

## MICROCAPITAL BRIEFS | TOP STORIES

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### Africa-focused Flutterwave Raises \$250m in Equity Round Led by B Capital

Please see page 3 for more on this *MicroCapital Deal of the Month!*

### NBFCs in India Gain Flexibility, Including Release of Interest Cap

Non-banking financial company-microfinance institutions (NBFC-MFIs) in India may set their own interest rates freely now that the Reserve Bank of India (RBI) has repealed the ceiling that previously applied to microlending rates. In the interest of client protection, however, lenders may no longer charge a penalty fee in cases of prepayment, and client repayments may not exceed half of household income. Meanwhile, RBI has increased the maximum annual household income to qualify for a microfinance loan by 50 percent to the equivalent of USD 4,000. NBFC-MFIs also may now increase the portion of non-core assets that they hold from 15 percent to 25 percent. For NBFCs that are not MFIs, the allowable portion of microfinance assets is now 25 percent, up from 10 percent of total holdings. March 31. 2022

### EBRD Deploying \$2b for Ukrainians; Shutting Down Operations in Belarus, Russia


In response to the war in Ukraine, the UK-based European Bank for Reconstruction and Development (EBRD) is cutting off assistance to Russia and Belarus, both of which are EBRD members. The institution is also closing its offices in Moscow and Minsk. EBRD has outstanding investments equivalent to about USD 980 million in each country. The bank is also directing USD 2 billion to assist with liquidity and trade in Ukraine as well as countries hosting those who have fled the violence. EBRD, whose shareholders comprise 69 countries plus the EU, disbursed USD 13 billion during 2020. March 5 and March 31. 2022

### PPro Acquires Alpha Fintech to Boost Payment Infrastructure

PPro, a payments infrastructure firm based in the UK, recently announced the acquisition of Alpha Fintech, an Ireland-based financial technology company. PPro helps financial services providers accept payments through third-party platforms such as China-based Alipay and US-based PayPal. Among the goals of the deal is to expand PPro's reach in Asia, increase implementation speeds and boost risk management. Alpha Fintech employs a staff of 90 in Australia, Ireland, Singapore and the US, enabling the "integration of digital payments products and services, from payment processing and merchant management to risk management, fraud prevention and data analytics." PPro, which facilitated 146 million transactions during 2020, has 10 offices in the Americas, Europe and Singapore. March 21. 2022

### PayPal Waiving Fees in Ukraine; Cutting Service in Russia

US-based money transfer firm PayPal recently announced that Ukrainians - whether in their home country or elsewhere - will be able to receive British pounds, Canadian dollars, euros and US dollars into PayPal accounts to make purchases or transfer funds to bank accounts, credit cards and debit cards. Previously Ukrainians could send ...\*

\*To access more of these top stories, please email [info\[at\]microcapital.org](mailto:info[at]microcapital.org) to request a sample of the subscriber edition of this newspaper! 

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### WE WISH YOU HEALTH!

We recognize the significant health and business impacts that COVID-19 is having on communities around the world. Thank you for your efforts to minimize the risks that we all are facing. While each of us at MicroCapital is lucky enough to be able to work from home, we understand that not all of our colleagues are able to do so. We wish you and your loved ones good health and resilience during this time.

## NEWS FROM AFRICA

### InsuResilience Fund Acquires 40% Stake in Ghana's Vanguard

BlueOrchard Impact Investment Advisors, a Swiss unit of the UK-based Schroders Group, recently disbursed an undisclosed sum from the Insu-Resilience Invest Fund (IIF), a Luxembourg-domiciled public-private partnership, to purchase of 40 percent of the shares of Vanguard Assurance, a provider of microinsurance as well as traditional coverage in Ghana. The deal, under which IIF controls multiple seats on Vanguard's Board of Directors, is intended to grow Vanguard's client base, including by boosting its "microinsurance distribution capabilities." IIF's technical assistance funding will support Vanguard with product development assistance and "raising market awareness for climate risk mitigation." Established in 1974, Vanguard offers individuals and companies insurance products via digital channels as well as 14 branches. Its services cover risks related to vehicles, accidents, travel, fire, property, employees and adverse weather events. March 24. 2021

