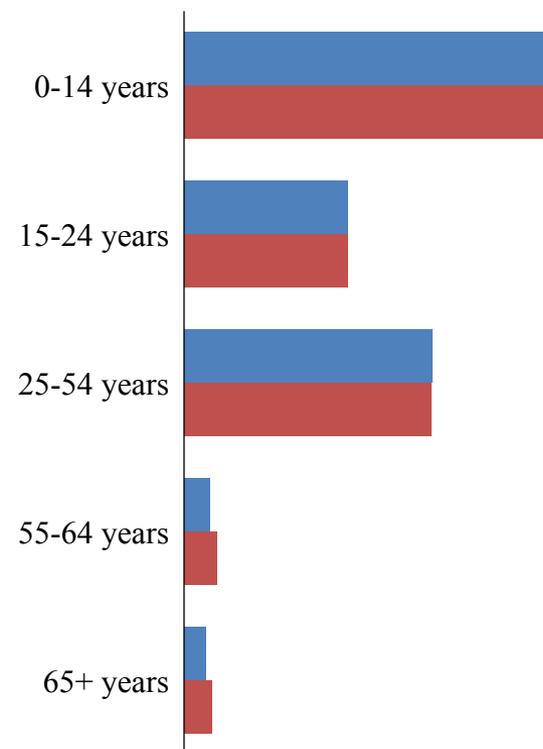
Men owned Women owned



MSME Ownership

Population distribution by age and gender (2014)³

Men Women



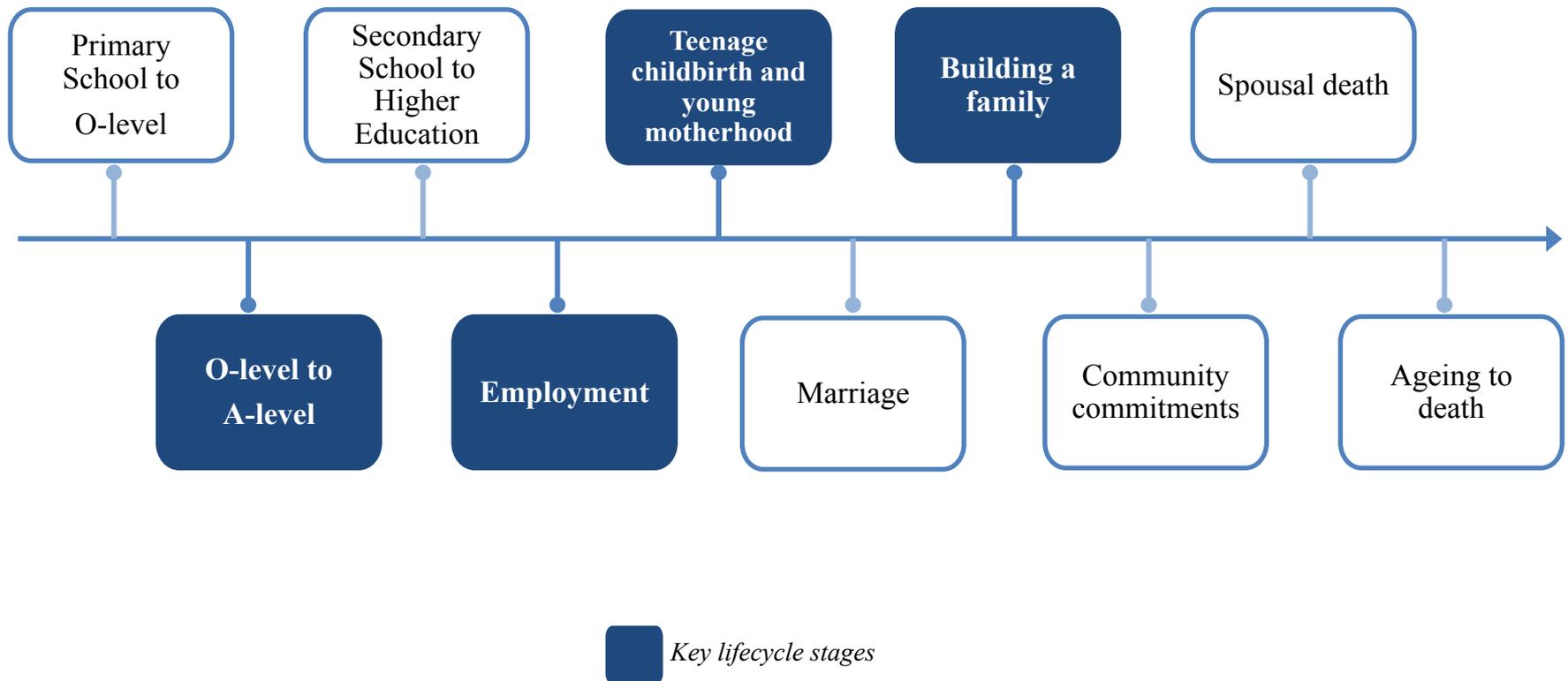
Age Structure

[1] ILO, 2016 [2] FSDT, National Baseline Survey Report: Micro, Small and Medium Enterprises, 2012; [3] CIA World Factbook, 2016

Women face key financial challenges when transitioning schools, seeking employment and building a family



Typical lifecycle stages and financial challenges for women



Women's economic roles also expose them to distinct financial needs and challenges



In-school girls

**Out-of-school
girls**

Employees

**MSME
entrepreneurs**

Farmers

Each segment can be characterized by persona highlights of their financial hardships¹

In-School Girls



“If secondary school was not free right now, many of us would not even be here”

Out-of-School Girls



“We stay with our parents because we just don’t have anywhere else to go, but we have to contribute to putting food on the table”

Employees



“Most of us are employed at the moment but if we had means we would all have our own businesses”

MSME entrepreneurs



“We cannot take loans because our businesses are small, but we also can’t borrow from friends because they think we are the ones with the money”

Rural farmers



“We try to save to buy inputs, but sometimes drought forces us to buy food, making us use the limited savings we have”

These women segments face nuanced financial needs, with limited formal financial mechanisms to draw upon



	In-School Girls	Out-of-School Girls	Employees	MSME entrepreneurs	Rural farmers
Key Financial Needs	<ul style="list-style-type: none"> • Education expenses beyond (free) form 4 threshold • Travel expenses to school • Medical support in onset of puberty 	<ul style="list-style-type: none"> • Support in the case of out of wedlock children • School fees of younger siblings • Family and medical expenses 	<ul style="list-style-type: none"> • Stable incomes even when employer is unable to pay • Ability to deny sexual advances of employers without recrimination 	<ul style="list-style-type: none"> • Need larger loans to expand business as well as working capital • Lower fees to transfer payments 	<ul style="list-style-type: none"> • Expenses of renting farm land and inability to use as collateral; women are less likely to own land • Less time to invest in farming activities due to household chores
Usage of financial products/opening mechanisms	<ul style="list-style-type: none"> • Girls savings from chores • Isolated use of formal youth savings accounts 	<ul style="list-style-type: none"> • Unstable employment or entrepreneurship • Limited savings using mobile money and groups 	<ul style="list-style-type: none"> • Typically borrow from friends or family if employer fails to meet payment • Save with informal groups 	<ul style="list-style-type: none"> • Save with mobile money accounts and a few with bank accounts • Borrow from formal institutions more compared to other groups 	<ul style="list-style-type: none"> • Save with mobile money, at home or informally • Borrow from mobile money, friends or family to meet expenses
Unmet needs/product gaps	<ul style="list-style-type: none"> • Low interest education loans • Greater awareness of and access to existing formal youth saving mechanisms 	<ul style="list-style-type: none"> • Guidance on starting and managing small businesses • Small, inexpensive easily accessible capital to start businesses 	<ul style="list-style-type: none"> • Low transfer fees for mobile money to receive wages digitally • Small loans with low interest rates to meet gaps in receiving wages • Insurance in case of job injury 	<ul style="list-style-type: none"> • Loans with lower interest rates and longer tenures than informal or mobile loans • Larger offering of micro-leasing financing • Business development skills 	<ul style="list-style-type: none"> • Seasonal loans targeted to farmers, e.g. offered during planting season and is due at harvest • Crop and weather insurance • Asset financing

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Financial inclusion snapshot

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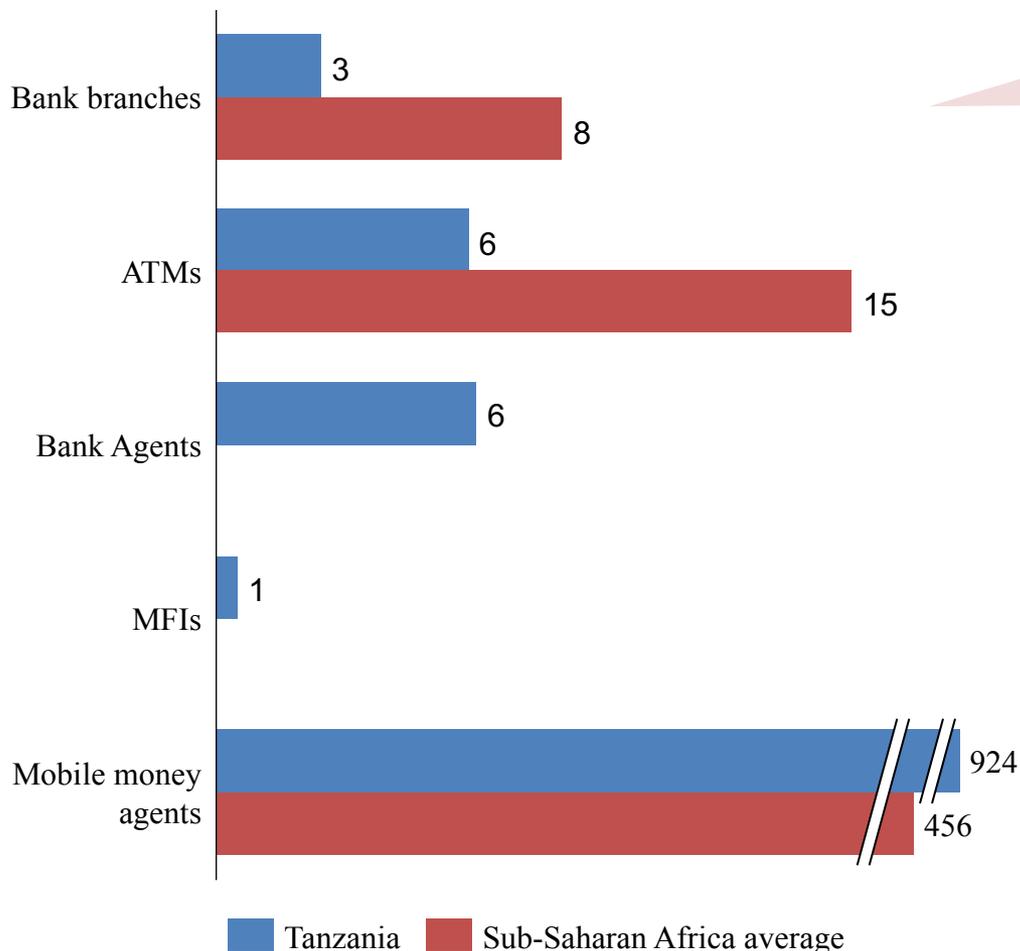
Usage of financial products

