

HALIMA LEFT HER HOME BECAUSE OF A DEVASTATING DROUGHT. THROUGH SAVING SOME OF HER CASH, SHE HAS MANAGED TO BUILD A BUSINESS IN A CAMP FOR DISPLACED PEOPLE.

"We appreciate mobile money, especially for women who are household custodians and the breadwinners"

HALIMA

SOMALIA



World Food Programme

SAVING
LIVES
CHANGING
LIVES

**WESTERN AFRICA REGIONAL CASH WORKING GROUP
FINANCIAL INCLUSION**

MARCH 2023

WHAT IS “FINANCIAL INCLUSION” EXACTLY?

World Bank Definition

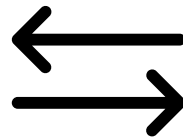
Financial inclusion means that individuals **and businesses** have access to useful and affordable financial products and services **that meet their needs** – transactions, payments, savings, credit and insurance – delivered in a responsible and sustainable way.

Individual and their businesses

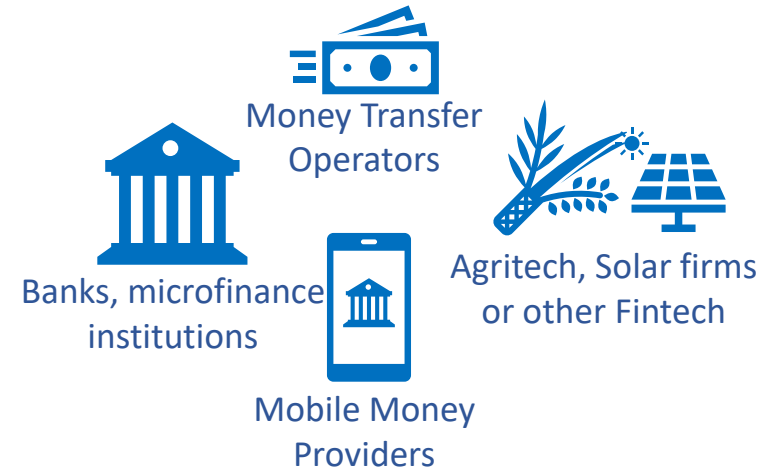


Useful

Affordable



Financial Services Providers



Responsible

Sustainable

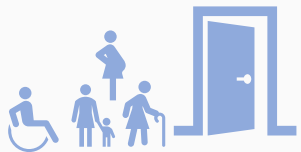
WHAT ABOUT “DIGITAL” FINANCIAL INCLUSION?

Digital financial inclusion can be defined as the digital access to, use of, and benefit from formal financial services by excluded and underserved populations.

Meet Halima in Somalia



Key benefits of digital financial services include:



Increasing Access to formal financial services & **Lowering Costs**



Bridging the **data gap** between providers & customers



Increasing **trust** & deepening **customer engagement** with low-income populations



Enabling new **business models**, tailored to the **needs** of the most vulnerable

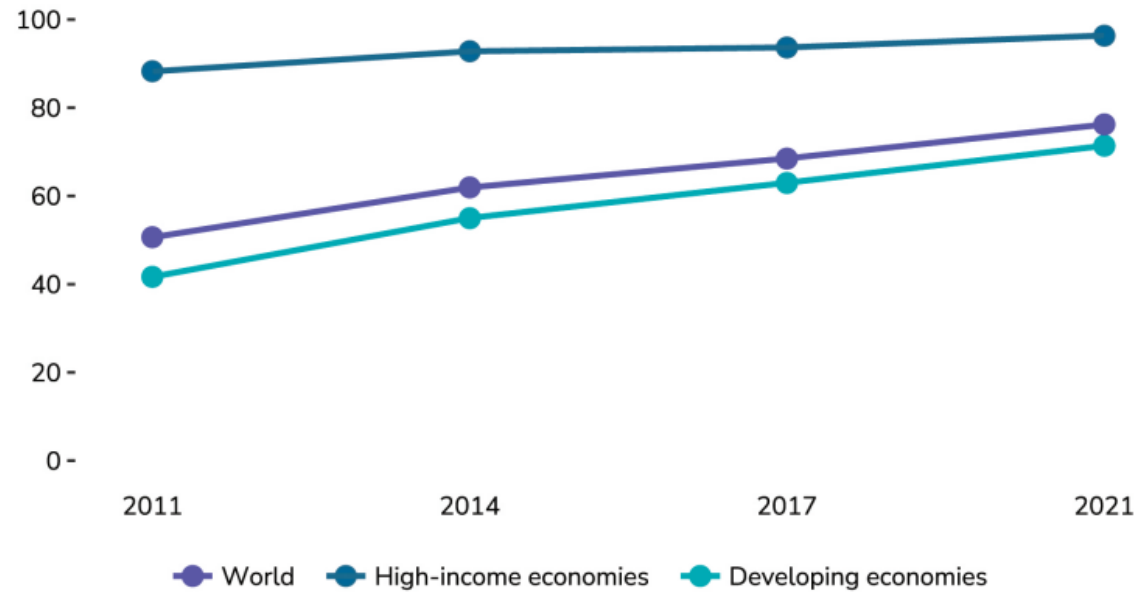


Enabling access to **Non-Financial Services** (access to skills, knowledge, to markets)