### Juhudi Kilimo of Kenya Sells 39% Equity Stake to NMI for \$3m

Nordic Microfinance Initiative (NMI), a Norway-based public-private partnership that supports microfinance institutions (MFIs) in developing countries, recently paid USD 3.1 million to acquire a 39.4-percent stake in Juhudi Kilimo, a Kenyan microlender offering "wealth-creating financial solutions for smallholder farmers and rural microentrepreneurs in Kenya." Bernard Kivava, the CEO of Juhudi Kilimo, noted the institution's use of "digitization to improve on efficiencies and turnaround time in service delivery." Juhudi Kilimo began operations in 2004 within the Kenyan nonprofit K-Rep Development Agency and became independent in 2009. The MFI has since grown to serve 90,000 clients via 48 service locations. About two thirds of its clients are women, and over one third are youth. Juhudi Kilimo offers group and individual loans as well as business and financial education. In addition to NMI, Juhudi Kilimo's equity investors include a fund of Belgium's Incofin Investment Management and US-based nonprofit Acumen Fund. March 17. 2022

### ACEP MFIs Borrow \$4.4m from Grameen Credit Agricole

The microfinance institutions Agence de Cr dit pour l'Entreprise Priv e (ACEP) Burkina and ACEP Cameroon each have borrowed local currency approximately equivalent to USD 2.2 million from the Luxembourg-based Grameen Credit Agricole Foundation. ACEP Burkina was created in 2009 and has nine branches, 228 employees, a credit portfolio of USD 53 million and 18,000 borrowers - of whom 21 percent are women. Created in 1999, ACEP Cameroon has a gross loan portfolio of USD 36 million, 24 agencies, and 15,000 clients - including 5,100 women and 4,200 who live in rural areas. Both institutions are members of the ACEP Group, which also owns stakes in ACEP Madagascar and ACEP Niger. These four microfinance institutions employ 1,200 people and serve 148,000 customers - of whom 40 percent are women. ACEP Group was created by ACEP International, a private company whose ownership includes its Co-founder Thierry Perreau, France-based Investisseurs and Partenaires, and the government-owned BIO (Belgian Investment Company for Developing Countries). March 11 and March 16. 2022

### African Small Business Catalyst Accepting Funding Applications

Two government-backed institutions, the US African Development Foundation (USADF) and the US International Development Finance Corporation (DFC), recently announced the launch of the African Small Business Catalyst (ASBC), "a business accelerator for early growth-stage small and medium-sized enterprises (SMEs) in sub-Saharan Africa." Through April 15, firms in Cote d'Ivoire, Nigeria, Senegal and Uganda may apply for loans ranging from USD 100,000 to USD 1 million paired with technical assistance and grants up to USD 100,000. In future years, ASBC expects to expand the offer to other countries in Africa. The program's sectors of focus are education; healthcare; agriculture and food security; and water, sanitation and hygiene, in addition to enterprises that address climate change and gender inequality. Founded in 1980, USADF provides funding, technical assistance and networking opportunities to African enterprises and entrepreneurs, particularly women and youth. For the year 2020, USADF reported revenue of USD 43 million. DFC issues equity placements, insurance, technical assistance and research in sectors such as energy, medicine, infrastructure and technology. During 2020, DFC brought in net income of USD 232 million, closing the year with assets of USD 12 billion. March 14. 2022

### Angala's Payrail Agency App to Expand Agent Banking in Nigeria

Angala Financial Technology, a Nigerian firm, recently announced the release of its Payrail Agency mobile app, which allows entrepreneurs to offer branchless banking services to their customers. The app targets farmers as well as other rural operators of micro-, small and medium-sized enterprises - including those with low levels of literacy. Payrail Agency facilitates savings, payments, transfers, loans and insurance services. Angala's other apps include Payrail Urban - a personal mobile money app - and Payrail Business. The firm has approximately 200 employees. March 10. 2022

### DFIs Investing \$95m in AgDevCo for Agribusiness in Africa

AgDevCo, an investor in smaller agribusinesses in Africa, is receiving a funding package of USD 90 million from three development finance institutions: USD 50 million in equity from the CDC Group, which is in the process of rebranding itself as British International Investment; USD 20 million in equity from Norway's Norfund; and USD 20 million in debt from the US International Development Finance Corporation (DFC). The organizations also are providing USD 5.4 million for AgDevCo to use for technical assistance for its investees. Vicky Ford, a Parliamentary Under Secretary of State for the UK government, said, "This new investment will bring continued growth, by enabling agribusiness SMEs [small and medium-sized enterprises] to expand, improve farmer incomes, create new jobs and strengthen climate resilience across Africa." In addition, the firm reportedly is to use a significant portion of the new funding to "focus on women farmers." AgDevCo, which was launched by the UK government in 2009, reports 47 placements valued at a total of USD 150 million. During 2020, CDC issued new commitments equivalent to USD 2.5 billion, and Norfund issued USD 540 million. DFC brought in net income of USD 232 million during the same year, closing the period with assets of USD 12 billion. March 10. 2022