Financial inclusion and agency

Tanzania's brick and mortar access points are lower than its peers; mobile money has outstripped all others



Financial touch points per 100,000 adults¹



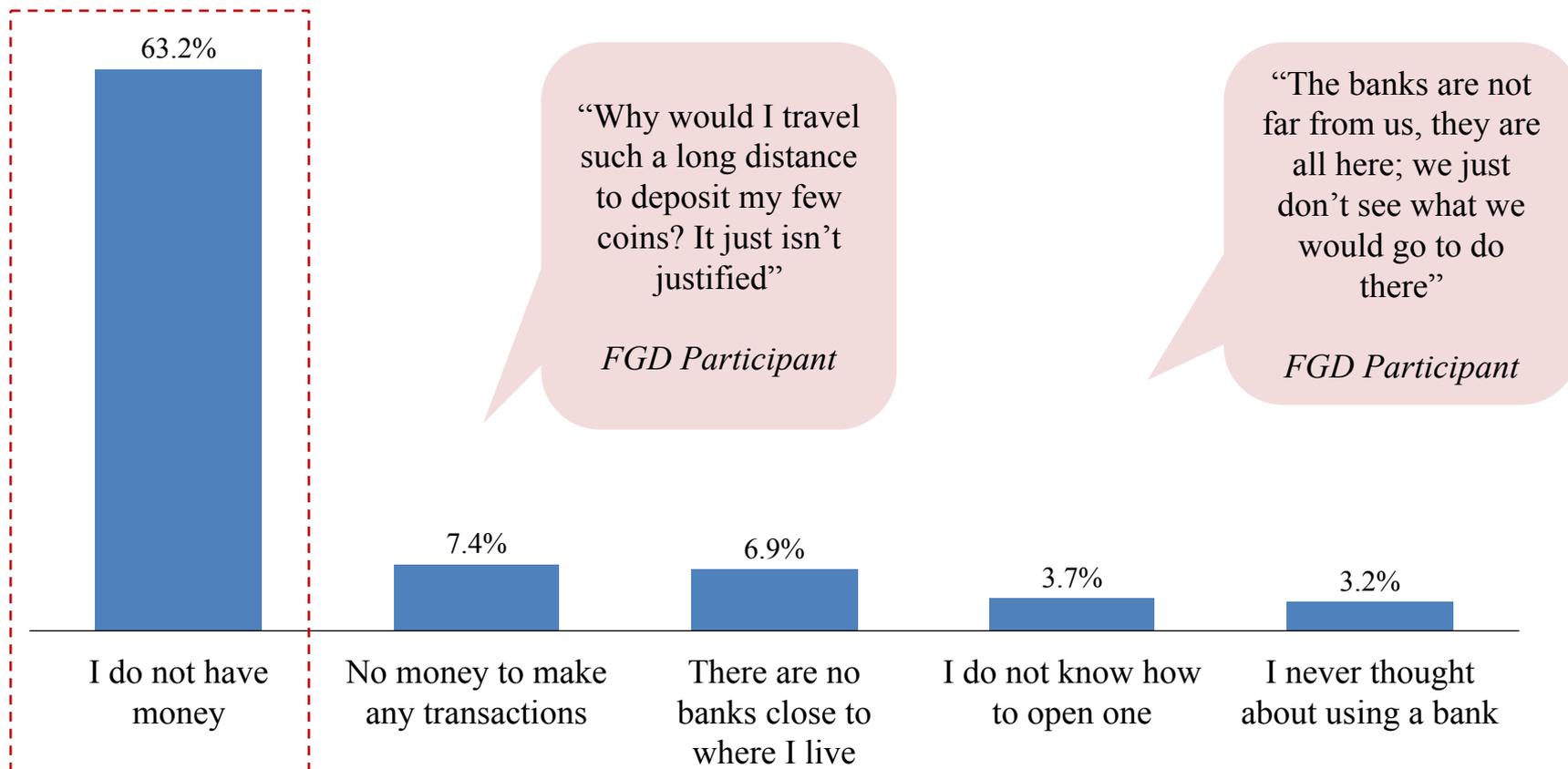
Only 8% of bank branches, are within reach in 15 minutes²

58% of mobile agents are within reach in 15 minutes³;

However, accessing mobile agents is still challenging for some: women indicated **not having an agent close to where they live as the top reason they had not signed up for a mobile money account**⁴

There is a perception that banks are for the wealthy despite low minimum balance, compounded by limited access points

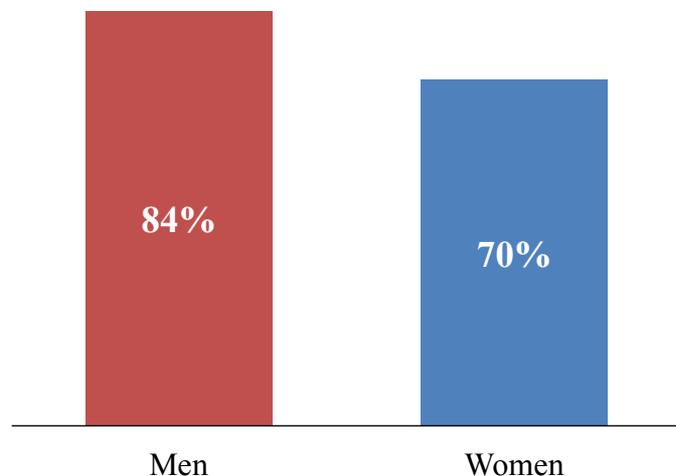
Reasons for not having a bank account



Mobile money has accelerated access, but phone ownership is not universal (70% all women, 61% rural women)



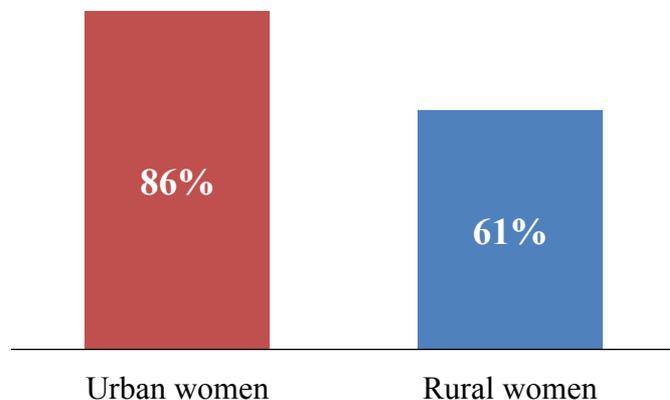
Mobile phone ownership and access by gender (n=3001)¹



Of the women surveyed, 51% of indicated not having a phone as the key barrier to opening a mobile money account

The 14% gap in phone ownership between men and women is mainly due to low phone ownership of women in rural areas

Mobile phone ownership by women segment (n=400)²

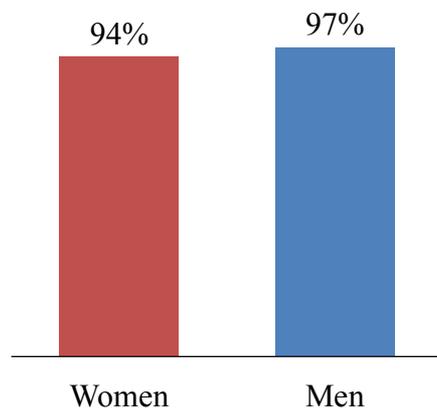


“Girls aren’t given a mobile phone as easily as boys. My brothers have one, but I don’t. My parents are worried that strange men will try and contact me” - FGD Participant

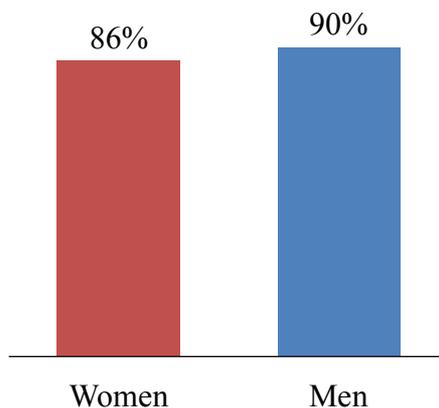
Awareness and digital literacy are high/moderate among women in Tanzania; this is not the key barrier to access



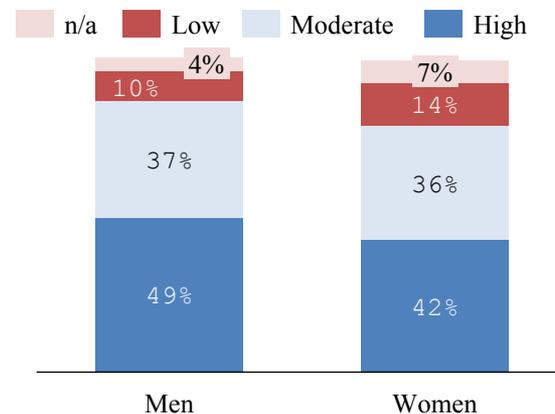
Awareness of mobile money provider (n=3001)¹



Awareness of mobile money concept (n=3001)²



Digital literacy levels by gender (n=3001)³



- **Awareness of mobile money is high in Tanzania and is almost equal between men and women : this can be attributed to increased marketing from mobile network operators** – 79% of women indicate that they learned about mobile money from marketing on radio and TV⁴
- **Tanzania is also a mature market with many women having already tried mobile money, consequently referring their family and friends** – 81% of survey respondents indicate they learned about mobile money from family and friends⁵
- **Digital literacy levels are also high, with 78% of women having moderate to high levels of digital literacy⁶**; this is also reflected in survey responses – only 9% of women indicate not having skills or confidence to use mobile money accounts as the key barrier to accessing a mobile money account, compared to 52% of women who cite lack of a phone as the key barrier⁷

