Does Market Systems Development Work for Women’s Financial Empowerment?

A Global Learning Network

Markets that provide opportunities for all people to engage and prosper.

seepnetwork.org/Members
Does Market Systems Development Work for Women’s Financial Empowerment?

April 16, 2020 | 9 – 10 am (EDT)

Nandi Hall
Moderator
Arab Women’s Enterprise Fund

Fiona Shera
Arab Women’s Enterprise Fund

Chloe Gueguen
Arab Women’s Enterprise Fund

Sabal Majali
Arab Women’s Enterprise Fund
Agenda

1. Welcome and Agenda
2. Fiona Shera
3. Chloe Gueguen and Sabal Majali
4. Wrap Up and Closing
The MSD-WEE Approach

Fiona Shera
Arab Women’s Enterprise Fund
fiona_shera@dai.com
How has AWEF applied an MSD-WEE approach?

• Focused on sectors important to women as consumers, producers or employees
• Targeted critical market constraints facing women AND the private sector
• Developed interventions that are commercially viable AND improve access and agency for women
• Acted as “Facilitator” – co-created market oriented solutions working THROUGH partners
• Maintained a strong focus on systems change throughout implementation
Theory of Change - MSD-WEE approach

ACCESS TO SERVICES AND OPPORTUNITIES

IMPAKT: INCREASED INCOME AND WELL-BEING OF POOR WOMEN

OUTCOME: INCREASED PARTICIPATION OF POOR WOMEN IN FOCUS MARKETS

VOICE, CHOICE AND CONTROL

Preparing market actors for women’s empowerment (technical assistance, market facilitation, microfinance)

Preparing community & state institutions for women’s empowerment (policy dialogue and strategic communications)

Preparing women for the labor force (capacity development and networking)

Changes in formal and informal rules which address market constraints for poor women producers, entrepreneurs and employees

Preparing women and supportive men as leaders and role models (engaging powerful actors and strategic communications)
Key Lessons – AWEF implementation

- Right things
- Right Sectors with Right partners
- Multiple pathways to access & agency
- Tailor TOC to reflect market
- Learn & Adapt Pilots
- Drop Fast Scale What works
- Chase sustainability
- Scale Strategically
- Look for Game Changers
- Takes Time
How? Design and delivery

Take time to identify the right interventions & partners

Why
- Why women not participating/benefiting in the sector?
- Identify key systemic constraints

What
- Sustainable (market-based) solutions to constraints
- Focus areas of AWEF interventions

How
- AWEF facilitation of target partners and co-facilitators
- Activities to promote replication

Who
- Identify strategic market actor partners
- Identify public sector co-facilitators
AWEF’s focus on Systems Change

AWEF strives to move beyond impact to achieve lasting systems change

*A change to the core structure of a system that leads to sustainable improvements for women*

AWEF has developed a “bespoke” approach to assessing Systems Change

- **Scale: Market Actor Change** – level of disruption/scale of adoption across the market system
- **Depth: Informal Rules and Expectations** – creation of “new rules and norms” to catalyse change in a market
- **Effectiveness: Benefits to the Target Group** – positive impact on women reached - access/agency
Results to Date - Key interventions

- **Jordan – public and private sector collaboration**
  - Facilitated scaling of Women’s Economic Empowerment Units + licensing/professionalisation of women owned HBB
  - Facilitated innovative Market Linkages to expand HBB access to new buyers – dairy sector, embroidery
  - Tested/proved feasibility of flexible-remote working business model

- **Egypt – Driving Change through lead market actors**
  - Facilitated adoption of new inclusive working practices in RMG and Citrus sectors

- **Regional – Financial Inclusion**
  - Promoted women-centred business models to facilitate digital financial inclusion in Jordan and Egypt
AWEF Results to date

On track to improve access/agency for 150,000 women

- 423,345 women
- 3 formal policies or regulations changed
- 50 institutions committed to change policies or practices
- 938 Market Linkages
  - 30,019 micro-linkages
- 90 Market Actors adopting AWEF practices
Conclusions

• AWEF has successfully tested a new innovative MSD-WEE approach - impressive results at output level and...
• Signs of Impact and Systems Change are there - AWEF has changed rules of the game in key areas – WEE Units, licensing, Financial Inclusion
• Key to success - putting women at the centre of design, tailoring interventions & making the business case for change to the private sector
• Lessons and approach can be applied to other MSD or WEE initiatives in the region and more widely
• Scope to build on models/approaches tested in Jordan and Egypt
Making Digital Finance Work for Women in MENA

Chloe Gueguen
Financial Inclusion Regional Lead
Arab Women’s Enterprise Fund
cg.advising@gmail.com

Sabal Majali
Lead Market Analyst, Jordan
Arab Women’s Enterprise Fund
Sabal_majali@awef.co
From Theory to Practice...

