



GENDER AND CASH IN/CASH OUT (CICO) NETWORKS

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Disclaimer

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Executive Summary

- Emerging international evidence suggests a **positive relationship between Cash In / Cash Out (CICO) network quality and gender inclusiveness**, due to both the performance of women agents and the potential for women customers to increase transaction volumes for agents of any gender.
- However, **CICO network expansion does not automatically imply an increase** in the proportion of women included as agents and customers. Providers and policymakers need to be intentional to ensure greater inclusion.
- **Gender-intentional approaches to CICO network development** do seem to yield positive outcomes for both women's financial inclusion and overall network viability.
- Specific **gender-related barriers and approaches to achieving these outcomes are highly context-dependent**, requiring in-depth analysis at a country and sub-national level.
- CGAP's Distribution team will **test the above theory of change and hypotheses** to generate evidence on the relationship of gender inclusion to CICO network development through research and pilot projects in six countries, in partnership with local stakeholders.

CGAP's Vision

Poor people, **especially women**, are empowered to capture opportunities and build resilience through financial services.

Women are at the core of CGAP's work



Gender is one of four focus areas for CGAP's Cash In/Cash Out project



Driving in-country impact

Support local stakeholders to further develop and implement their strategies for CICO network expansion



CICO Learning & Action Program ("bootcamps")

Introduce global lessons and facilitate consensus among key local stakeholders on how to address constraints in each country context



Global hub of CICO knowledge

Synthesize lessons from country processes supported and shares them with other countries



Cross-cutting component on gender

Supports local stakeholders to identify country-specific gender constraints in CICO networks, improve understanding of how CICO can enable women's FI, agency and control over resources, and generate lessons on how to remove these gender constraints

Audiences and goals

Audiences	Global audience for this content	Partners and stakeholders in 6 focus countries:
	<ul style="list-style-type: none">• Financial inclusion actors, researchers, and funders	<ul style="list-style-type: none">• Digital financial service providers• Policymakers• Regulators
Goals	<ul style="list-style-type: none">• Establish a clear narrative around why gender analysis matters for CICO networks and how to do it• Influence research and learning agendas related to gender, including:<ul style="list-style-type: none">○ within CGAP and broader financial inclusion community○ data collection by the public and private sectors at the national level• Lay a foundation for communicating what we learn throughout the rest of the CICO project related to gender	

I. Key concepts

Gender is a set of socially constructed ideas with wide-ranging implications for women's lives

Key Term	Definition
Gender	The socially and culturally constructed ideas of what it is to be male or female in a specific context.
Social norms	The rules and behaviors that govern social behavior, perceptions, and conduct.
Gendered social norms	The collectively held expectations and beliefs about how people should behave and interact in specific social settings and during different stages of their lives based on their sex.
Gender lens	A perspective that pays particular attention to how gender differences and relations are relevant for investments and projects.
Gender intentional	Activities that address how people experience access and usage of services differently because of their gender including identifying the risks (unintended consequences) that may arise from targeting gender gaps or gender inequality and developing appropriate mitigation strategies

Source: Gates Foundation Gender Equality Lexicon

CICO agent networks help expand financial inclusion, which can increase opportunity and resilience for women

FI, DFS, and CICO combine to increase opportunity and resilience



Financial Inclusion

- Improved FI can help women manage risks, respond to shocks, smooth consumption, and invest in their own and their families' futures via education and business opportunities.