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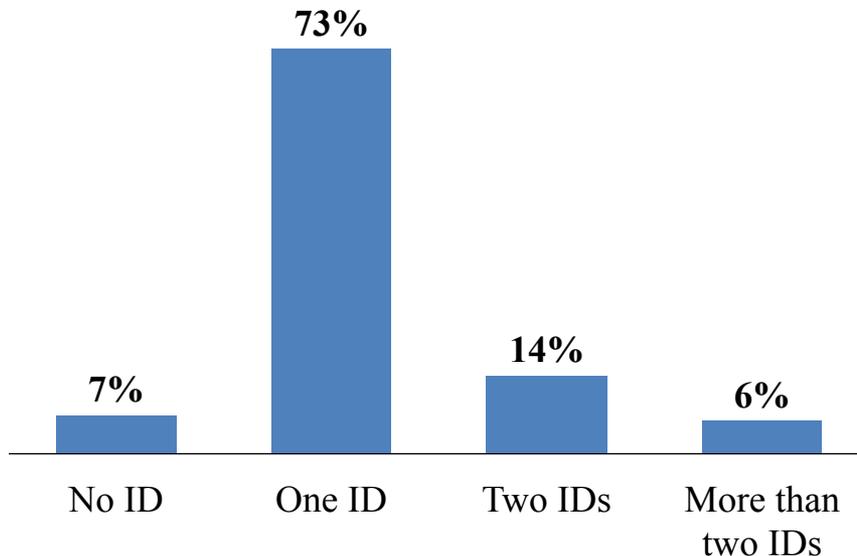
Usage of financial products

Financial inclusion and agency

BOT permits any verified ID to open accounts, but in practice banks require 2-3 IDs which most women do not have



Women's ownership of ID Documents



Only 20% of women have the two or three pieces of IDs often required to open a bank account

- **BOT allows flexibility on the types of identification** documents that Tanzanians can use to apply for an account at a financial institution
- **However, due to limited information on most IDs, banks require two or sometimes three pieces of IDs** to collect all the information required, or letters of introduction from a local authority
- **Many of the IDs also do not have reliable databases to verify information provided,** resulting in high costs for banks to verify information to meet KYC requirements
- **Numerous delays and the high costs of developing the underlying systems has derailed the rollout of the national ID system,** which would ease the process for both the supply and demand side

BOT allows unsecured loans but banks require high-value collateral e.g. land; women struggle given low land titling

Enabling Environment

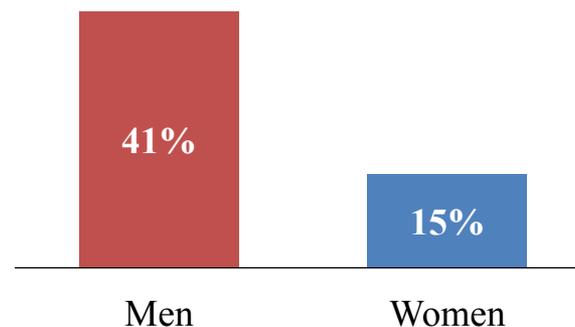
- **BOT has a relatively high ceiling for unsecured loans:** it allows banks to issue unsecured loans of up to 750 million TSH (350,000 USD)¹
- **However, other government systems required to work in tandem** to enable successful implementation of this regulation **are lacking or ineffective:**
 - **The lack of a universal national ID system sometimes results in** Tanzanians taking loans from multiple institutions, increasing risks for banks²
 - **The credit bureau system in Tanzania is ineffective,** mainly due to lack of national IDs to track borrowers, making it difficult for banks to monitor borrowing and mitigate risk of default³
 - **Tanzania's court system is slow and unpredictable,** making it difficult for banks to recover their collateral in case of default⁴

Supply

- **Consequently, banks require high-value, fixed collateral** such as land and property, sometimes up to 265% of loan amounts⁵

Demand

Ownership of Land by gender⁶



Few women (15%) have land and property to meet collateral requirements.

Lessons can be learned from Mobile Money on risk-based KYC and retail actors' use of alternative collateral



Risk-based KYC

- ✓ KYC for mobile money accounts is tied to transaction limits:
 - **Tier 1 customers: Transactions are limited to 1 million TSH (450 USD)** per day – only one form of ID is presented (most women fall into this category)
 - **Tier 2: Daily transaction limit is 5 million TSH (2,200 USD)** – Agent is required to keep a copy of the ID presented
 - **Tier 3: Daily transaction limit is 50 million TSH (22,750 USD)** – Customer needs to show ID, Tax Identification Number, and business license

Group lending

- ✓ **MFIs use group lending to reduce collateral constraints:** Individuals are required to be part of a group, which guarantees the borrower: this helps to reduce risk among borrowers, and also increases accountability from borrowers

Alternative collateral

- ✓ **Asset financing:** Selfina uses the asset-financing model to mitigate collateral constraints: Assets (e.g. a tractor) are issued on credit and borrowers are expected to put the assets into productive use, increasing the chances of repayment
- ✓ **Moveable assets¹:** In a bid to reach women and populations in rural areas, CRDB's microfinance unit allows the use of moveable assets (e.g. furniture and fridges) to act as collateral
- ✓ **Warehouse receipts:** NMB issues loans to farmers, farmer groups, traders and business men and women using commodity stored in warehouses authorized and controlled by NMB as collateral

[1] Movable collateral is governed by the Chattels Transfer Act of 1942. The law allows individuals and businesses to grant possessory rights in relation to moveable assets as a means of security for loans. Examples include crops, inventory and machinery

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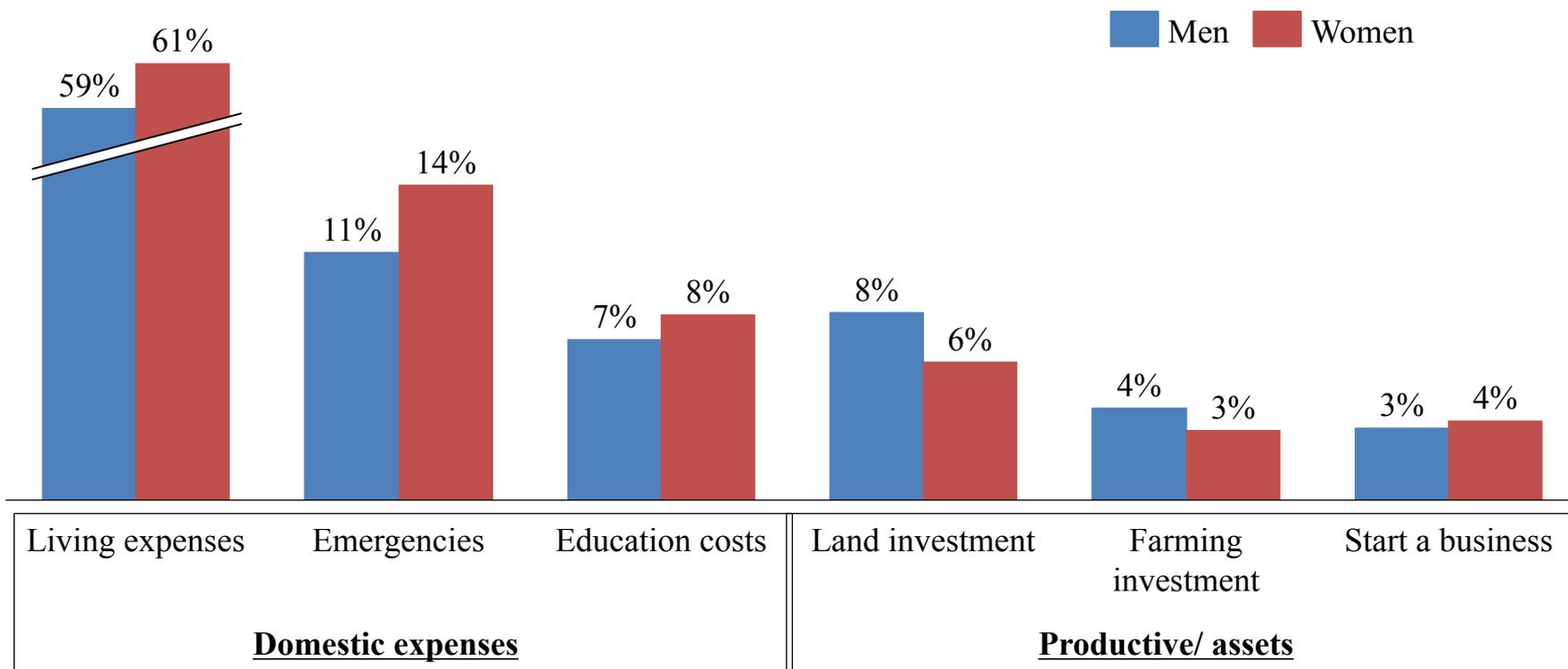
Usage of financial products

Financial inclusion and agency

Women save mainly for short term living expenses and emergencies, reflecting traditional gender roles