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### Lipa Enables FSPs to Offer Merchants to Tap-to-pay

Lipa Payments, a financial technology firm based in South Africa, is rolling out its flagship digital “tap-to-pay” service, which allows merchants in Africa’s informal sector to accept cashless payments from customers via mobile phones with no need for point-of-service terminals. The service, which Lipa is introducing via financial services providers in Nigeria and South Africa, integrates Bluetooth technology for phone-to-phone payments and near-field communication (NFC) technology for card payments. Lipa Co-founder Roger Bukuru reportedly noted, “Merchants run the risk of running out of cash during business hours, and there are security risks when managing cash.” Lipa was established in 2019 to address “informal areas not having access to adequate and safe payment systems in a digital age.” March 8, 2022

### Flutterwave Raises \$250m in Equity Round Led by B Capital

Flutterwave, a US-based financial technology firm active in 34 African countries, recently raised USD 250 million in a Series D equity round, giving the firm a valuation of USD 3 billion. The funding round was led by US-based B Capital Group, with three other US-based investors also buying into the company for the first time: Alta Park Capital, Lux Capital and Whale Rock Capital. Other participants in the round were previous investors in the firm, including Avenir Growth, Glynn Capital, Green Visor, Salesforce Ventures and Tiger Global. Regarding Flutterwave’s product development for small and medium businesses (SMBs), CEO Olugbenga “GB” Agboola reportedly said SMBs “require the same technology pie the Ubers and Netflixes of this world use.” Flutterwave Market, for example, “allows small businesses anywhere in Africa to create an e-commerce shop online at zero cost scale.” Flutterwave also offers Barter, a mobile app that assists individuals with budgeting; Rave, a business-to-business payment service; Send, which offers international remittances; and Grow, which facilitates African companies in getting established in the UK and the US. The firm reports having 900,000 business customers. March 7, 2022

### Grameen Crédit Agricole Lends \$445k to VisionFund Uganda

VisionFund Uganda has borrowed the equivalent of USD 445,000 from the Grameen Crédit Agricole Foundation, a Luxembourg-based provider of funding and technical assistance to social businesses. Established in 2012, VisionFund Uganda is a microlending unit of VisionFund International, which, in turn, is owned by World Vision International, a US-based NGO active in “humanitarian aid, development and advocacy.” VisionFund Uganda operates 23 branches, serving 45,000 customers, most of whom are women and nearly all of whom live in rural areas. The organization has a loan portfolio of USD 6.8 million. VisionFund International is active in 28 countries, providing 1 million people with loans, savings services, insurance, financial education and training in business skills. World Vision took in revenue of USD 1.2 billion during 2020 and is active in 100 countries. March 3, 2022

### Maku Buys Debt Holdings in DRC Palm Oil Producer PHC

Four European development finance institutions (DFIs) recently sold their debt holdings in Plantations et Huileries du Congo (PHC), a palm oil business in Democratic Republic of the Congo. The buyer is Maku Holdings, an affiliate of Kuramo Capital Management, which has offices in Kenya, Nigeria and the US. The DFIs began investing in PHC in 2013 out of concern that the firm would fail and thus deprive the country of thousands of jobs and a significant source of cooking oil. To acquire the DFI funding, the firm agreed to be bound by an Environmental and Social Action Plan (ESAP), and the firm has spent USD 7 million since then on access to clean water as well as education and medical services. In 2018, a group of PHC’s neighbors entered into a mediation process with the firm regarding concerns such as its impact on human rights. Both the ESAP and the mediation process are to continue into the future, the latter with additional funding from two of the DFIs. For more detail, including which DFIs are involved, please refer to <https://microcapital.org>, February 28, 2022 📄