Digital Financial Services

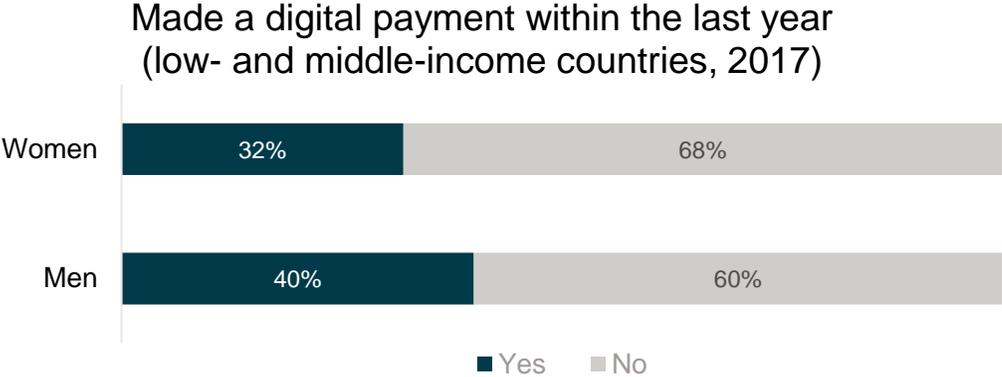
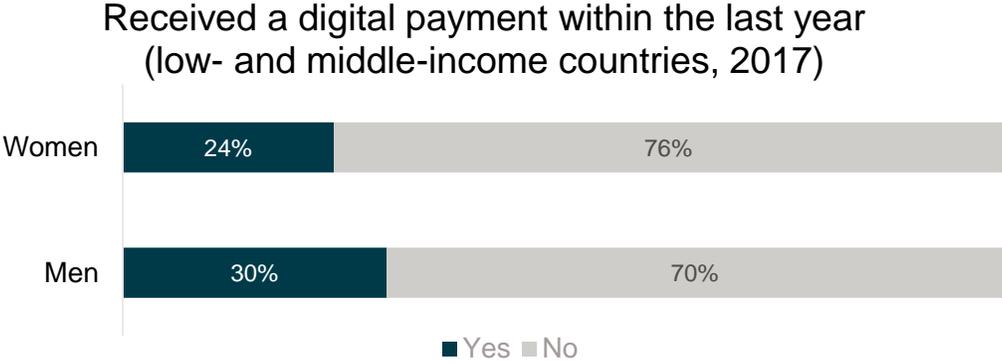
- Increased DFS can significantly improve financial inclusion by incorporating hard-to-reach users' economic participation into the digitized, formal economy.
- DFS offers users broader choice of financial services/products, as well as privacy, safety and control (especially important for women).

CICO Agent Networks

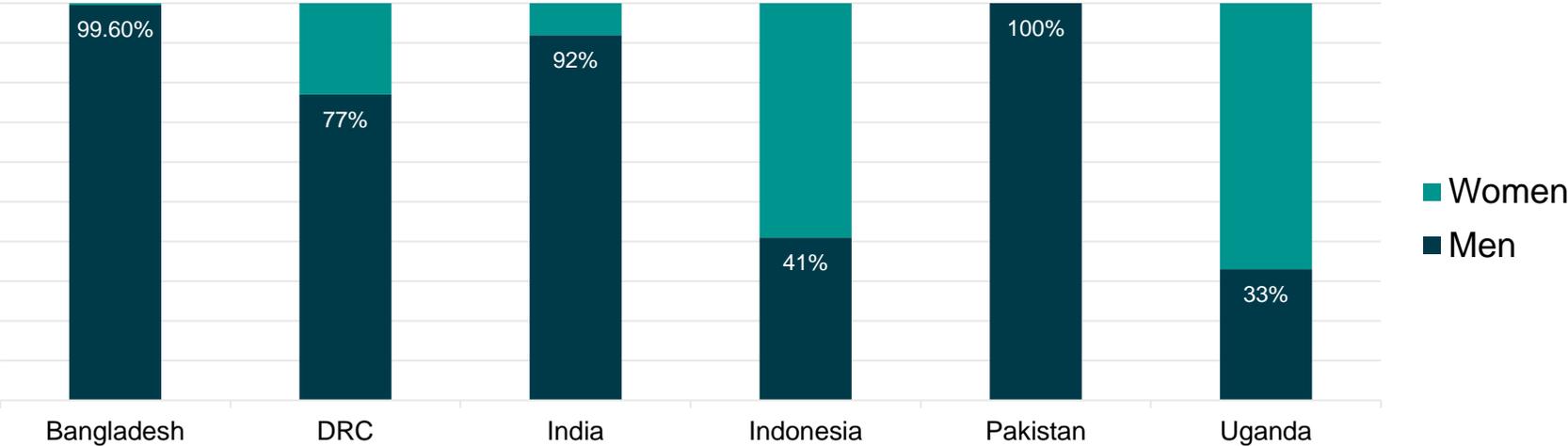
- Agent networks provide critical entry points into the digital economy and may help women overcome time and mobility constraints to using DFS
- Agent networks provide integral cash-in/ cash-out functionality.
- Agents may also play a role in building women's trust and confidence in digital transactions and ensuring consumer protection.