Purpose of saving

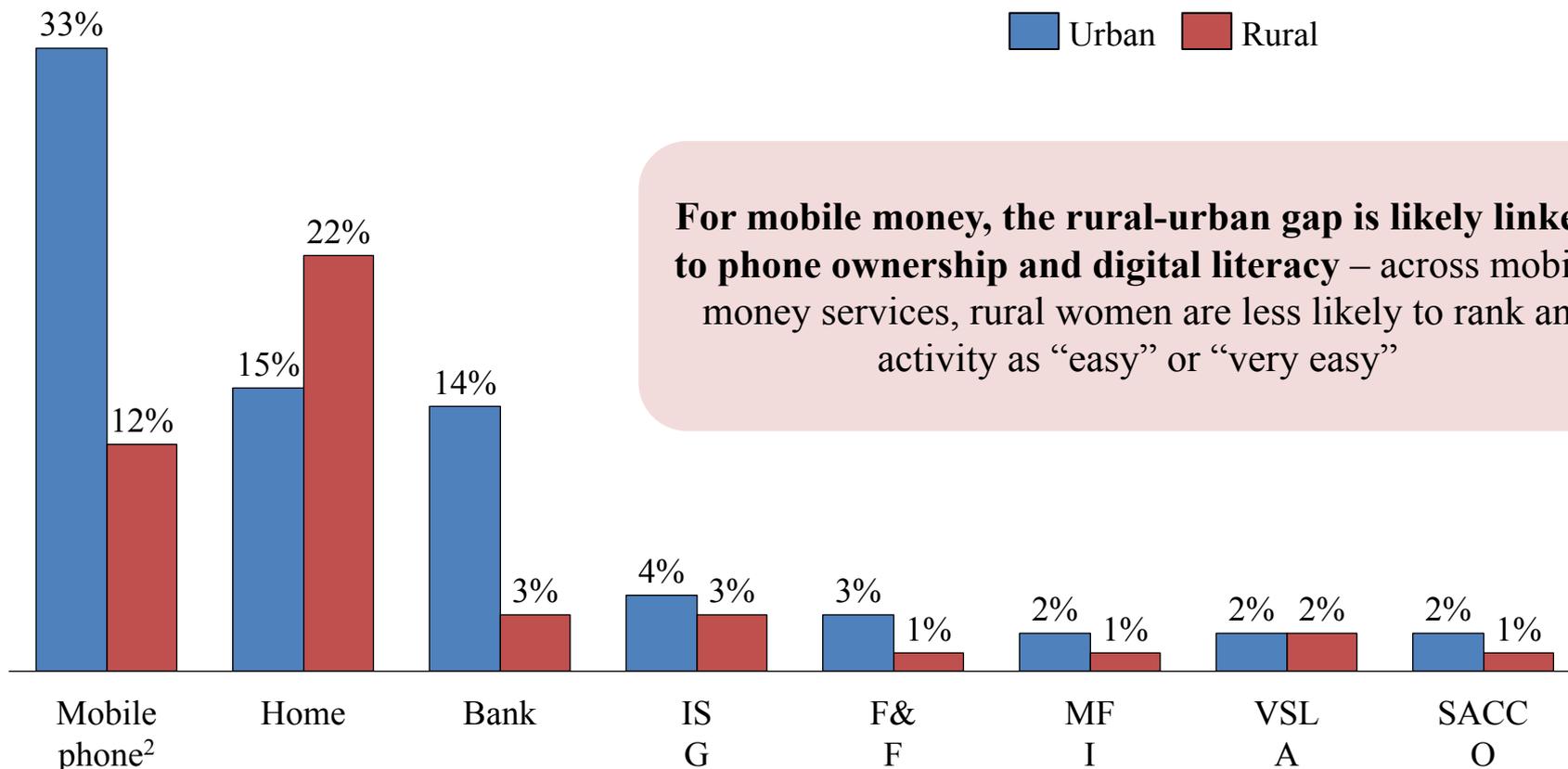


The high levels of saving for living expenses and emergencies, which by their nature are unpredictable and frequent, requires women to frequently draw on savings, limiting their ability to save for long-term productive activities or assets

Saving on mobile is more prominently used among urban women; most use more than one channel

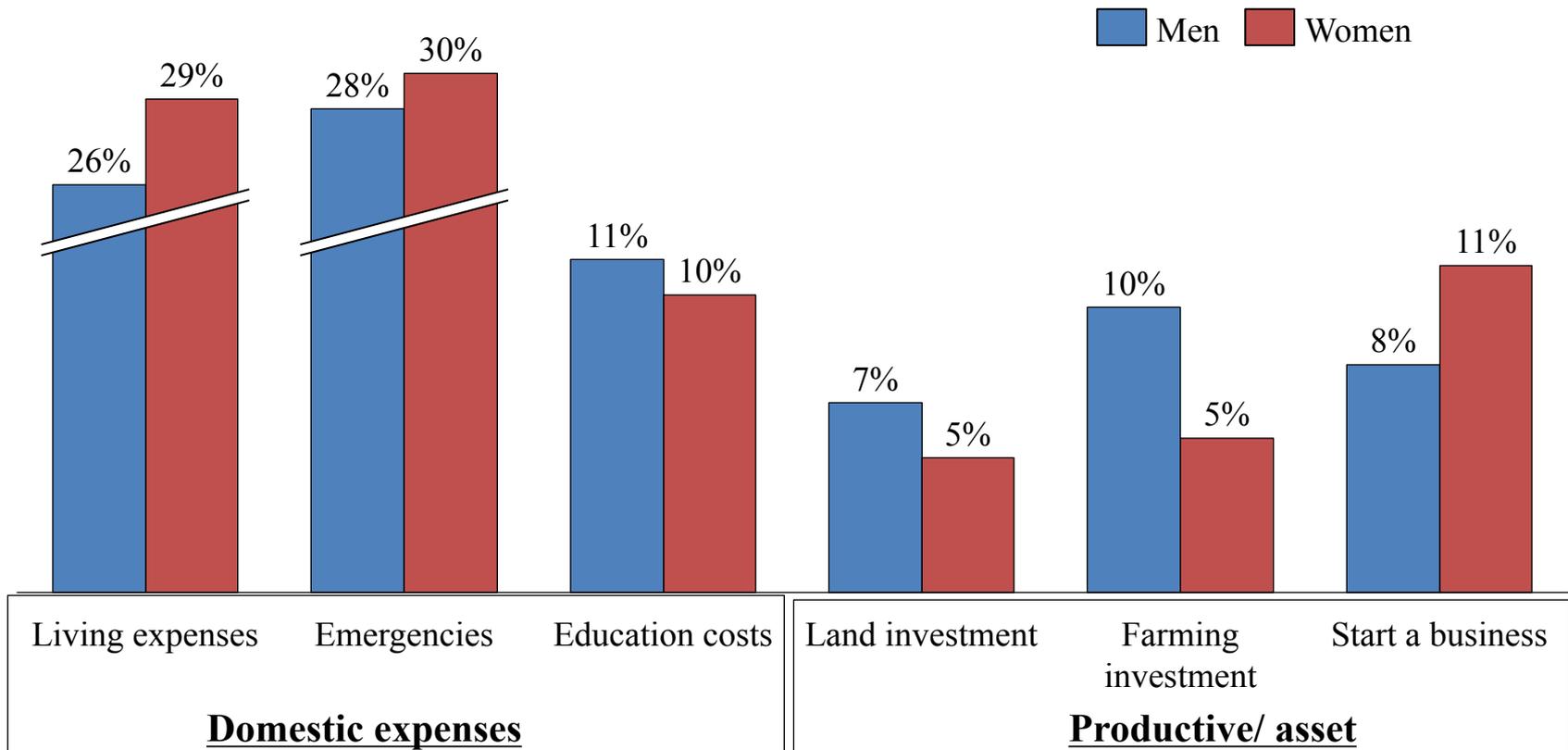


Have you saved with the following organizations?
(% rural/ urban women 15+)¹ (n=1522)



Women are borrowing mainly for consumption and emergencies, rather than investing in assets

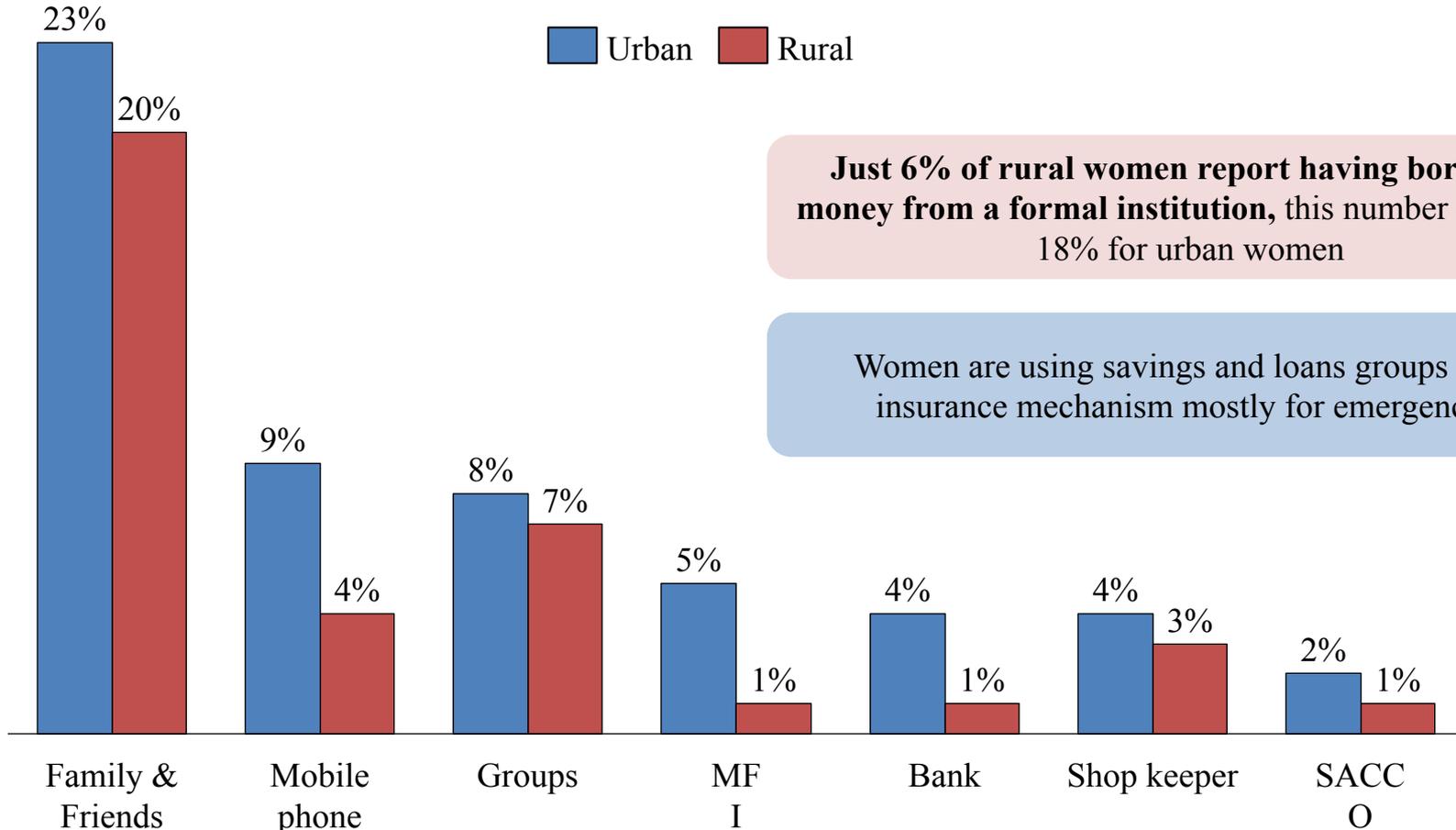
Purpose of loans



Women borrowing less to invest in their farms also potentially reflects collateral constraints not faced by men

Among women who borrow, credit is still mainly informal for both rural and urban women

Have you borrowed money from the following organisations? (% rural/ urban women 15+)¹ (n=1522)