WORLDWIDE, 76% OF ADULTS NOW HAVE AN ACCOUNT. BUT ABOUT 1.4 BILLION ADULTS REMAIN FINANCIALLY EXCLUDED... WHAT CAN WE DO ABOUT IT?

Global account ownership increased from 51 percent to 76 percent between 2011 and 2021

Adults with an account (%), 2011–21



Source: Global Findex Database 2021.

Account ownership rates vary across the world

Adults with an account (%), 2021



Source: Global Findex Database 2021.

Sub-Saharan Africa experienced the fastest growth in account ownership, but the region remains behind...

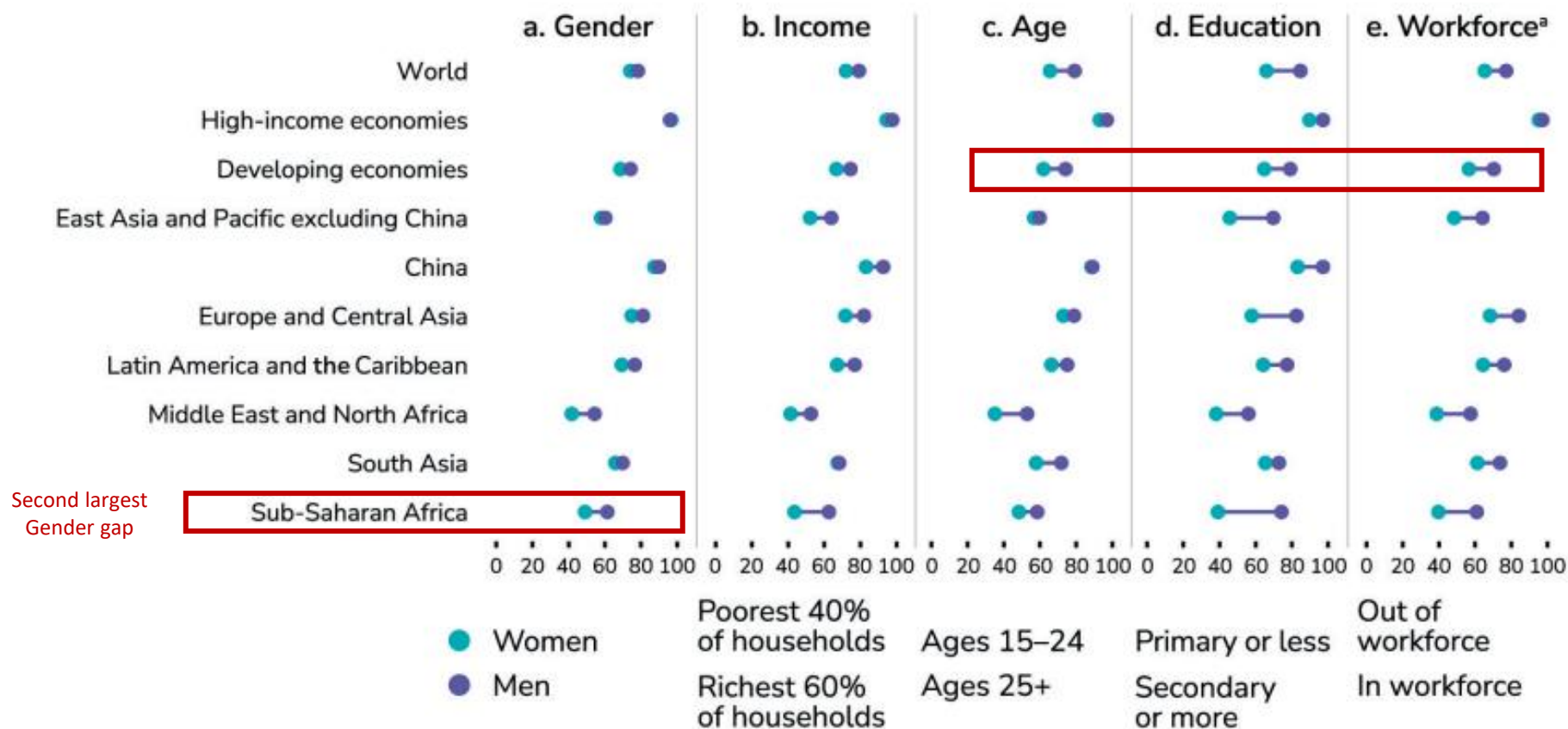


Cash-based transfer (and G2P) programmes can be a **starting point** for Digital Financial Inclusion by providing **first-time access to accounts** (bank and mobile money accounts) and financial services to unbanked and underserved populations and their businesses, who are otherwise left behind by formal financial channels.