Applying the MSD-WEE Theory...

...To Make Digital Finance Work for Women

1. **WHY** focusing on the digital finance subsector?

2. **WHAT** lessons to make digital finance work for women?

3. **WHO** started to innovate in the region & **HOW**?
Digital Finance Opportunities in MENA

1. Dynamic ICT Markets
2. Governments’ focus on Digital Financial Inclusion
3. Growth of E-commerce & Social Media
4. Migrant population & demand for remittances

Egypt MOIC’s COVID-19 Response:

1. Mitigate impact on an un-organized labor force through employment protection legislation and unemployment benefits.
2. Putting forward a social protection & social safety agenda.
3. Expediting the financial inclusion & digital reform agenda.
WHY focusing on Digital Finance for women in MENA?

Challenges for Women’s Inclusion

1. Gender gap in mobile phone ownership
2. Low levels of financial & digital literacy
3. Social norms, mobility issues & limited collateral
4. Private sector failing to see women as a business opportunity
5. Relatively nascent & fragmented DFS ecosystems
6. Uneven internet connectivity
In MENA, only 35% of women have a financial account vs. 52% for men.

WHY focusing on Digital Finance for women in MENA?
WHAT lessons to make Digital Finance work for women in MENA?

**LESSON 1**
Build a holistic understanding of women’s needs and preferences as users of DFS

**LESSON 2**
Make DFS accessible by building inclusive distribution networks

**LESSON 3**
Integrate Non-Financial Services into DFS Delivery

**LESSON 4**
Build upon what women already trust and digitise traditional finance models to scale-up their impact

**LESSON 5**
Encourage the development of a solid DFS ecosystem with relevant use cases for women

**LESSON 6**
Expand access to universal digital identities to help low-income women build their credit history across borders

**LESSON 7**
Leverage e-commerce and female consumers’ appetite for social media

**LESSON 8**
Invest in sex-disaggregated data analyses to monitor progress and build the DFS for Women Business Case
WHAT lessons to make Digital Finance work for women in MENA?

**LESSON 1**
Build a holistic understanding of women’s needs and preferences as users of DFS

**LESSON 2**
Make DFS accessible by building inclusive distribution networks

**LESSON 3**
Integrate Non-Financial Services into DFS Delivery

**LESSON 4**
Build upon what women already trust and digitise traditional finance models to scale-up their impact

**LESSON 5**
Encourage the development of a solid DFS ecosystem with relevant use cases for women

**LESSON 6**
Expand access to universal digital identities to help low-income women build their credit history across borders

**LESSON 7**
Leverage e-commerce and female consumers’ appetite for social media

**LESSON 8**
Invest in sex-disaggregated data analyses to monitor progress and build the DFS for Women Business Case
WHAT lessons to make Digital Finance work for women in MENA?

**LESSON 1**
Build a holistic understanding of women’s needs and preferences as users of DFS

**LESSON 2**
Make DFS accessible by building inclusive distribution networks

**LESSON 3**
Integrate Non-Financial Services into DFS Delivery

**LESSON 4**
Build upon what women already trust and digitise traditional finance models to scale-up their impact

**LESSON 5**
Encourage the development of a solid DFS ecosystem with relevant use cases for women

**LESSON 6**
Expand access to universal digital identities to help low-income women build their credit history across borders

**LESSON 7**
Leverage e-commerce and female consumers’ appetite for social media

**LESSON 8**
Invest in sex-disaggregated data analyses to monitor progress and build the DFS for Women Business Case
CASE STUDY 1: « Nafaqa », Egypt’s first digital social benefits disbursement program

BEFORE
National alimonies disbursed in cash:

For beneficiaries:
- Time lost
- Harassment risk
- Opportunity cost

For NSB:
- Cost of cash
- Human errors
- Fraud risks

WHO started to innovate in the region & HOW?
CASE STUDY 1: « Nafaqa », Egypt’s first digital social benefits disbursement program

National alimonies disbursed in cash:

For beneficiaries:
- Time lost
- Harassment risk
- Opportunity cost

For NSB:
- Cost of cash
- Human errors
- Fraud risks

National alimonies disbursed via e-wallets:

For Beneficiaries (15k):
- Time saved
- Increased safety
- Increased privacy
- Business continuity

For Partners:
- 1st national e-wallet use case
- Successful public-private partnership

COVID-19: Disbursement of social safety nets via e-wallets?
- Takaful & Karama beneficiaries (9M+)