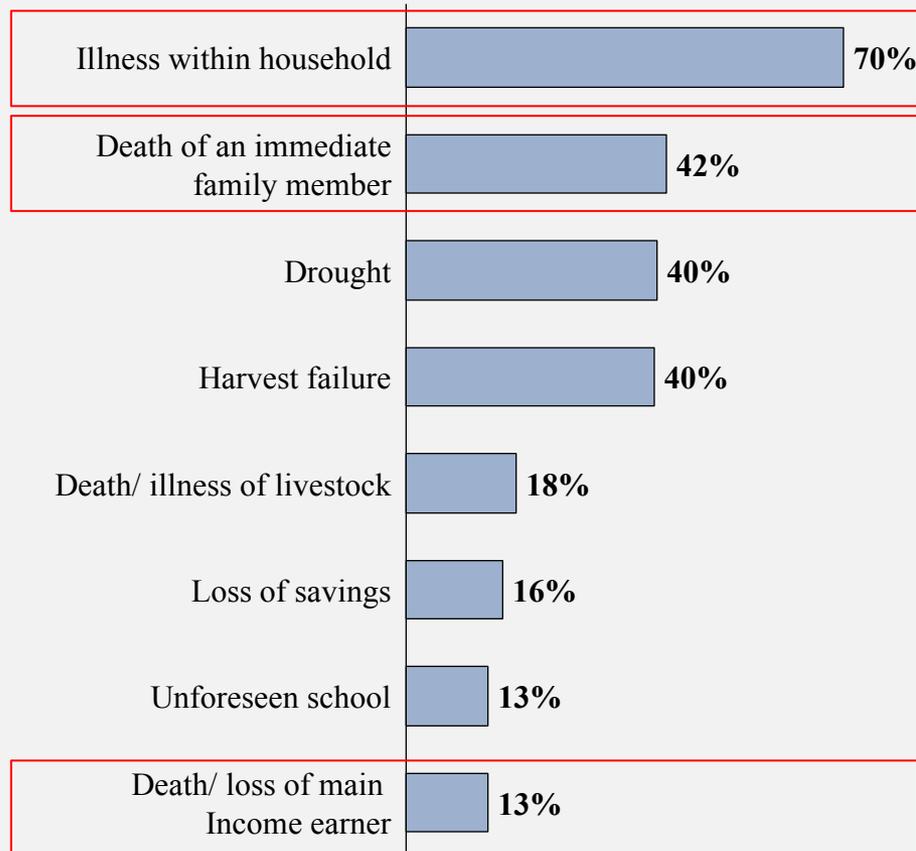
Just 6% of rural women report having borrowed money from a formal institution, this number climbs to 18% for urban women

Women are using savings and loans groups as an insurance mechanism mostly for emergencies

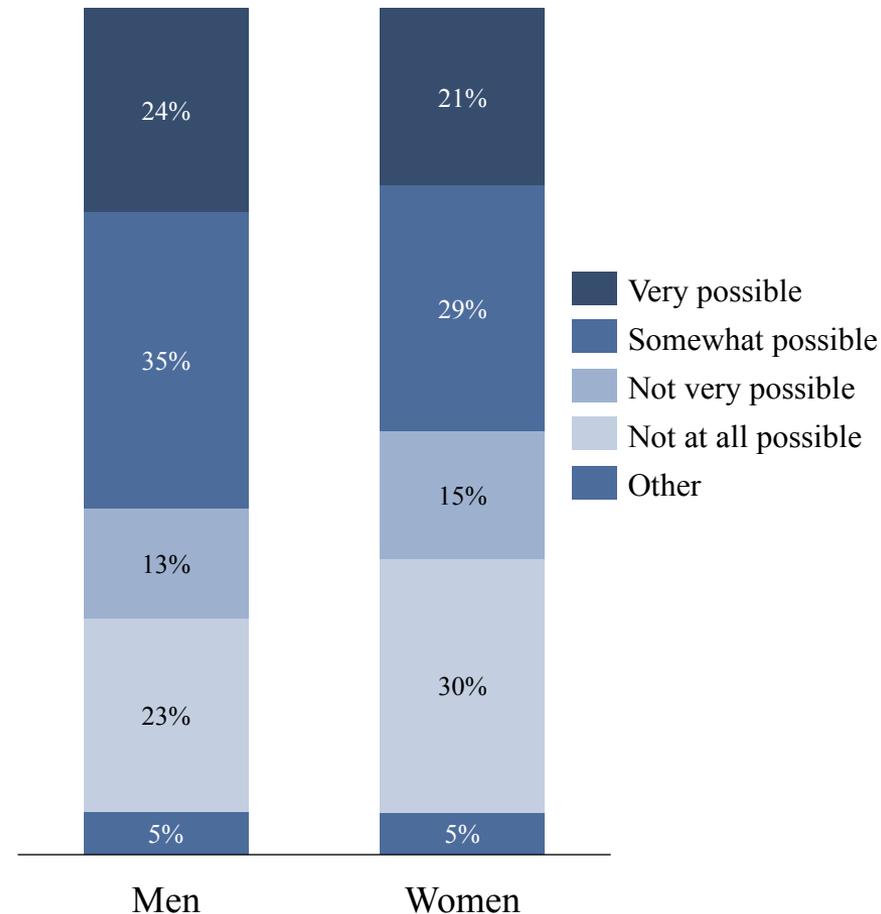
Health is a key concern for surveyed women; insurance could play a valuable role, but uptake is only 16%



In the past 12 months have you experienced any of these events? (n=400)¹



Likelihood of being able to come up with emergency funds (2014)²

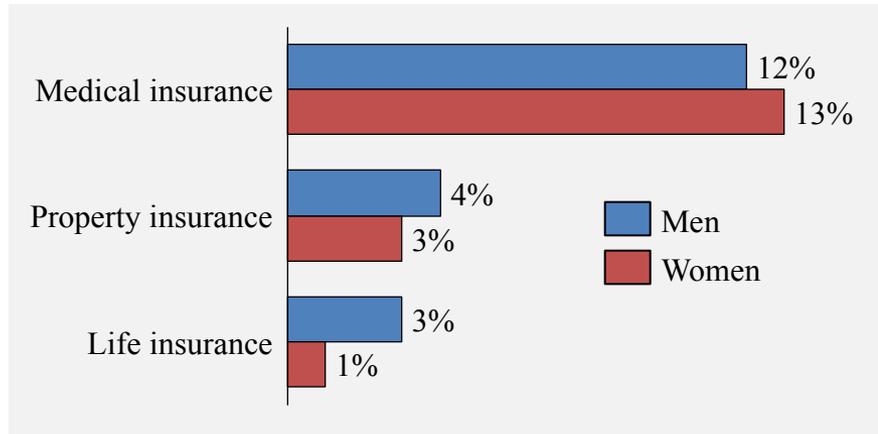


Sources: [1] Data from UNCDF Dalberg Country Assessment Survey, May 2017 [2] World Bank, Gender Data Base [3] Intermedia FII survey, 2015; penetration for men is 17% [4] Examples of which would be working in a food vendor or waitressing on busy nights; *Uptake among women

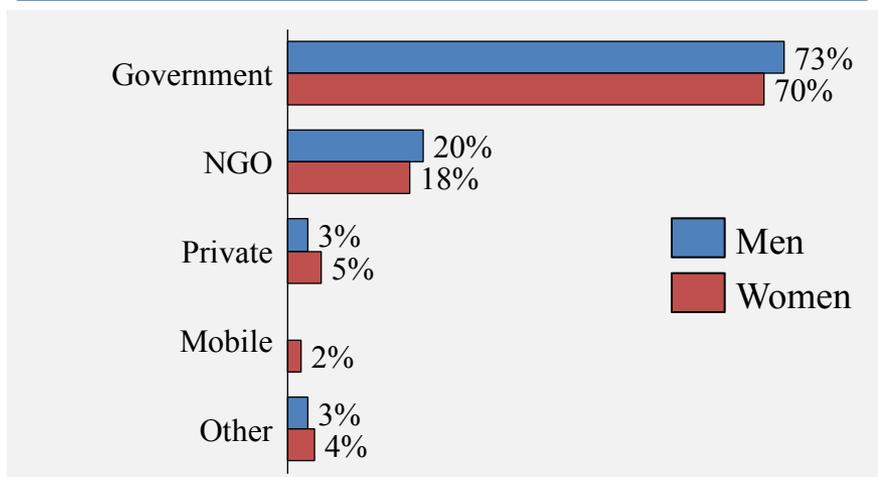
Surveyed women suggest low insurance uptake is driven by perception of high costs, despite low-cost NHIF



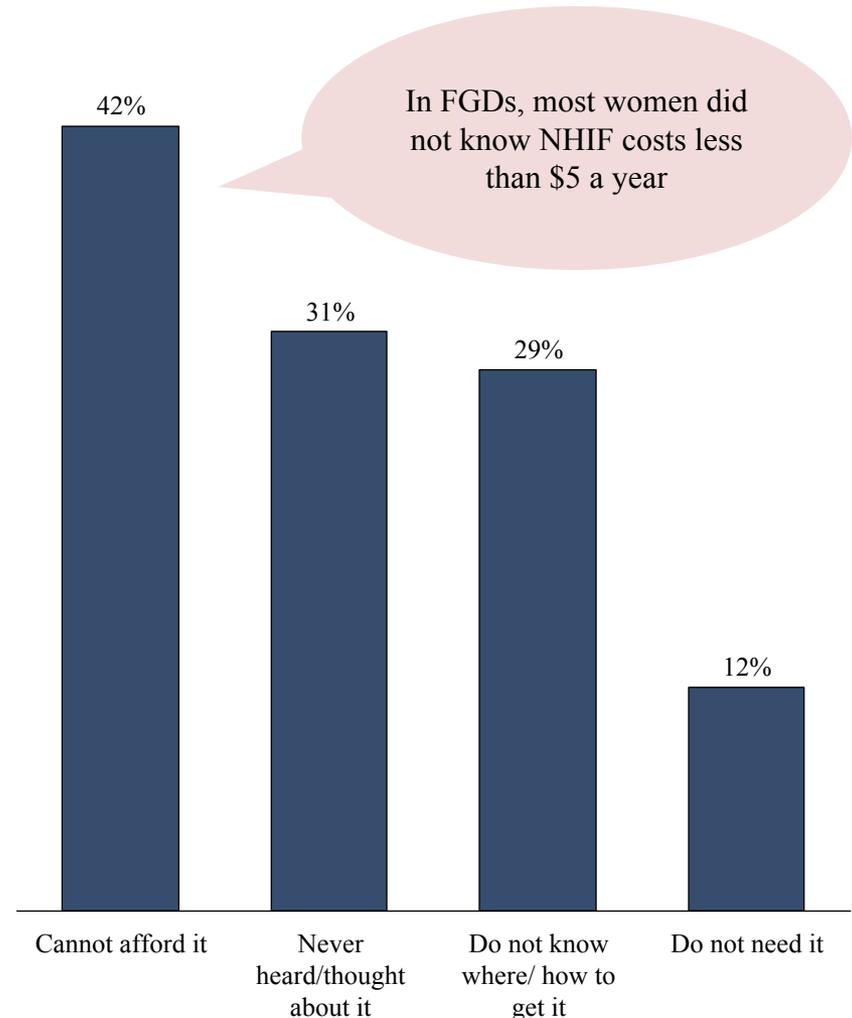
Common types of insurance¹ (n=3001)