WOMEN, THE POOR, THE YOUTH, THE LESS EDUCATED AND THE UNEMPLOYED REMAIN LESS LIKELY TO HAVE A FINANCIAL ACCOUNT

Gender, income, age, education, and workforce gaps remain in every region around the world

Adults with an account (%), 2021



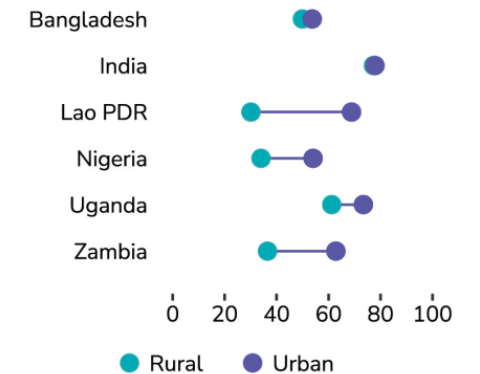
Source: Global Findex Database 2021.

a. Employment status for adults in China is not available.

f. The rural-urban gap exists, but it is not clear how big it is, due to various definitions of what make an area rural. Findex 2021 provides data for some countries.

The rural-urban account ownership gap varies widely by economy

Adults with an account (%), 2021

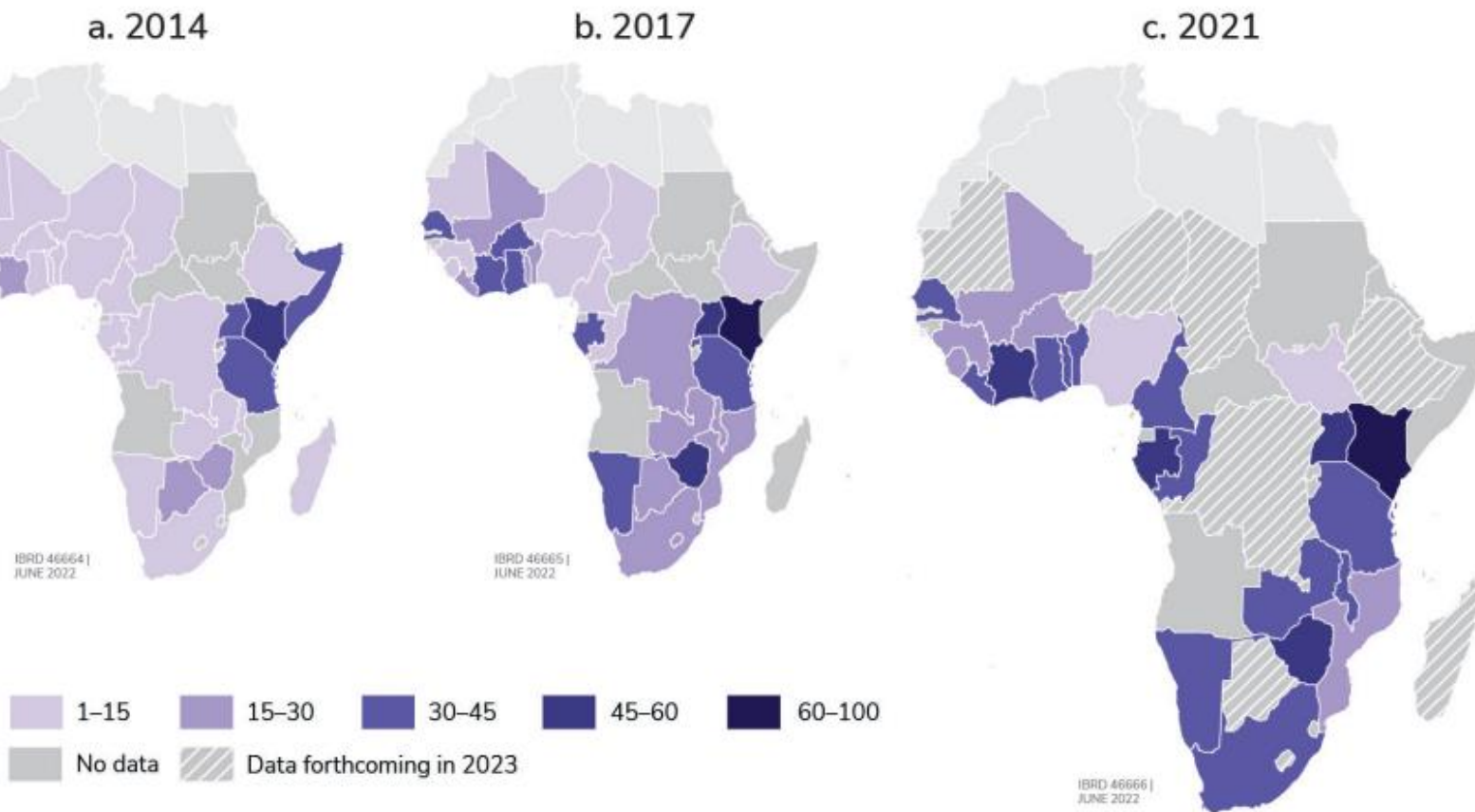


Source: Global Findex Database 2021.

OVER THE LAST DECADE, SUB-SAHARAN AFRICA IS THE REGION WHICH EXPERIENCED THE FASTEST GROWTH IN ACCOUNT OWNERSHIP, DOUBTLESS SPURRED BY MOBILE MONEY

