

ELAN APRIL UPDATE

ODI releases consolidated case study on financial inclusion; the ELAN heads to D.C.; and GSMA forecasts that in 2020, 40% of the global population will still lack mobile internet access.

ODI Consolidates Financial Inclusion Case Studies

Recently, the ELAN released financial inclusion case studies from [ACF in Bangladesh](#), [Mercy Corps in Ethiopia](#), and [Save the Children in Zimbabwe](#). This month, we're pleased to share the new [consolidated study](#) and [policy brief](#) from the Overseas Development Institute (ODI).

Both pieces highlight commonalities across all three contexts - including improvements to training and liquidity constraints - and share recommendations for improvement.

New This Month:

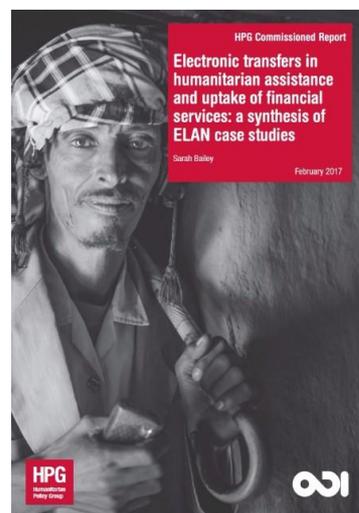
The State Made Me Save: G2P Transfers Reduce Account Dormancy

On Microfinance Gateway, Jeffrey Shapiro, Senior Program Officer at the Bill and Melinda Gates Foundation, highlights [emerging evidence](#) that government payments can spur both account creation *and* stimulate usage. Using Findex data, he finds that, "across all countries, low-income [government] transfer recipients are more likely to save and borrow through formal sources than their low-income peers who don't receive transfers." This suggests that government transfers, "could meet the joint goals of poverty reduction and financial inclusion."

Mobile Money Can Lift Women Out of Poverty: Scientific Fact

Dr. Rhonda Zelezny-Green and Alexandra Tyers of Panoply Digital highlight two recent studies from MIT and Georgetown and GSMA which examined mobile money as a tool for women's economic empowerment. In one study, access and use of M-Pesa has been attributed to lifting an "astounding" 2% of households out poverty. In their [ICTworks blog](#), the authors also suggest six approaches of successful mobile money programs for women.

New Resources: FHI 360's Digitizing Worker Salary Payments and Oxfam's Responsible Data Management Training Pack



Check out the new [consolidated case study](#). Want just the highlights? Start with the [policy brief](#).

FHI 360 has released its [Digitizing Worker Salary Payments Manual](#). Designed for ready-made garment factories in Bangladesh and organizations supporting them, chapters on the country's current mobile financial service (MFS) environment and challenges related to MFS adoption also benefit our humanitarian audience.

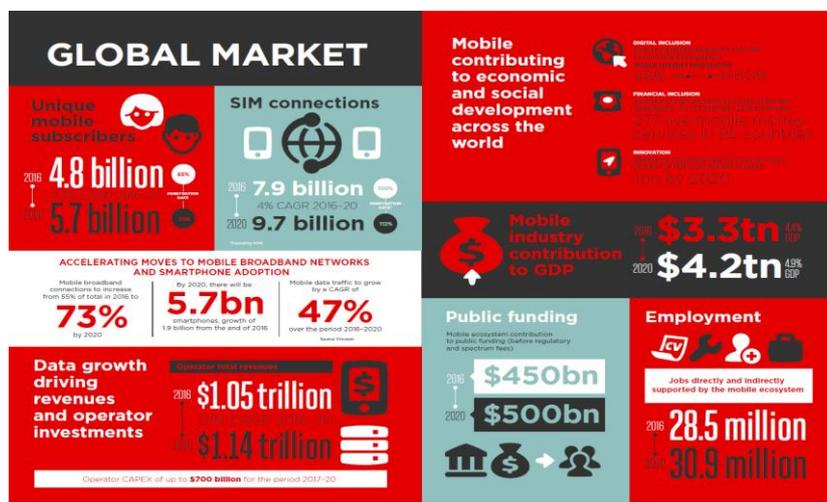
Is tackling responsible data management (RDM) on your to-do list? Not quite sure where to start? Oxfam has developed an [adaptable training pack](#) for humanitarian organizations, with translations into French, Arabic, and Spanish.

We Love Cash. We Hate Cash. We Just Can't Stop Reporting on It.

The [Wall Street Journal](#) enters the fray, arguing that the push to end hard currency for digital keeps hitting speed bumps.