Channels for medical insurance¹ (n=3001)

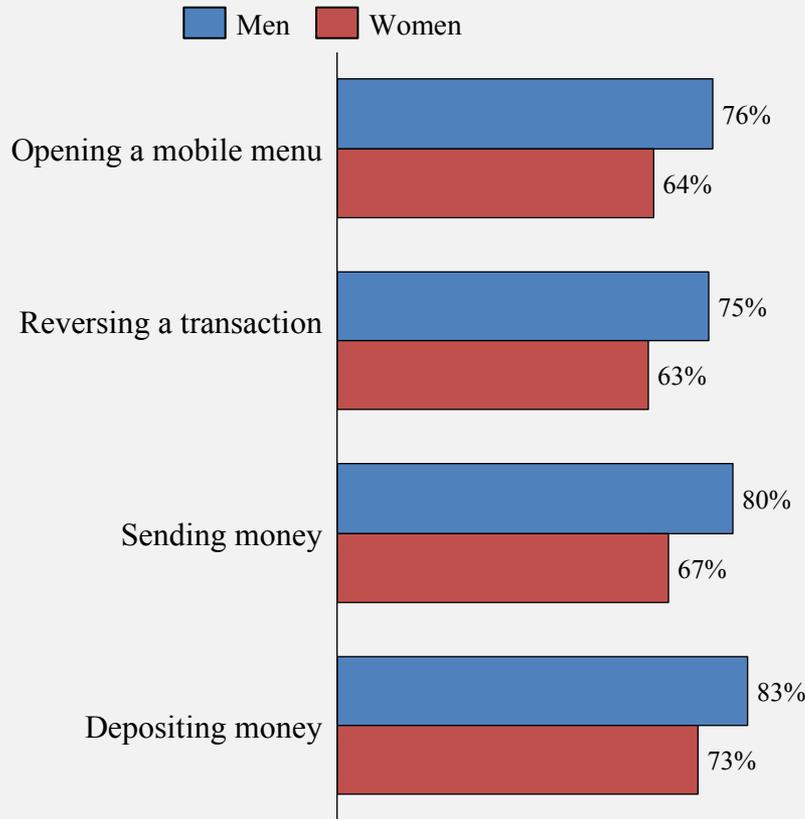


Common reasons for not accessing insurance (n=306)²

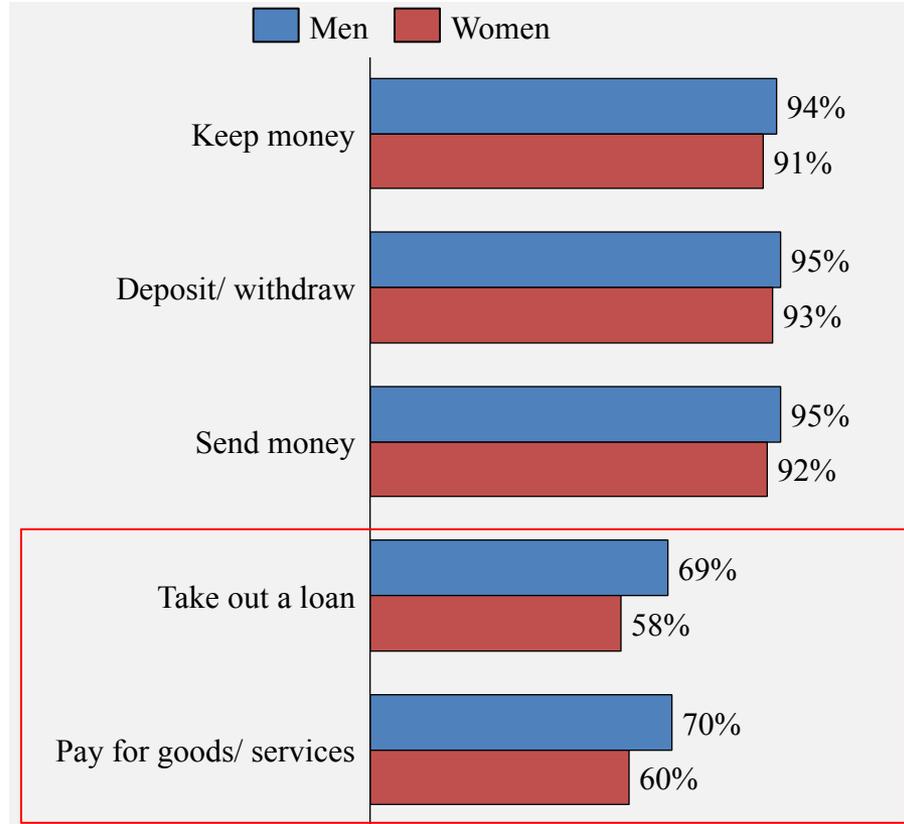


Women are less likely to find mobile money easy to use, and have lower awareness of advanced products

Ease of use of basic mobile money functions (% mobile money users ranking easy/ very easy)¹



Can you undertake the following activities using your mobile phone (% mobile money users agreeing)¹



Women mobile money users are markedly less comfortable using mobile money services, and are less likely to be aware of more advanced offerings

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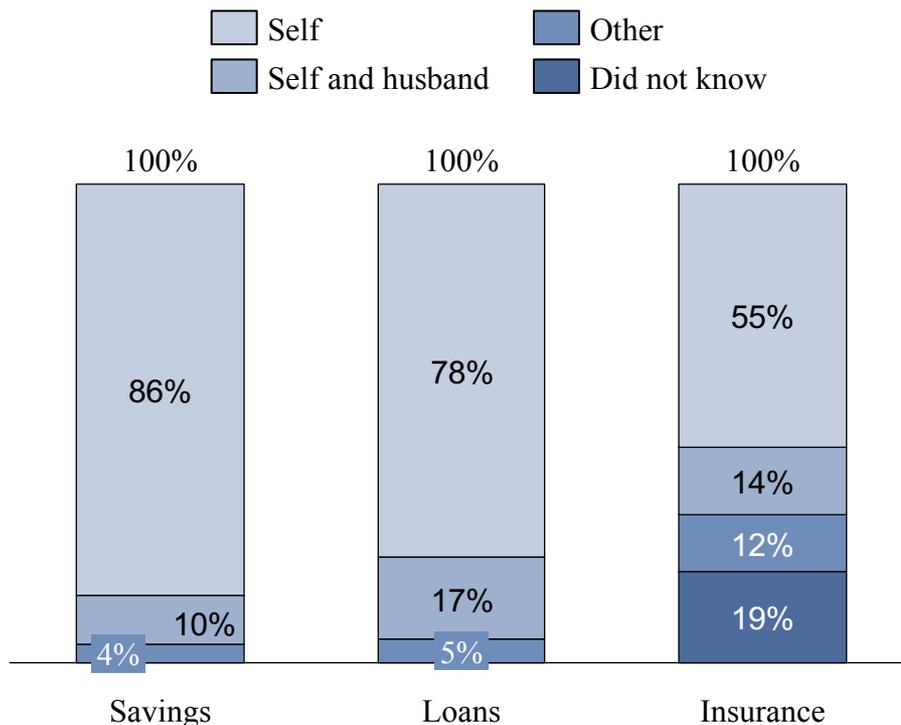
Usage of financial products

Financial inclusion and agency

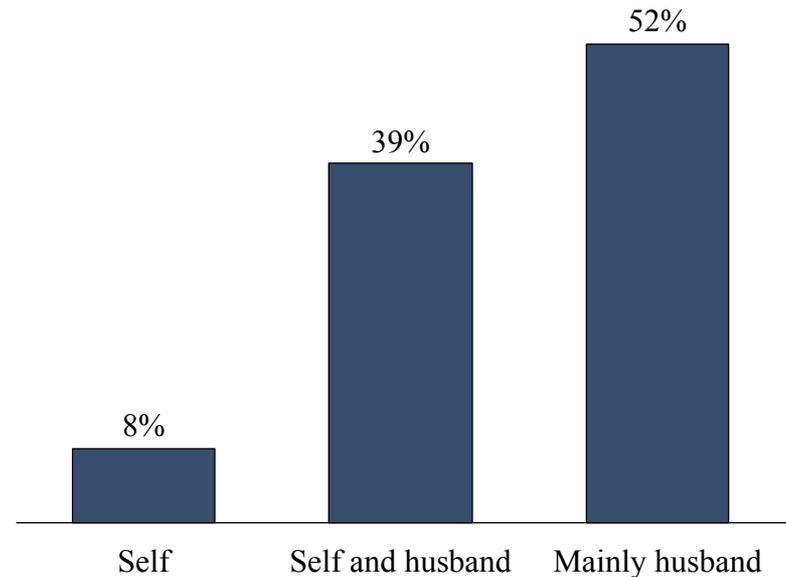
Majority of surveyed women report control over savings & loans, but men still dominate major purchase decisions