Mobile money accounts both grew and spread across Africa from 2014 to 2021

Adults with a mobile money account (%), 2014–21



- **33% of adults have a mobile money account** - the largest share of any region in the world!
- **All 11 economies with more adults in possession of a mobile money account** than a traditional financial institution account were in Sub-Saharan Africa
- **The COVID-19 pandemic and social distancing measures** drove increases in the adoption of mobile money.
- **Mobile money has also grown in many fragile and conflict-affected economies:** Cameroon and DRC : +70% growth in mobile money account ownership between 2014-2021.

DESPITE RAPID GROWTH, SUB-SAHARAN AFRICA LAGS BEHIND IN TERMS OF ACTUAL ACCOUNT OWNERSHIP AND USAGE

Account ownership (2021)

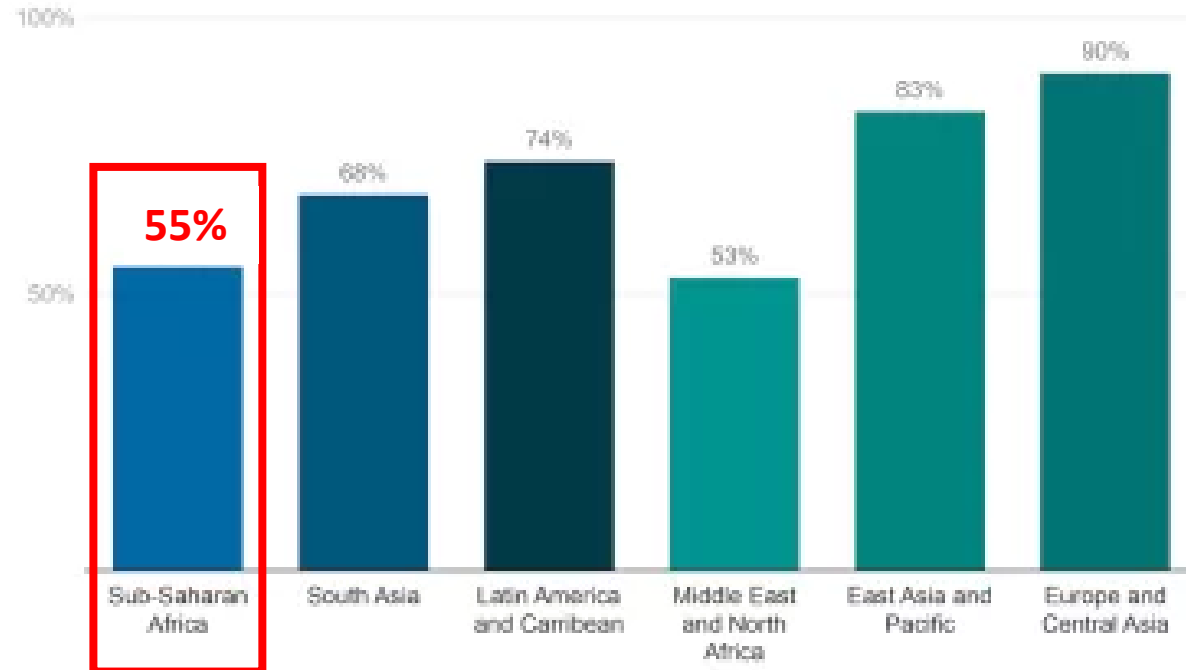


Chart: CGAP • Source: 2021 Global Findex

Account usage (2021)