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## SPECIAL REPORT



*This is the first part of a series sponsored by Agents for Impact (AFI), a German impact investing firm whose products include the AFI Sustainability Alignment Rating (AFISAR®) Tool. The AFISAR® rating is a trust mark - in microfinance and other forms of social business - signifying a commitment to positive and enduring change for people and the planet based on the UN Sustainable Development Goal (SDG) framework.*

*AFISAR® helps MFIs leverage the market's growing focus on sustainability performance to raise capital from international investors and, particularly, impact investors. The rating helps investors and social businesses understand their strengths and*

*weaknesses and devise effective strategies to minimize negative impact and maximize positive impact to the benefit of the organization - its employees, clients and other stakeholders - as well as the environment.*

*The active dialogue and engagement embedded in the AFISAR® rating process enables the MFI as well as asset managers to embark on a journey that leads to long-term sustainable development. A rating above the sustainability threshold on the scale (see below) is favorable for the disbursement funds. To date, AFI has used the AFISAR® Tool to rate 30+ microfinance and SME finance institutions in the Caucasus, Central and South Asia, East Africa and Eastern Europe, helping the institutions demonstrate their SDG competency and alignment.*



**Pratibha Singh, an SDG Rating Analyst with AFI, and Sergey Kim, the CEO of FINCA Tajikistan, Discuss the AFISAR® Rating, Microfinance, Impact and Much More!**

*Pratibha Singh (pictured): How did you become interested in microfinance?*

*Sergey Kim: My professional career started in 1998 in the field of microfinance. I was working as a loan officer for a UN microcredit project,*

*which made it possible for me to have a close look at the ground-level realities concerning credit operations. After finishing my graduate degree, I chose FINCA because the job was close to people.*

*I have worked with FINCA since 2006 and have been in Tajikistan for the last 12 years. FINCA Tajikistan has been active since 2004 and is now amongst the top five MFIs in the country. We offer many financial products and services, such as loans, savings, deposits, money transfers, microinsurance and currency exchange. FINCA Tajikistan serves 30,000 customers through 26 branches. There is a significant need for microfinance in Tajikistan, as more than half of the country's population lacks access to common financial services.*

*PS: What makes the FINCA model unique?*

*SK: For FINCA, the social mission is embedded in our values of warmth, trust and responsible banking. The segment of people that we work with has limited access to traditional banking services, and most of our customers are in remote, rural areas. At FINCA, we create trust in the banking system by giving people the tools, knowledge and confidence they need to build their financial health. We also are increasing digital service delivery to drive down costs and reach more people.*

*PS: What is at stake for an MFI like FINCA Tajikistan when it comes to the SDGs, and how does the MFI contribute to these goals?*

*SK: From the very beginning of my career, being out in the field, I understood how microfinance is critical to ending poverty because it gives people the ability to create their own futures. The pandemic has pushed more people back into poverty, especially women. In Tajikistan, 39 percent of our borrowers are women, and 80 percent of these women are the main income earners in their households.*

*We are also battling climate-related challenges in Tajikistan such as mudslides and extreme weather events that impact agricultural production. Around the world, people at the bottom of the economic pyramid will feel the biggest impacts of climate change, and we have to develop ways to support their resiliency and keep them in the financial system. We integrate these risks into our portfolio and make a point of communicating directly with our customers about their options.*

*PS: FINCA Tajikistan received an A rating on our AFISAR® rating scale, and USD 2 million were disbursed via Invest in Visions. Those are great results. How did the AFISAR® rating process unfold, and why did you decide to take it on?*

*SK: Undergoing the AFISAR® rating was the beginning of our partnership with AFI. The framework covers many aspects of our activities, including our social and environmental impact, our approach to staff and gender issues, and the protection of customer rights. The AFISAR® Tool has enabled us to better focus our efforts to improve our operations and ensure that we are meeting standards. We share the results with lenders, staff and customers to develop trust and attract more business.*

*PS: Please share a story of FINCA's impact.*

*SK: The first customer who comes to mind is named Rustom. He was growing various fruits in his garden and owned a small piece of land for planting wheat and rice. He was active in agribusiness but doubted whether he could expand his business sustainably. He eventually chose to apply for a loan and was successful in expanding his agricultural production, including by raising livestock. The multidimensional impact of his loan is visible in his personal life, also, as he managed to provide a good education for his children and fund his daughter's wedding.*

*PS: How have you navigated the challenges of the past two years, and what are your plans to prepare for future uncertainty?*