Who controls decisions on usage of financial products¹



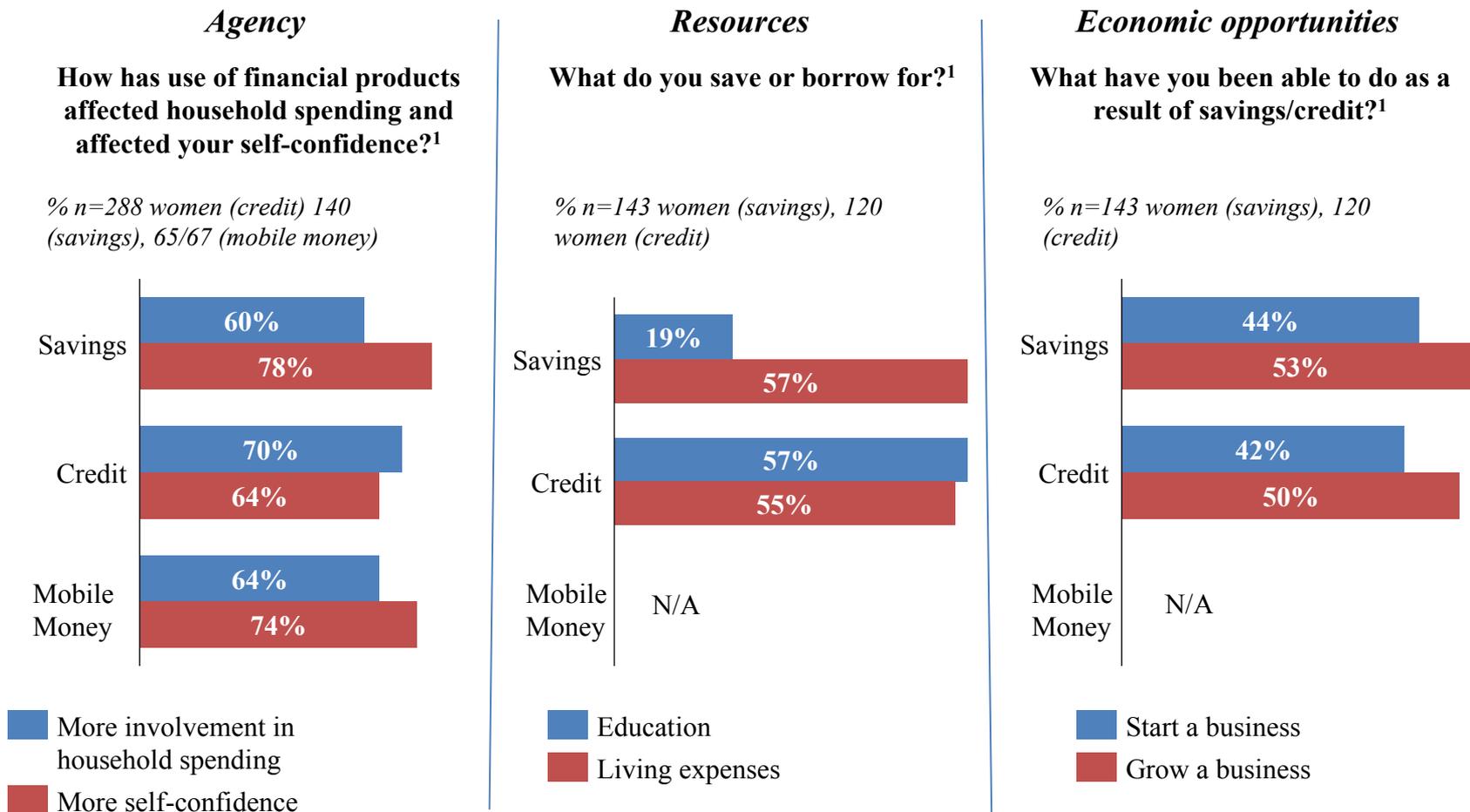
How major household purchase decisions are made (%women age 15-49)²



Surveyed women feel that they control the use of their savings, loans and insurance, but acknowledge that husband's often have a bigger say in large household decisions

Greater financial inclusion can contribute to women's economic empowerment

Impact of Financial Inclusion on 3 components of women's economic empowerment: Agency, Resources, Economic Opportunity*



* Women's economic empowerment as defined in the POWER analytical framework Source: [1] .UNCDF Dalberg Country Assessment Survey Data 2017

Constraint scorecards and further constraints analysis

Across spheres, constraints can be prioritized based on country-level detail to produce scorecards



In the slides that follow, scorecards are constructed following country-level analysis of categories of constraints across enabling environment, supply and demand, listed below. Constraints are prioritized for severity based on a qualitative assessment of insights from the Dalberg/UNCDF

Country Assessment Toolkit.

Weak gov't commitment	There are no Government financial inclusion targets, or no financial inclusion strategy	Limited sex-disaggregated data available	FSPs are not aware or do not see the value in collecting or analysing sex- and age-disaggregated data	Limited financial capabilities, awareness and confidence	Financial and digital literacy are limited
	There is no gender strategy or the gender strategy does not mention financial inclusion		Even when they are aware, they may not have the capacity or resources to effectively collect and analyse		Business management skills (including pitching skills) are limited
	Female representation in the central bank or policy-making bodies is weak	Products ill adapted to women's needs and realities	FSPs lack awareness of the 'women's market' which can feed into biased/prejudiced attitudes of FSP staff		Access to market information and vertical social networks are limited
The central bank does not incentivize nor publish the collection of sex disaggregated data	FSPs may not know how to develop adapted products		Lack of confidence/risk aversion can inhibit use of financial products		
Weak financial regs	Consumer protection regulations are underdeveloped	Inappropriate delivery mechanisms	Products not delivered in tandem with non-financial services	Limited documentation, ownership and control over assets and income	Paid work is often poorly paid and precarious
	Product/ delivery regulation constrains private sector innovation e.g. agent banking, mobile financial services, collateral requirements		Marketing is not targeted to women and girls		Household work is unpaid
	KYC regulations place a heavy burden on opening and managing an account for women and girls	Ill-adapted requirements to open and manage accounts	Physical financial service access points and agent network are limited/inappropriate and do not cater to time and mobility constraints		Land ownership, and control/usage of land is limited even in societies that have matrilineal systems
	Financial infrastructure such as payment systems, credit bureaus and collateral registries do not exist or function effectively		Credit scoring processes are not adapted to women and girls' limited credit histories		Mobile phone ownership in own name is limited
Discriminatory laws	Laws hinder (married) women's ability to: travel outside the home, obtain a national ID card, sign a contract open a bank account or control marital property	Limited membership of VSLAs	KYC regimes are not adapted to women and girls' identification documents	Limited time and mobility	ID ownership to meet account opening requirements is limited
			Independent management of accounts may be limited by age or requirement for husband approval		Mobility is restricted to the home or to a limited geography
			There is a lack of coordinated effort to scale VSLA and SHG networks effectively		Family responsibilities and lack of affordable childcare solutions contribute to time poverty

Prioritizing constraints: Enabling environment scorecard / heatmap (1/2)



	Constraint	Detail on constraints in Tanzania	Constraint severity
Weak gov't commitment	There are no Government financial inclusion targets, or no financial inclusion strategy	<ul style="list-style-type: none"> Tanzania has just concluded implementing its National Financial Inclusion Framework for 2014-16, where Tanzania surpassed the financial inclusion targets set in the framework of 50% adults using a financial access point. However, the Framework has no specific targets for women and girls, rather, general reference is made to women and girls as part of groups to extend financial inclusion to. A new Financial Inclusion Framework is currently being developed, which is aiming to make specific targets for women and girls¹ 	
	There is no gender strategy or the gender strategy does not mention financial inclusion	<ul style="list-style-type: none"> Tanzania has a National Strategy for Gender Development which together with the National Gender Development Policy, aim at mainstreaming gender into all national policies, programs and strategies. The Strategy also aims to strengthen institutional mechanisms for gender development, ensure adequate resources are allocated to gender initiatives, and enhance partnerships and collaboration to enhance gender equality² 	
	Female representation in the central bank or policy-making bodies is weak	<ul style="list-style-type: none"> Tanzania's constitution directs that 30% of members of parliament should be women and at least five of the ten members appointed by the President should be women: this has been implemented to a large extent³; currently, 37% of members of parliament are women. Local Government Acts also require that one-third of the members of the District and Village Councils should be women, however, monitoring mechanisms are weak to enforce quotas at the district and village level, therefore laws are not always followed in practice⁴ 	
Weak financial regs	The central bank does not incentivize nor publish the collection of sex disaggregated data	<ul style="list-style-type: none"> As of May 2016 the Bank of Tanzania was in the process of updating its Financial Inclusion database to include data by gender. Data collected will mirror 2014 Global Findex data in terms of access, usage and quality. However, this process is not complete and the timeline of completion is not specified⁵ 	
	Consumer protection regulations are underdeveloped	<ul style="list-style-type: none"> There is no universal framework for financial consumer protection, with different types of financial institutions following different rules. Rules for internal complaints mechanisms do exist, however these do not apply for non-deposit taking MFIs, which traditionally serve women. Third party recourse is available at the complaints desk at the BoT, though accessibility is limited⁶ 	

Note: Scorecard/heatmap is based on qualitative assessment of desk research; Sources [1] Tanzania National Financial Inclusion Framework, 2014 [2] Tanzania National Strategy for Gender Development [3] ILO, Women's Entrepreneurship Development in Tanzania, 2014 [4] Landesa, Women's Land Rights Guide for Tanzania, 2014 [5,6] AFI, Tanzania narrows the financial inclusion gender gap, 2016

Prioritizing constraints: Enabling environment scorecard / heatmap (2/2)



	Constraints	Detail on constraints in Tanzania	Constraint severity
Weak financial regs	<p>Product/ delivery regulation constrains private sector innovation e.g. agent banking, mobile financial services, collateral requirements</p>	<ul style="list-style-type: none"> Tanzania shows leadership in pioneering regulations to create an enabling environment for innovative products: BOT allows the use of e-money by both banks and MNOs; MNOs can issue e-money as long as they have a trust account with a bank; the bank is responsible for safeguarding customer funds and consumer protection, while the MNO is responsible for product and business development, BOT also allows for interoperability between MNOs. Agent banking is also permitted and regulations allow for a wide range of actors to be agents; Microinsurance regulations also exist for life and general insurance and a broad range of channels are allowed to extend microinsurance; an important weakness is the limited monitoring of consumer protection. Collateral free lending is allowed up to 750 million TSH¹. 	
	<p>KYC regulations place a heavy burden on opening and managing an account for women and girls</p>	<ul style="list-style-type: none"> KYC regulations allow for a wide range of IDs to be used to open accounts given the lack of a universal national ID system in Tanzania, however, the regulations also require information on the IDs to be verified with no linked databases for the IDs, women have to seek two pieces of ID or a letter of introduction from local government authorities². KYC requirements for business accounts in banks also disproportionately exclude women as only 1.2% of women-owned MSMEs are registered³. 	
	<p>Financial infrastructure such as payment systems, credit bureaus and collateral registries do not exist or function effectively</p>	<ul style="list-style-type: none"> Payment infrastructure in Tanzania is modern and reliable. Interbank payments are regulated by the Tanzanian inter-bank settlement system, for which there are reasonable participation criteria for banks. In mobile financial services, Tanzania is one of the first countries to achieve full interoperability between mobile money providers. However no progress has been made in setting up a centralized collateral registry. In addition, while Tanzania's credit bureaus are able to collect a wide variety of information including on small loans, and use retail and utility bill data, reviews imply data quality is poor, and awareness of the value of credit bureaus by financial institutions is low. In addition to this credit bureau coverage remains limited, especially among MNOs and MFIs⁴ 	
Discriminatory laws	<p>Laws hinder (married) women's ability to: travel outside the home, obtain a national ID card, sign a contract open a bank account or control marital property</p>	<ul style="list-style-type: none"> At the national level, the legal environment is gender-sensitive, with many laws demanding for gender equality. For instance, the National Land Act requires equitable distribution and access to land, participatory decision-making, and dissemination of information. However multiple and contradictory legal frameworks exist in tandem in Tanzania, which often leave room for discrimination and marginalization of women and girls, for instance, while customary rules vary by community and region, in most instances they prevent women, particularly widows from inheriting land⁵ 	