*Made or received a digital payment

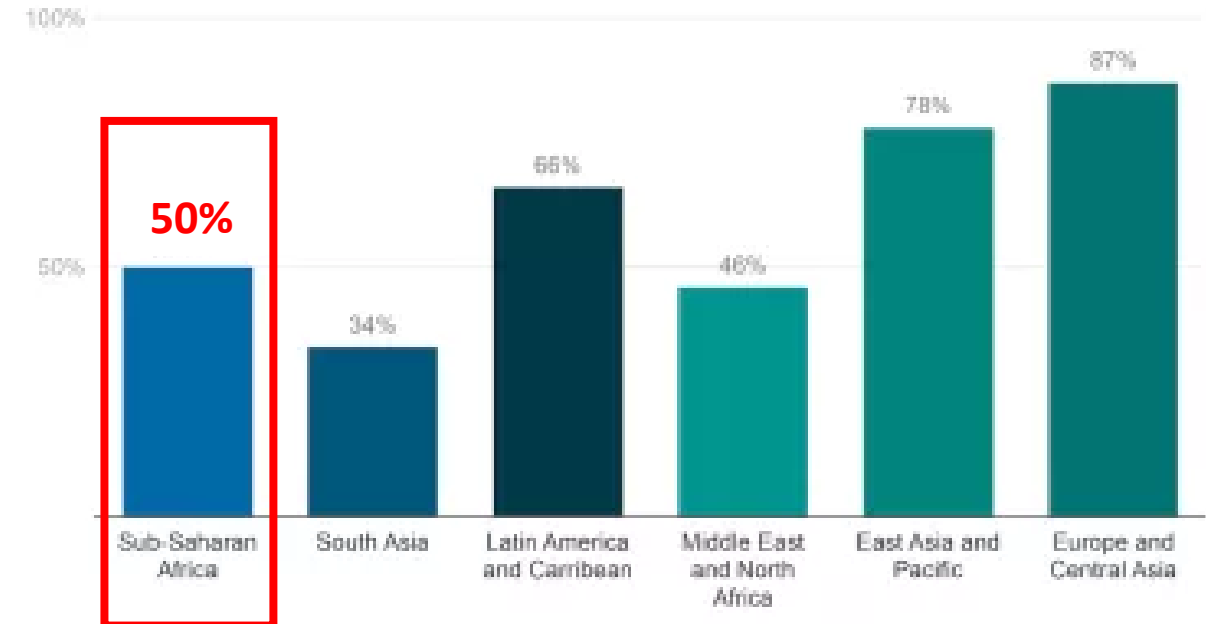


Chart: CGAP • Source: 2021 Global Findex

GLOBALLY, THE GENDER GAP IN OVERALL ACCOUNT OWNERSHIP HAS FALLEN OVER THE PAST DECADE (NOW AT 6% IN DEVELOPING ECONOMIES) EXCEPT IN AFRICA

Gender gap in financial account ownership by region



Sub-Saharan Africa is the region with the second largest financial inclusion gender gap.

Over the last decade, the gender gap rose from 5% in 2011 to 12% in 2021.