*SK: For many years, we have operated in environments that frequently change and demand a certain resilience. However, COVID-19 created a level of uncertainty that we had never witnessed before. We first ensured that we had the resources that would allow us to continue our operations even as business ground to a halt.*

*We gathered a lot of data to analyse the impact on our customers, staff and portfolio performance while also evaluating the consequences*

*of government action. This helped us respond in a way that protected our customers. We had a clear lending strategy and reevaluated our risk tolerance levels for some customer*

*segments, leading to the restructuring of some customer loans. The key here was transparent communication*

*to all stakeholders.*

*We will continue to deal with the consequences for some time. It's important for microfinance stakeholders to create more resiliency within the sector to absorb these kinds of shocks while keeping MFIs and their customers financially healthy.*

*PS: What is your advice to other MFIs that have yet not embarked on the sustainability pathway?*

*SK: MFIs' customers tend to be the most vulnerable to the impacts of the current global challenges. If we aren't effective, inequality will grow, and our mission will be compromised. Microfinance impacts individuals, but it also contributes to national political and economic stability, which is critical for addressing climate change and reducing poverty. I believe we need to incorporate continuous evolution into all aspects of the company to adapt and respond to changing threats and opportunities. As we improve staff and governance capacity and enhance the customer experience, we will be a stronger institution.*

*Curious about the AFISAR® rating? Then drop us a line at [pratibha.singh@agentsforimpact.com](mailto:pratibha.singh@agentsforimpact.com).*

## ALIGNMENT TO THE SUSTAINABLE DEVELOPMENT GOALS

NOT SUSTAINABLE			SUSTAINABLE			
NO ALIGNMENT	VERY LOW	LOW	MODERATE	GOOD	VERY GOOD	EXCELLENT
D	C	C+	B	B+	A	A+

## AFISAR® Rating Scale



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## SPECIAL REPORT

*This feature is part of a sponsored series on European Microfinance Week 2022, which will be held from November 16 to November 18. MicroCapital has been engaged to promote and report on the conference each year since 2012.*



### Christoph Pausch on the European Microfinance Award 2022: Financial Inclusion that Works for Women

*MicroCapital: Why was “Financial Inclusion that Works for Women” chosen as the topic of the 2022 Award?*

Christoph Pausch: Women ostensibly have been the focus of financial inclusion for decades. But the reality is that a focus on outreach - the number of women clients a financial provider serves - can obscure lack of progress in addressing the many barriers that women face. Increasingly, stakeholders in the sector realise that much more needs to be done, based on a comprehensive understanding of these barriers: including social norms as well as the diverse needs and aspirations of women clients, staff and partners of financial services providers. So, over the months leading up to the launch of this year's Award, our team has worked with experts to design the guidelines, application forms and assessment criteria to capture what financial providers can do with a gender-focused strategy - not only to serve women clients with better products, but also to improve at an institutional level, such as by being a better employer to female staff.

*MC: What type of initiatives are you expecting to see?*

CP: Many previous Award topics have focused on a particular “product” or “challenge,” such as housing microfinance, climate change resilience, or access to education or savings. This year's topic is different because it focuses on a client segment - but a segment which is in fact the majority of clients! However, this majority is not a monolith, and it has incredibly diverse needs. We expect, therefore, a range of applications that is unprecedentedly diverse too. There will be different types of organisations, of course, from rural MFIs and cooperatives up to big microfinance banks and fintechs, among others. And we expect what they are *doing* to be equally diverse, from digital literacy and insurance products designed to meet women's needs, to internal processes and procedures that encourage flexible working schedules and facilitate career advancement - all in a workplace that is respectful, equitable and safe. But as always, we don't yet know what applications the evaluation teams will receive, and this is always an exciting stage while we wait to see.

*MC: What will the evaluation committees be looking for?*

CP: The evaluation criteria used by the several committees involved in the Award process are rigorous - encompassing evidence of replicability, innovation, adaptation to challenges, and positive impact and outcomes. Naturally, there are both objective and subjective elements to this. Broadly, though, what we tell potential applicants in the guidelines is that the committees will be looking for four main components this year:

1. A deep understanding of the specific social, cultural and economic barriers facing women, as well as the aspirations of women clients, staff and partners;

2. A range of financial and/or non-financial products and services, designed and delivered with women's specific needs and aspirations in mind;
3. Strategies and policies that are conducive to women's equitable participation and engagement within the organization - including staff, agents and partners; and
4. Systems to monitor the effectiveness of these gender-focused strategies - covering both clients and staff - that are used to improve design and implementation.