KEY LESSON

Encourage the development of a solid DFS ecosystem with relevant use cases for women
CASE STUDY 2: BSR’s HerFinance Digital Wages Program

BEFORE
Salaries disbursed in cash:

For workers:
- Time lost off the production Line
- Harassment risk
- Risk of theft & Loss

For the factory:
- Security costs
- Opportunity costs
- HR Admin costs
CASE STUDY 2: BSR’s HerFinance Digital Wages Program

BEFORE
Salaries disbursed in cash:

For workers:
- Time lost off the production Line
- Harassment risk
- Risk of theft & Loss

For factory:
- Opportunity costs
- HR Admin costs
- Security guards costs

AFTER
Salaries disbursed digitally:
(bank or e-wallet accounts)

For workers (5k):
- Access to FS for the 1st time (savings)
- Increased safety
- Increased control & privacy

For the factory:
- Efficiency (Admin staff time)
- Accuracy
- Cost Savings

WHO started to innovate in the region & HOW?

WHY

WHAT

WHO

HOW

KEY LESSON

LESSON 5
Encourage the development of a solid DFS ecosystem with relevant use cases for women

COVID-19: Digital wages for garment workers or other sectors?
CASE STUDY 3: JOPACC’s Digital Experiments

BEFORE
Limited understanding of the drivers to e-wallet usage among women

- Limited e-wallet adoption in Jordan
- Limited sex-disaggregated data among PSP

AFTER

Two Digital Experiments to investigate e-wallet usages among women

1. Digitisation of microfinance loans
   - 18% of the audience (females) opened e-wallets

2. Loyalty Program
   - +14% in usage among female clients

KEY LESSON

LESSON 1
Build a holistic understanding of women’s needs and preferences as users of DFS

LESSON 8
Invest in sex-disaggregated data analyses to monitor progress and build the DFS for Women Business Case

Create the DFS For Women Business Case
CASE STUDY 4: The Post Office expanding access to e-wallets in Jordan

Weak agent network

Female personnel at Jordan Post office act as agents - pilot started in Jerash

277 branches across Jordan

KEY LESSON

Make DFS accessible by building inclusive distribution networks
AWEF would like to thank all the institutions who contributed to this Practitioner Learning Brief:
ANNEX – AWEF’s Women Economic Empowerment Strategy and Interventions

**FIGURE 3**

**AWEF’s Digital Financial Empowerment Strategy and Interventions**

1. **Create an Enabling Environment for WEE**
   - **Strengthening the Regulatory Environment**
     - AWEF Jordan partnered with the national e-payment switch, JoPACC, to conduct ‘Digital Experiments’ and assess uptake of mobile money among low-income women.
   - **Knowledge Dissemination**
     - AWEF publishes blogs and reports to increase knowledge on best practices to accelerate women’s digital financial inclusion.

2. **Foster the Supply of Gender-Smart DFS, by Building the Capacity of DFS Providers**
   - **Dinarak’s Female Agents**
     - In Jordan, AWEF supported Dinarak to launch MENA’s first female agent network. AWEF also advised the PSP on a gender-smart marketing campaign.
   - **Heya Fawry’s Female Agents**
     - In Egypt, AWEF partnered with Fawry, Unilever, AXA and various NGOs to introduce Egypt’s first female agent network (Heya Fawry).

3. **Strengthen the demand by supporting training and other Non-Financial Services**
   - **Strengthening the Regulatory Environment**
     - In Egypt, AWEF developed a blended course (face-to-face & online) to increase awareness, understanding and trust of DFS among poor women, particularly female microfinance clients.

**VISION:**
Low-income women in Egypt and Jordan have access to, control over, and benefit from digital financial services.

**Enabling Environment**
- Skilled End-Beneficiaries
- Gender-Sensitized Institutions

**To build inclusive distribution networks**
- **Merchant & Marketplace E-payments**
  - AWEF Egypt is working with Paymob and Tamweely Microfinance to foster merchant payments among female microbusinesses.
Q & A

Nandi Hall
Moderator
Arab Women’s Enterprise Fund

Fiona Shera
Arab Women’s Enterprise Fund

Chloe Gueguen
Arab Women’s Enterprise Fund

Sabal Majali
Arab Women’s Enterprise Fund
SEEP Announcements

Resource Spotlight

Upcoming Webinars

MERS Guidance in Response to COVID-19
April 22, 2020

How to Address and Prevent Sexual Harassment in the World of Work
May 7, 2020

Blog Spotlight

Making Digital Finance Work for Women in the MENA Region: 8 Lessons from the Field