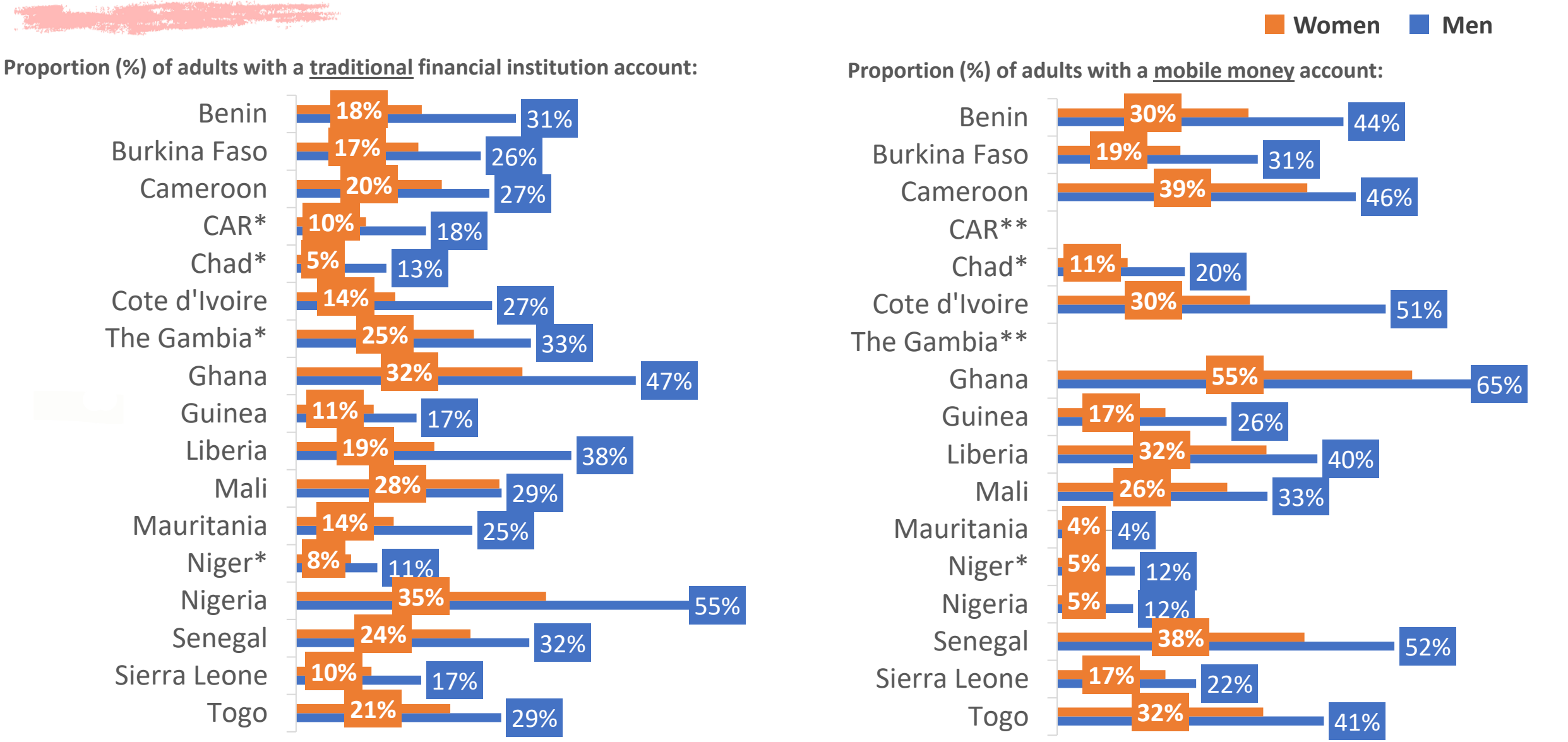


Côte D'Ivoire: 27 percentage points



Nigeria: 20 percentage points

IN WEST AFRICA, WOMEN ARE CONSISTENTLY LESS LIKELY THAN MEN TO HAVE ACCESS TO FORMAL FINANCIAL SERVICES



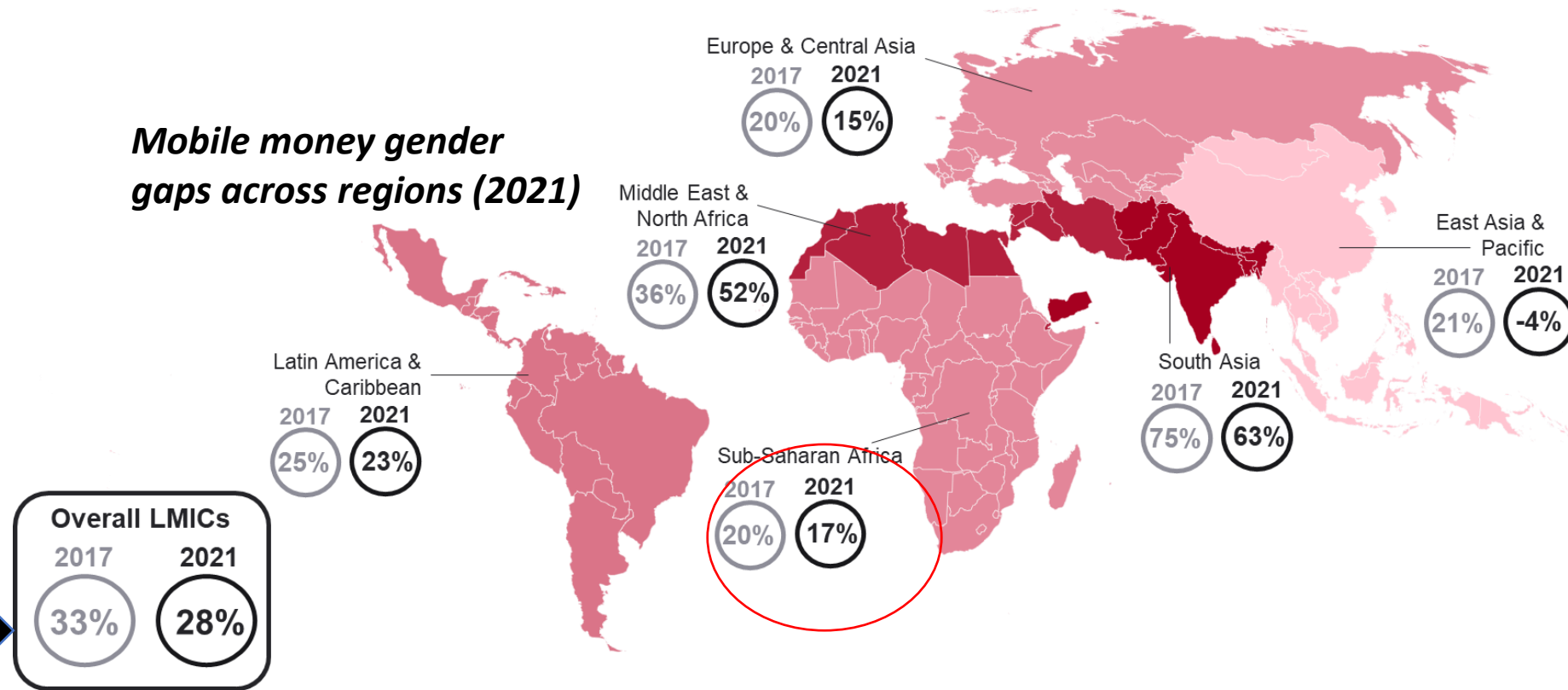
Source: Global Findex Data 2021 for most countries or 2017 data (*). Data on mobile money account ownership was not available for CAR and the Gambia (**).