*MC: Who can apply for the Award this year?*

CP: As I said earlier, we hope and expect to have a really diverse field of organisations. And the eligibility criteria are designed to be expansive and accommodating in this respect. To be eligible, an organisation has to be active in the financial inclusion sector; have been fully operational for at least two years, and be based and operate in a Least Developed Country, Low Income Country, Lower Middle Income Country or Upper Middle Income Country. More information on the topic, eligibility requirements, and application and evaluation processes can be found on the [European Microfinance Award](https://www.european-microfinance-award.com) website.

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**“This year's topic is different because it focuses on a client segment - but a segment which is in fact the majority of clients! However, this majority is not a monolith, and it has incredibly diverse needs.”**

**-Christoph Pausch, e-MFP**

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*MC: What are the benefits to potential applicants of taking part in the Award?*

CP: As before, there is a significant financial prize (EUR 100,000 to the winner and EUR 10,000 to each of two other finalists) generously provided by the Luxembourg Ministry of Foreign and European Affairs. This is undoubtedly a substantial prize, especially for a small organisation, but we've seen over the many years we've been doing this that maybe as much benefit comes in the exposure that the 10 semi-finalists (including the three finalists and especially the winner) all get, via international and industry press coverage; e-MFP's [annual publication](#), which profiles the semi-finalists and extracts the key factors for success from their initiatives; and connections to e-MFP's extensive network of stakeholders working all over the world as well as donors, investors and other potential partners who pay attention to the outcome of the Award. And on top of that, e-MFP organises various events throughout the year to further profile the initiatives recognised by the Award.

*Christoph Pausch is Executive Secretary of e-MFP. The EUR 100,000 European Microfinance Award is jointly organised by the [Luxembourg Ministry of Foreign and European Affairs](#), e-MFP and the [Inclusive Finance Network Luxembourg](#). Applications for the first (short) round of the European Microfinance Award close on April 12. For more information and to apply, please visit <https://www.european-microfinance-award.com>.* 







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Artwork by Joe Cummings  
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## REGTECH AFRICA CONFERENCE 2022

Theme: Regulatory innovation:  
Bolstering Africa's role in the  
global economy









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Theme: Regulatory innovation:  
Bolstering Africa's role in the  
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## EAR TO THE GROUND

### Will Our Research Vanish into Thin Air? How Media Consumption Could Impact Development

If you are reading this article, you were probably born before 1990. If you were born after 1990, feel free to let me know that I'm wrong. But then again, if you are a younger person reading this, you may be a bit atypical because most young people consume content in a very different way than do prior generations. I've been thinking about this because I am desperately worried that lessons from the research that my colleagues and I have been gathering over the past 15 to 20 years will fall on deaf ears, and mistakes will be repeated.

Each spring for the past few years, I have served as the Faculty Advisor for a team of students at Columbia University as they work through a consulting project as part of their Economic and Political Development program. This week, during a meeting with my students, one team member discussed an interview with a young professional who was researching inclusive insurance. Each lesson the interviewee gleaned had been presented by the researcher as freshly learned - even though many of these same lessons already had been established in the extensive body of existing literature. Suddenly, 20 years of work - thousands of pages of research papers we produced - seemed to figuratively vanish into thin air.

Arthur Taylor presents the results of a study (Information Research, 2012) in which young people are found to skim, backfill information that supports their preconceived notions, and search content horizontally across texts, rather than reading details top to bottom. More concerning, according to Dr Taylor, is their broader inability to judge the validity of information they encounter. Indeed, the National Science Board reported in 2018 that 96 percent of US adults aged 18 to 24 get science and technology information online. And Facebook is their most common source for this information, just as it is for the latest celebrity gossip.

"Good" research involves extensive gathering of data, performing analysis and crafting written results. But research that is meant to inform policy and programs is of little use if it isn't seen widely. People can use our work to avoid repeating mistakes, make better progress with public funds and otherwise serve those who need our support.