Gender gap in inclusion of women as customers and agents

Women in low- and middle-income countries are less likely to use DFS than men



In most low- and middle-income countries, the majority of agents are men



The notable exceptions of Indonesia and Uganda present opportunities to learn how to include more women agents

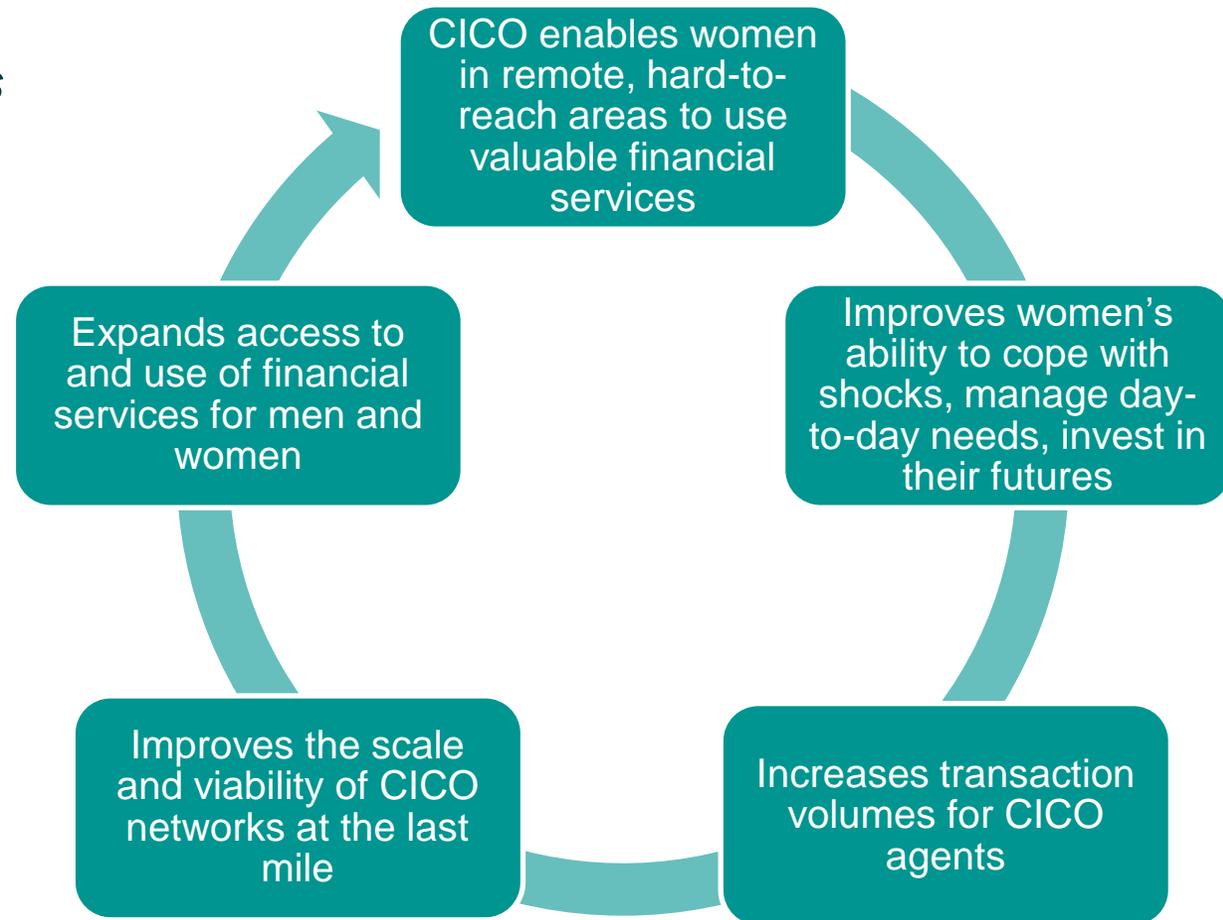
Sources: Global Findex data; Agent Network Accelerator Research; IFC/FINCA (for DRC)

Applying a gender lens to CICO networks helps identify opportunities and risks for network development

Dual goal: Improve both gender equality and the ability of agent networks to serve rural communities