GSMA Releases Mobile Economy Report for 2017

[Here it is](#), folks. With forecasts out to 2020, Chapter 3 devoted to "mobile addressing social challenges," and a rockin' infographic.



Sarah Bailey
Independent
Consultant and
Research Associate

Ask the Expert: Sarah Bailey - Independent Consultant and Research Associate

An independent consultant and research associate, Sarah authored ODI's [consolidated case study](#) and [policy brief](#) highlighted in this

month's issue. The ELAN caught her at month's end only to realize we might soon be out of a job.

1.) Were there any findings from the financial inclusion case studies that surprised you?

I was surprised at how interested mobile network operators were in Ethiopia and Zimbabwe in facilitating the use of mobile money by NGOs in areas where mobile money didn't already have a strong foothold, given the investment in staff and time that required of MNOs and that the programs were short term.

2.) What findings were most relevant to your experience?

There is much excitement around the use of mobile money in humanitarian response, and deservedly so...but at the same time, it's important not to pile on expectations about financial inclusion.

A headline finding of the case studies is that recipients will continue to use digital financial services only when they are relevant to their lives. That's a reminder that we need to think about the lives and priorities of people assisted and be careful not create unrealistic expectations about killing two birds with one a cash transfer stone.

3.) Which barriers will be the hardest to overcome?

For now, very few cash transfer programs use mobile money, in large part because mobile money is often nascent or absent in the places where humanitarians work, or there are simply better ways to reach people with money. This could shift as network coverage becomes more ubiquitous. My concern is that aid agencies aren't ready for the opportunities.

My priority for digital transfers is that cash transfer programs should always use them, and use them well, when they are the best way to reach people with money. I don't think that should be achieved by "training up" aid workers to engage with MNOs, but by working with people, businesses, and organizations that know this arena better than humanitarians do.

4.) What were the gaps for you in the studies?

My "knowledge wish" is for the future. I would like to hear from the recipients in a few years, when mobile technology will have advanced, to find out what the program meant to them at the time and whether it influenced them subsequently on using mobile money or even just mobile phones.

5.) You recently worked on the High Level Panel on Humanitarian Cash Transfers. [Including [this piece.](#)]

Where do you think cash should focus next?

Cash transfers have finally moved from being a purely technical conversation (*Can cash replace in-kind aid?*) to a strategic one (*Can cash change the humanitarian system?*). These strategic questions aren't new, they just weren't obvious when cash transfers were mainly small-scale

programs.

Cash is an incredible opportunity to help people by giving them choice at a time of very limited options. This is the strong, unwavering argument for cash in my book. Yet some agencies are painting this unique flexibility as a problem to mandates, clusters, and monitoring.

The next set of questions will be steeped in issues of technology, because aid agencies and donors naturally will be using tech more and more. This will lead to more discussion on the role humanitarian assistance might play related to identity. The "cash transfer experts" won't be aid workers (and ex-aid worker researchers like me), but people, institutions, and teams that can cross over between the humanitarian, tech, and financial sectors.

6.) You also wrote ODI's working paper on [humanitarian cash transfers in the DRC](#). What successful strategies have you seen for using electronic cash and vouchers where financial infrastructure is limited?

In DRC, aid agencies providing cash transfers are mainly turning to money transfer agents - rather than digital systems - because the money transfer companies are more reliable and can operate in many of the places that mobile money agents can't. However, I think it's really worth the relatively small investment to improve the working relationship between NGOs and MNOs – if they can get it right even in a few select places, it opens the door to reach people quickly with mobile money, if and when those services expand.

7.) Given all your recent work on cash, what's one piece of advice you have for ELAN readers?

Never forget that cash transfers are a fundamentally simple tool that the humanitarian system is doing its best to over-complicate.

Get Involved

Participants Needed for Research on Global Partnerships between FSPs and Humanitarian Agencies

Lindsay Evans, a humanitarian logistics and emergency management Masters student in Dublin, Ireland, is conducting dissertation research on global partnerships and the perceived benefits, shortcomings, barriers and facilitators to cash transfer programs.

Lindsay is currently looking for participants from humanitarian agencies or financial service providers with experience in cash transfers to take part in interviews throughout May. If you are interested in participating, please touch base with her directly at lindsayjoyevans@gmail.com.

Webinar Recording: E-vouchers in Uganda

If you missed last week's webinar on Mercy Corps' use of e-vouchers in Uganda, make a cup of tea, kick up your feet, and listen to [the recording!](#)