BUT THERE ARE POSITIVE SIGNS THAT MOBILE MONEY CAN HELP BRIDGE THE FINANCIAL INCLUSION GENDER GAP IN THE REGION

Between 2017 and 2021, the growth in mobile money account ownership and usage was higher among women than men in Africa.

But despite progresses, a mobile money gender gap remains : **women are 17% less likely than men to own a mobile money account***

Mobile money gender gaps across regions (2021)



Gender gap in ownership / use (%) =



Male owners / users
(% of male population)



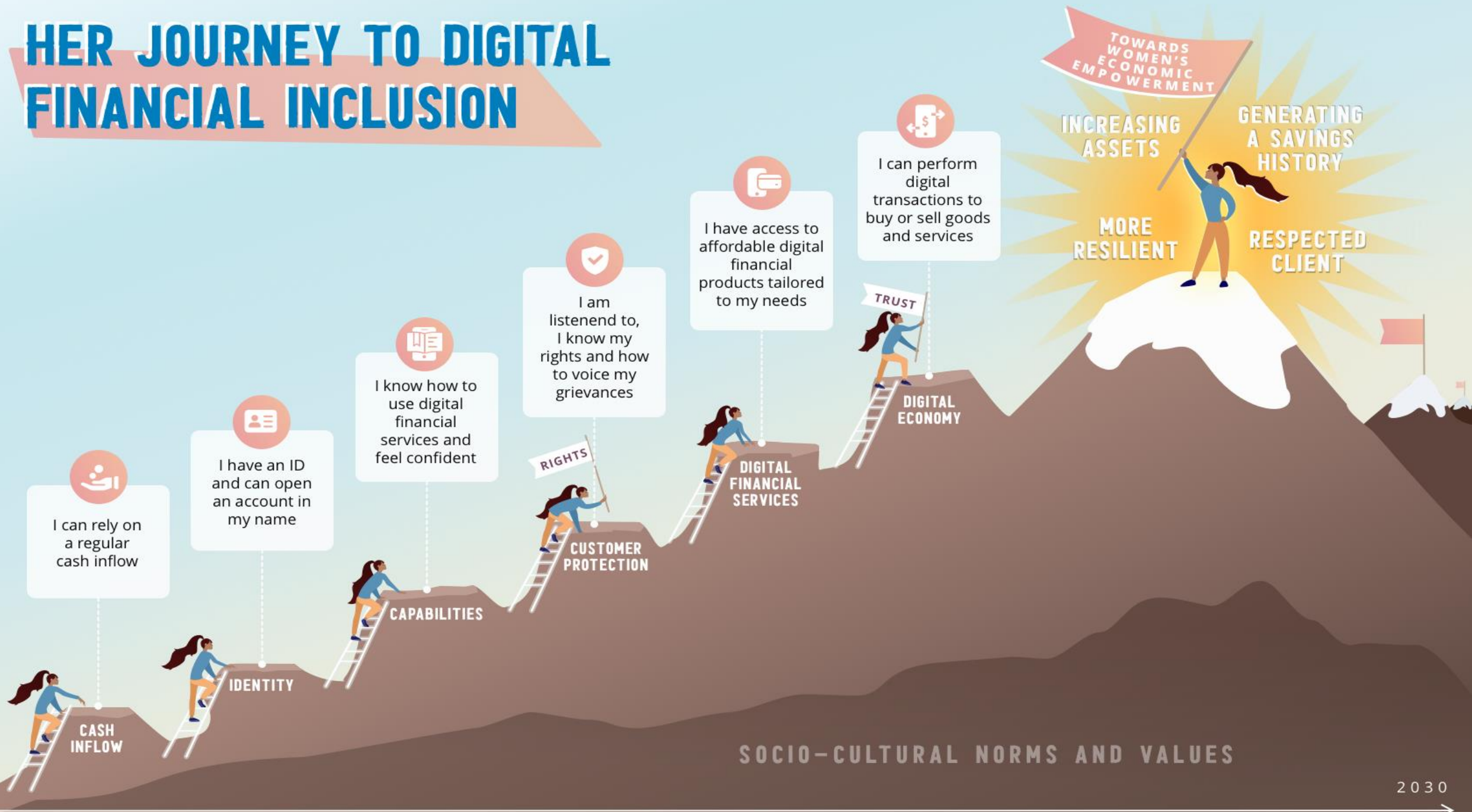
Female owners / users
(% of female population)