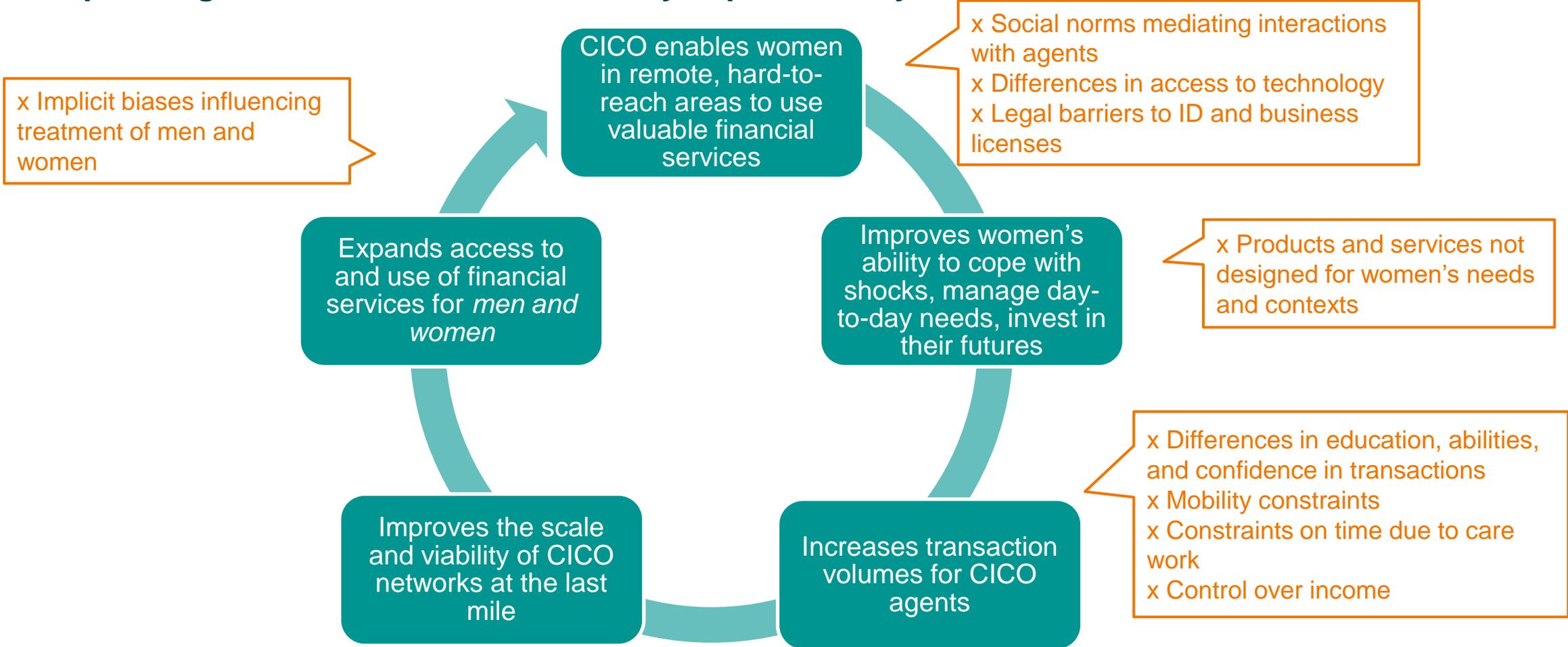
- At the global level, gender gaps in access to financial services persist
- Even where there's no gap in access, usage patterns reveal implicit bias in policy and product/service design and delivery
- A gender gap in usage means a missed market opportunity for providers
- More gender-diverse agent networks may perform better overall

Ideal state: a virtuous cycle that achieve both goals



However, many structural and normative barriers need to be overcome

Examples of gender-based barriers that may impede this cycle



Trust and reliability are key requirements for successful DFS uptake among all types of users

Supply-side challenges

- **Unauthorized charges:** Agents abuse users by charging additional/arbitrary amounts
- **Compromised confidentiality:** Sale of sensitive customer data or leakage of data
- **Poor customer service/reliability:** Agents receive limited training and exhibit low capability to conduct transactions and protect consumers. System downtime and liquidity issues create opportunity for fraud.