Note: Scorecard/heatmap is based on qualitative assessment of desk research; Sources [1] Bank of Tanzania Regulations [2,4] AFI, Tanzania narrows the financial inclusion gender gap, 2016; Dalberg Key Informant Interviews, 2017 [3] ILO, Women's Entrepreneurship Development in Tanzania, 2014 [4] World Bank, Tanzania Economic Outlook, 2017 [5] Landesa, Women's Land Rights Guide for Tanzania, 2014

Prioritizing constraints: Supply-side scorecard / heatmap

(1/2)



	Constraints	Detail on constraints in Tanzania	Constraint severity
Limited sex-disaggregated data available	Financial Service Providers are not aware or do not see the value in collecting or analysing sex-and age-disaggregated data	<ul style="list-style-type: none"> Most FSPs do collect sex-disaggregated data and are quickly able to highlight portfolio distribution by gender, however, beyond this, there is limited use of sex-disaggregated data to inform product design particularly due to poor awareness of the business case for serving women with tailored products¹ 	
	Even when they are aware, they may not have the capacity or resources to effectively collect and analyse	<ul style="list-style-type: none"> Most FSPs highlighted that capacity or resources were not a constrain to collecting and analysing sex-disaggregated data² 	
Products ill adapted to women's needs and realities	FSPs lack awareness of the 'women's market' which can feed into biased/prejudiced attitudes of FSP staff	<ul style="list-style-type: none"> Attitudes of staff towards women vary by FSP, but are overall positive: MFIs are aware and sensitive of women's financial needs and are proactive in using language that appeals to and does not intimidate women³; similarly, mobile agents are trained to provide below-the-line marketing, demonstrating one-on-one how to use mobile money products, which is more appealing and less intimidating to women⁴; similarly, major banks are making efforts to train their staff to be more sensitive to women customers⁵ 	
	FSPs may not know how to develop adapted products	<ul style="list-style-type: none"> The larger banks have begun developing tailored products for women, however, they are not fully bought in on the business case for developing products specifically for women⁶ 	
	Products not delivered in tandem with non-financial services	<ul style="list-style-type: none"> Most FSPs offering tailored products for women do bundle the products with training programs focusing on financial literacy and business development skills; however, this is limited to the larger banks with financial capacity to develop and deliver the trainings⁷ 	
Inappropriate delivery mechanisms	Marketing is not targeted to women and girls	<ul style="list-style-type: none"> Some marketing is focused on women, particularly from MNOs, MFIs and banks with tailored products for women; however, this is not a consistent picture, especially among banks⁸ 	

Prioritizing constraints: Supply-side scorecard / heatmap

(2/2)



	Constraints	Detail on constraints in	Constraint severity
Inappropriate delivery mechanisms	Physical financial service access points and agent network are limited/inappropriate and do not cater to time and mobility constraints	<ul style="list-style-type: none"> Access points are significantly limited in Tanzania, even by continental standards: there are only 3 branches and 8 ATMs per 100,000 adults, compared to an average of 8 branches and 15 ATMs per 100,000 adults in Sub-Saharan Africa¹. This is particularly worse in rural areas: 12% of rural respondents indicated distance to banks as a constrain to using bank accounts compared to 7% of urban respondents². With multiple household responsibilities, women have limited time to travel long distance to use the banks. However mobile agents have enabled access, with an average of 924 agents per 100,000 adults³ 	
Ill-adapted requirements to open and manage accounts	Credit scoring processes are not adapted to women and girls' limited credit histories	<ul style="list-style-type: none"> The credit information system is generally weak in Tanzania and covers a limited share of the population: this is due to a number of factors, particularly, lack of national IDs and a unique identifier for persons makes it difficult to track borrowers; inaccurate information is often reported by the credit bureaus; and MFIs and MNOs are not required to submit their credit information; this affects women since women use MNOs and MFIs more than other FSPs, hence their credit information remains secret and is not shared with the financial system⁴ 	
	KYC regimes are not adapted to women and girls' identification documents	<ul style="list-style-type: none"> KYC norms are restrictive on opening bank accounts as more than two pieces of ID are required to open an account in order to obtain all the information needed for KYC. Only 20% of women have more than two pieces of ID. In addition, KYC requires businesses to be registered to open bank accounts. However, most women have small, informal businesses and can therefore not meet requirements. For MFIs and MNOs, one ID is sufficient to meet KYC requirements, a requirement which most women (88%), are able to meet. BOT has also shown leadership in allowing tiered KYC for mobile money, allowing flexibility of KYC requirements depending on the tier⁵ 	
	Independent management of accounts may be limited by age or requirement for husband approval	<ul style="list-style-type: none"> Independent management of accounts is restricted to ages above 18. Husband approval/guarantor approval can be difficult for retail and microfinance loans⁶ 	
Limited membership of VSLAs	There is a lack of coordinated effort to scale VSLA and SHG networks effectively	<ul style="list-style-type: none"> The Ministry of Gender and NEEC realize the value of semi-formalizing VSLAs both to add cash to the formal economy and protect those saving in the VSLAs from theft and are therefore making efforts to encourage VSLAs to get registered and open bank accounts, however, many VSLAs are still unregistered⁷ 	

Prioritizing constraints: Demand side scorecard / heatmap

(1/2)



	Constraints	Detail on constraints in	Constraint severity
Limited financial capabilities, awareness and confidence	Financial and digital literacy are limited	Financial literacy of women is weaker than that of men across all levels. Digital literacy is a significant challenge, particularly for usage, rather than access of financial products. This is more prevalent for older and rural women ¹	
	Business management skills (including pitching skills) are limited	IT skills and business management skills are critical bottlenecks in women-owned MSME development: most women do not have the skills and capital required to scale their businesses ²	
	Access to market information and vertical social networks are limited	Women have limited mobility compared to men, and are time-poor due to household responsibilities and therefore have less networks and access to information to identify economic opportunities, compared to their male counterparts ³	
	Lack of confidence/risk aversion can inhibit use of financial products	Tanzania has a strong patriarchal society where the man is perceived as the breadwinner and is responsible for the financial resources of the home. However, there is also a high expectation for women to contribute to household income. Women therefore engage in small businesses and although they are risk averse, they are better savers and financial managers than their male counterparts ⁴	
Limited documentation, ownership and control over assets and income	Paid work is often poorly paid and precarious	Most women employees are employed in informal businesses where work is poorly paid, with more than half of women (56%) indicating they earn less than 50,000 TSH (30 USD) a month ⁵ . For girls who have dropped out of school, work opportunities are often short-term, unstable, and with less pay ⁶	
	Household work is unpaid	Traditional, patriarchal divisions of labor typically lead women and girls to spend more time on unpaid household duties; women spend four times as much time on unpaid household work compared to men ⁷	
	Land ownership, and control/usage of land is limited even in societies that have matrilineal systems	Only 15% of women own land, despite favourable land regulations at the national level ⁸ . This is mainly due to the existence of customary and religious laws which inhibit inheritance of land for women and girls. These laws are observed more widely at the village levels rather than national laws.	

Note: Scorecard/heatmap is based on qualitative assessment of desk research; Sources [1] Intermedia, Financial Inclusion Insights, 2015 [3,7] Tanzania Gender Networking Programme, Time Use Patterns in Tanzania, 2008 [5] FSDT, Tanzania Financial Capabilities Survey, 2014 [2,4,6] Dalberg Key Informant Interviews; UNCDF Dalberg Focus Group Discussions, 2017 [8] World Bank, Living Standards Measurement Study—Integrated Surveys on Agriculture, 2011 (not including joint ownership)

Prioritizing constraints: Demand side scorecard / heatmap

(2/2)



	Constraints	Detail on constraints in	Constraint severity
Limited documentation, ownership and control over assets and income	Mobile phone ownership in own name is limited	Phone ownership remains a challenge in Tanzania, with 30% of urban women and 40% of rural women not owning a phone ¹ . This remains the top barrier for women without mobile money accounts (51%) ² . However, women without a phone often share the phone with their husbands or another family member, which compromises their privacy	
	ID ownership to meet account opening requirements is limited	Only 20% of women are able to meet ID requirements to open a bank account (two or more pieces of IDs) ³ . Most women have to seek a letter of introduction to get the second piece of ID, which from anecdotal evidences, puts them at risk of sextortion. However, most women (93%) ³ have the ID required to open a mobile money account or an account with an MFI	
Limited time and mobility	Mobility is restricted to the home or to a limited geography	Women's mobility in Tanzania is limited, mostly due to household responsibilities. Consequently, most women in rural areas are unable to travel long distances to banks, which are often located in urban centres ⁴ . However, the expansion of mobile money has increased access for women to mobile money access points	
	Family responsibilities and lack of affordable childcare solutions contribute to time poverty	Social norms in Tanzania require women to be the primary caregivers and responsible for household responsibilities like cleaning, cooking, fetching water and firewood, tasks which are quite time-consuming: estimates show women spend four times as much time on household tasks compared to men; this leaves them with limited time to travel long distances to access banks ⁵ ; most, however, can access mobile agents	

Note: Scorecard/heatmap is based on qualitative assessment of desk research; Sources [1,3] Intermedia, Financial Inclusion Insights, 2015 [2] UNCDF Dalberg PoWER Survey, 2017 [4,5] Tanzania Gender Networking Programme, Time Use Patterns in Tanzania, 2008; Dalberg Key Informant Interviews; UNCDF Dalberg Focus Group Discussions, 2017