Last week, a 26-page research paper that my firm submitted to IFC on financial services for women's small businesses in seven countries in Central America and the Caribbean became "public." Rather than publishing the entire paper, however, IFC has been releasing small chunks of findings as a series of 2- and 3-page infographics on each country. One snippet says, "61 percent of women in the study save for family emergencies." No methodology, no explanation, no worries? Another tidbit is, "95 percent of women consider themselves resilient." Interestingly, the text IFC released is easy to scan horizontally. Although there is little context, an IFC logo and some strategic "tags" on LinkedIn do bring these simplified results to a wide audience. The critical consideration is: What will the audience do with this information? Arguably, the idea that women feel resilient could be enough to inform a marketing approach that does not victimize but rather elevates women. Similarly, understanding women's motivations to save might encourage the design of products with short-term emergencies in mind. What I strongly hope we can avoid is any funders of research cutting back on rigor to save time and money, correctly assuming that their audience won't demand quality results.

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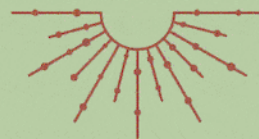


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## PAPER WRAP-UPS

### Measuring Fees and Transparency in Nigeria's Digital Financial Services

By William Blackmon and Brian Mwesigwa, published by Innovations for Poverty Action, February 2022, 72 pages, available at <https://www.poverty-action.org/publication/brief-measuring-fees-and-transparency-nigeria%E2%80%9099s-digital-financial-services>

This study explores three issues discouraging digital financial inclusion in Nigeria: “the reliability of financial services, the cost of using these services and the limited transparency of cost information.” The authors performed 900 mobile transactions via 29 banks and mobile money firms to test the above, including to compare actual versus stated fees for services such as opening accounts, checking balances and transferring funds.

Transaction failures were common: 58 percent of transactions failed when attempted using Unstructured Supplementary Service Data (USSD) menus, and 18 percent failed when attempted via mobile applications. Transactions initiated via mobile money operators failed 57 percent of the time, and those via banks failed in 36 percent of tests.

Regarding transparency, prices are rarely listed on providers' websites, and contacting customer service can be difficult and expensive. Even when pricing information is provided, it is “unlikely to match the true price measured during the audit.” Prices stated by customer care staff were equal to the tested price 27 percent of the time, and the prices were different in 22 percent of cases. In the other tests, customer care provided inconsistent information, or the tester could not collect a stated price.

Regarding regulatory caps, bank and USSD transactions sometimes exceeded applicable fee limits. In addition, 62 percent of providers required customers to pay a fee to receive...\*

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### Informed Design: A Case Study Series - Insights from WomenSave

By Catherine Hight, published by FinEquity, February 2022, 4 pages, available at <https://www.findevgateway.org/finequity/case-study/2022/02/informed-design-case-study-series/women-save>

As part of a series on the role of product design in increasing women's use of financial services in Africa and Asia, this case study reviews a pilot savings project implemented by WomenSave, a Ugandan provider of financial training and services to women with low incomes.

Initial market research found that clients were keen on goal-driven saving, especially to build an emergency fund. Thus the pilot project provided: (1) staff to work with clients one-on-one to “identify a financial goal, define a monthly budget and design a commitment savings plan and emergency fund with personalized terms and conditions;” (2) related financial literacy training, including on “mobile money, and knowing your rights as a client and as a woman;” and (3) flexible and fixed savings accounts.

Over two years, participants boosted their emergency savings from an average of USD 6 to USD 12. Meanwhile, they met fixed “savings goals focused on livestock, education, consumer goods, housing...”

### Women's Agent Network - the Missing Link in India's Financial Inclusion Story: A Supply-Side Perspective

By Akhand Tiwari, Gayatri Pandey and Sonal Jaitly; published by MicroSave Consulting; February 2022; 16 pages, available at <https://www.findevgateway.org/paper/2022/02/womens-agent-network-missing-link-indias-financial-inclusion-story-supply-side>

Based on a survey of 12 private-sector business correspondent network managers (BCNMs), the authors seek a supply-side perspective on the challenges and opportunities for expanding the reach of female business correspondents (BCs) in India. BCs are agents who contract with banks to offer banking services outside of bank branches. The authors find that women are underrepresented among BCs, but that “according to BCNMs, more female BC agents would improve the quality of the agent network.” One possible reason that fewer women than men are BCs is the personal lives “of female BC agents [are] more complicated than” those of their male counterparts.

The authors suggest the following responses: (1) investigate how BCNMs are and are not supportive of female BCs; (2) collect separate data on the costs of managing men and women and the revenue each group generates; and (3) train staff on how and why to be more inclusive of women in...\*

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