Demand-side challenges

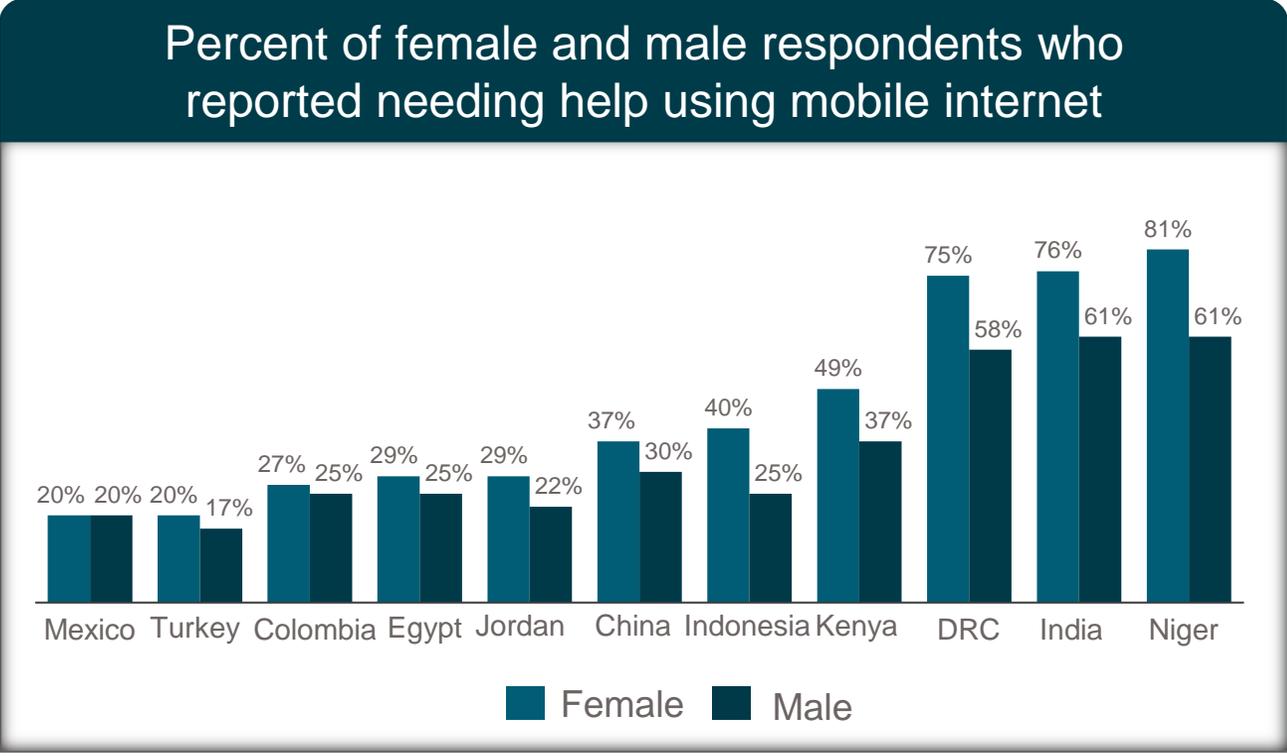
- **Lack of digital skills:** Users lack knowledge to navigate digital interfaces
- **Fear of technology:** Users lack technological understanding to confidently interact with DFS
- **Fear of dependency:** Dependence on agents for assistance puts users in a compromised/vulnerable position

Percent of respondents mentioning a consumer protection issue in their interactions with CICO agents (N=666)



DFS user risks are exacerbated by limited digital and financial capabilities, especially among women

- Rural women especially tend to have **more limited digital skills and financial literacy** than men.
- If there is a disagreement, women may be less likely to be believed and can fear retribution for **raising grievances**.
- **Trust** can be especially important since women's limited control over resources means that stakes to try new things are often perceived as higher.
- **CICO agents can play a vital role in building trust and ensuring adequate consumer protection, including by facilitating literacy and confidence.**



Source: Accelerating Digital Literacy: Empowering women to use the mobile internet, GSMA (2015)



Design for “everyone” is really design for men—the perceived default users.

Design must be gender-intentional to serve women well.

II. Applying a gender lens to CICO network development

There are three key steps to apply a gender lens to CICO network development

To improve outcomes for women and expand CICO networks:

1. **Understand** women's financial services needs and the broader contexts in which they live, which will vary across different segments of women
2. **Analyze** how existing CICO networks might be missing out on women customers and agents due to structural and normative gender factors
3. **Develop** and **test** hypotheses for solutions to these gaps

Step 1. Understand women's needs and contexts

Low-income women have complex and dynamic financial lives

Potential Customers' Needs:

- Paying for regular expenses such as bills or school fees
- Saving for large, irregular expenses like weddings and festivals
- Covering emergencies like funerals or healthcare costs
- Investing in a business venture to increase future income
- Earning income for her own or household purposes

Potential Agents' Needs:

- Reliable income
- Ability to manage income-generating work with other responsibilities
- Role models and support of community

Questions to understand barriers and opportunities

For customers:

- How does she manage these needs now?
- What stands in her way when trying to manage her money and invest in the future?
- What products are available, and do they seem valuable?
- What is her level of comfort with technology and financial transactions?
- Are there opportunities to bring DFS closer to the spaces where she already learns and gathers with community members?