Male owners / users
(% of male population)

HER JOURNEY TO DIGITAL FINANCIAL INCLUSION

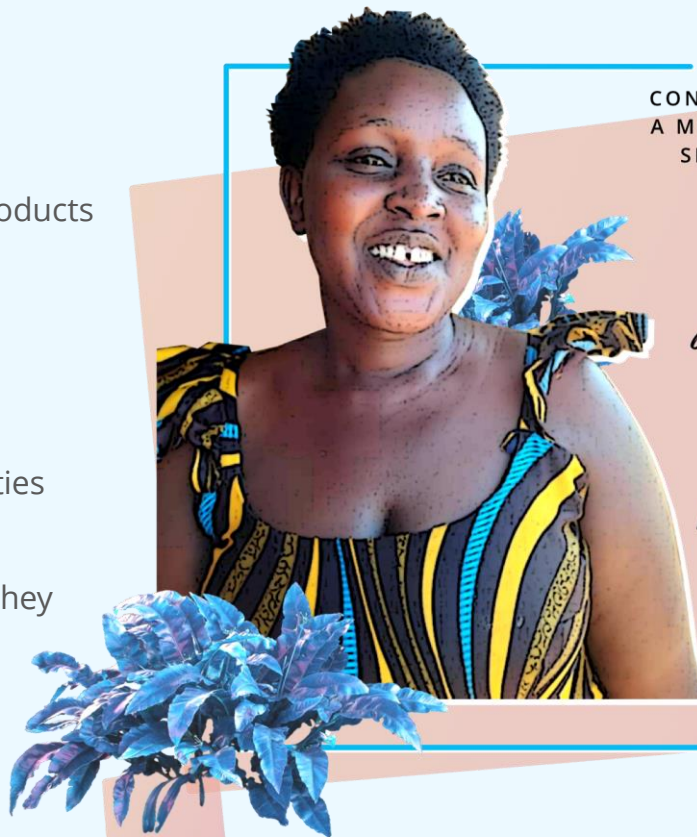
LEVEL OF DIGITAL FINANCIAL INCLUSION



WHAT DOES PRIORITIZING WOMEN MEAN?

- **DIRECT** money transfers for families to women
- **CONNECT** women with good formal financial services and products
- **PROMOTE** the issuance of government IDs to women
- **PROVIDE** women with the knowledge and skills and social networks to take advantage of economic opportunities
- **INFORM** women of their rights and entitlements and ensure they trust community feedback mechanisms

IT DOES NOT MEAN EXCLUDING MEN OR SPECIFIC VULNERABLE GROUPS!



AN ORPHAN AND REFUGEE, SHE CAME FROM CONGO TO UGANDA IN 2005. AT 18, SHE STARTED A MOBILE MONEY BUSINESS WITH HER HUSBAND. SHE SERVES ABOUT 200 CUSTOMERS MONTHLY.

"With the business, I was able to buy 5 cows and 2 goats. I opened two more branches of mobile money"

CHANTAL
IN NAKIVALE, UGANDA

YOUR THOUGHTS PLEASE!

*"If I had a bit of money I
would buy fresh fish for my
family. I would prepare it well
so my children would eat it
and have energy"*

LUCIENNE
CENTRAL AFRICAN
REPUBLIC