For agents:

- What are her current sources of income and financing?
- When and how is she available for income-earning activities?
- Does her family support her going into business as an agent?

Step 2a. Analyze how existing CICO services might be missing out on women customers

Example: Potential attrition factors for women throughout a typical mobile wallet journey



- Relevance of marketing
- Lack of compelling value proposition
- Few examples of women around them using the service
- Trial stakes may be higher for women
- 165 million fewer women own a mobile phone than men in LMICs¹
- Women are 20% less likely than men to use mobile internet¹
- 27% of adult women globally cannot read/write
- In low-income countries, 45% of women lack ID (compared to 30% of men)²
- Distance to agents and concerns over safety
- May not be acceptable or preferable to visit a (male) agent alone or without permission
- Trust and confidence in the process and agent
- 64% of mobile money accounts are inactive³

¹ GSMA Mobile Gender Gap Report 2020

² World Bank Blogs, "[The global identification challenge: Who are the 1 billion people without proof of identity?](#)"

³ Bull, Greta (2018), "[Financial Inclusion: Is the Glass Half Empty or Half Full \(Pt 2\)](#)", CGAP Blog

Step 2b. Analyze how CICO networks could be missing out on women agents

Drivers of the Agent Business Case

Basic pre-conditions:

- Mobility to reach access point/customers
- Entrepreneurship capacities

Financial considerations:

- Up-front capital, space and staff costs
- Liquidity management

Exogenous factors:

- Security risks
- System interruptions
- Effect on other lines of business

Time-specific issues:

- Time to profitability
- Major growth costs

Examples of Possible Gender-based Constraints

- Limitations on mobility and time due to care work
- Gendered social norms around risk-taking and entrepreneurship
- Implicit bias about who is likely to be an entrepreneur
- Biased recruitment practices by networks

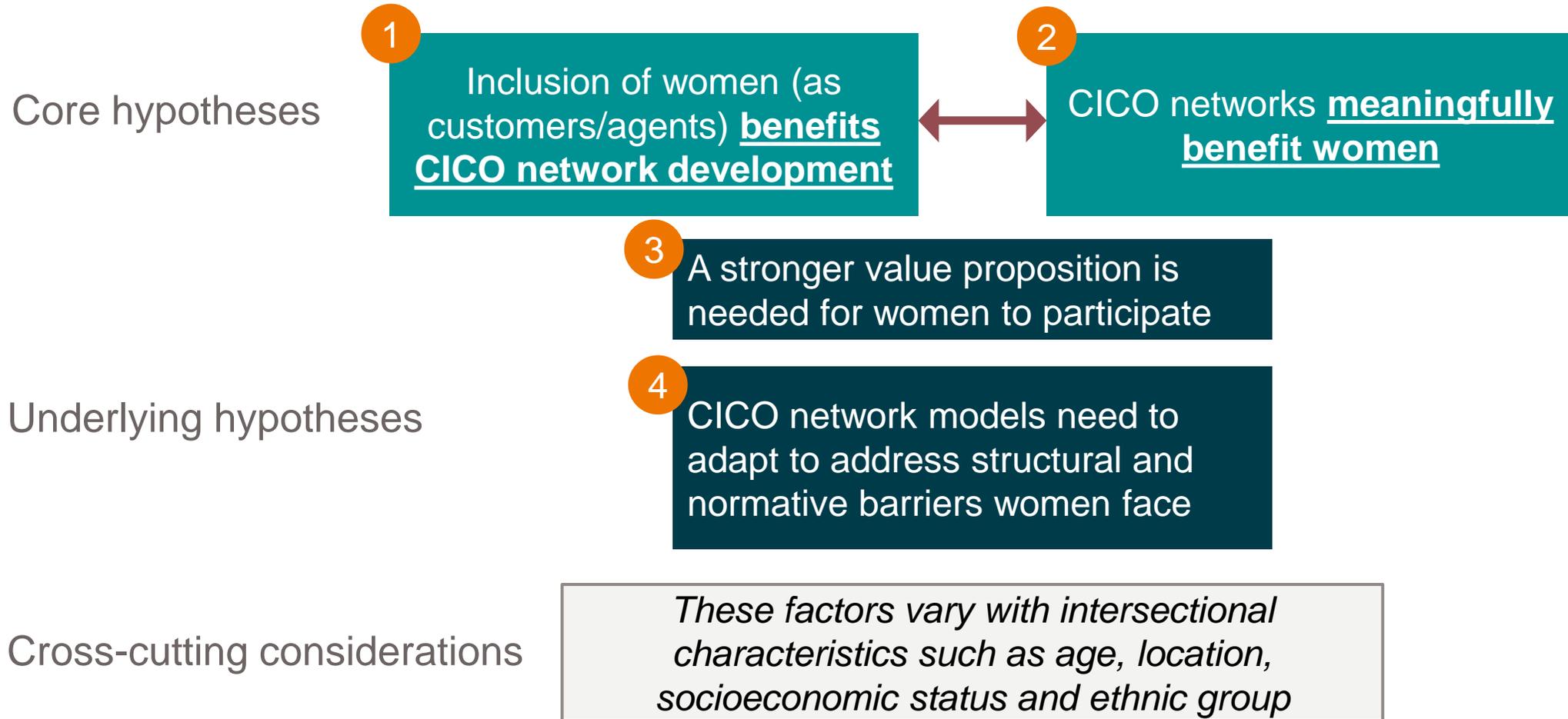
- Control over household capital or access to credit
- Ability to travel for rebalancing (time, cost, means of transport)
- Opportunity costs of capital versus household needs

- Actual or perceived higher vulnerability to safety risks
- Effects on other financial responsibilities she manages

- Length of time loss-making is acceptable
- Access to credit or capital to invest in growth

Step 3. Develop hypotheses to address identified constraints

CGAP Distribution Team's generic hypotheses about gender and CICO network development



Assumptions need to be validated at the country level

Given variation in DFS market development and gender-based social norms across and within countries, it's critical to investigate test these hypotheses and their underlying assumptions

Assumptions

1 Inclusion of women benefits CICO network development

- Women represent a sizeable untapped market.
- Women agents' performance parallels or exceeds that of men.
- Women agents can better reach women clients.

2 CICO networks benefit women

- CICO leads to greater financial inclusion for women, leading to resilience and opportunity.
- CICO agents can help women overcome time and mobility constraints, play a role in building ability and confidence, and ensuring trust and consumer protection.

3 A stronger value proposition is needed

- Low usage among women is in part because the use cases are not compelling enough for women.
- Agents' customer acquisition and service practices need to adapt to women's needs and preferences.

4 CICO models need to address women's barriers

- Gendered social norms affect women's ability to become (and remain) agents.
- Gender affects agent-customer interactions.
- Consumer protection is especially important to address gender-based vulnerabilities and risks.

III. Case studies

The Business Correspondent (BC) Sakhi Model

Rural India

The BC Sakhi model in India provides some support for CGAP's hypotheses

1

Inclusion of women (as customers/agents) benefits CICO network development

- Data on performance of women agents
- Uptake by private sector banks

2

CICO networks meaningfully benefit women

- Benefits for women customers in self-help groups

3

A stronger value proposition is needed for women to participate

- Value proposition for women customers and the bank sakhis themselves

4

CICO network models need to adapt to address barriers women face

- Identification of barriers addressed by the model

These factors vary with intersectional characteristics such as age, location, socioeconomic status and ethnic group

- Identification of the sub-groups of women reached

Financial inclusion in India has been improving, though a gender gap in usage persists



Sources:

1 FII 2017 as reported in USAID mSTAR 2019 report

2 Findex 2017

3 GSMA Mobile Gender Gap Report 2020

4 Grameen Foundation India/JPM 2017 study in Uttar Pradesh and Delhi/NCR

5 PMJDY Website

The BC Sakhi model leverages existing social networks to link women to formal financial services

- Model was developed to address the limited number of women banking correspondent (BC) agents.
- BC Sakhis are women banking agents serving rural India.
- Agents are drawn from members of long-standing self-help groups (SHGs), providing a built-in clientele and linking groups to banks.
- Capacity building and back-end support is provided by State Rural Livelihood Missions in partnership with financial services providers.



A BC Sakhi visiting a customer in Uttar Pradesh
Source: GIZ website

Sources: World Bank (2020). "Self-Help Group Members as Banking Agents for Deepening Financial Inclusion."
GIZ and NABARD (2015). "SHG Members as Bank Agents: The Bank Sakhi Model"

The model is scaling up in multiple states



Transactions BC Sakhis can perform with MicroATM devices:

- Collect individual savings into SHG account
- Transfer funds from SHG savings account to individual savings account
- Transfer funds from SHG savings account to cash credit loan account
- Transfer funds from cash credit loan account to individual members' accounts

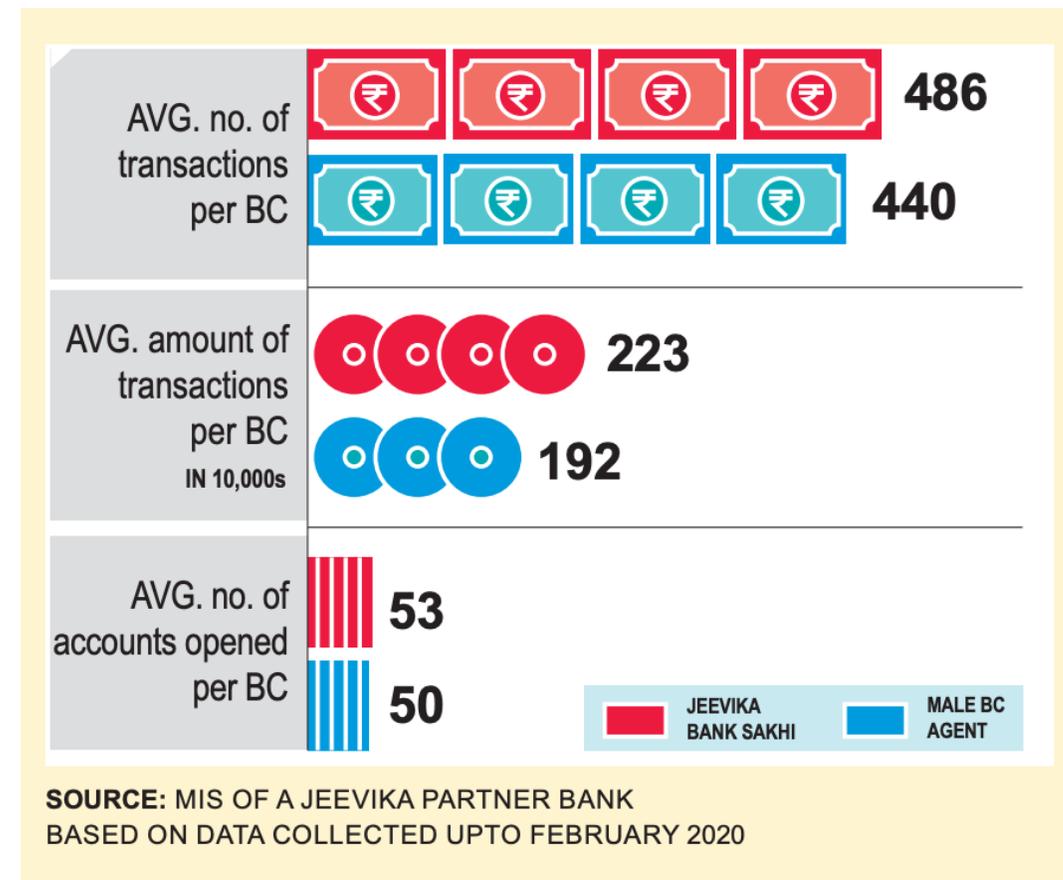
Pilot results are promising

Compared to conventional (male) BC agents, BC Sakhis have:

- Fewer inactive accounts
- Lower agent attrition
- Higher customer satisfaction
- A higher proportion of first-time account holders

Customers find BC Sakhis to be:

- More accessible
- More approachable



The BC Sakhi model in India provides some support for CGAP's hypotheses

1

Inclusion of women (as customers/agents) **benefits CICO network development**

- New women agents created by the program outperformed conventional BCs on several metrics
- Private sector banks such as IDFC are looking to pilot the approach and expand it to producer groups

2

CICO networks **meaningfully benefit women**

- Women customers benefit from time savings, prompt services, and building credit histories with the banks
- Impact evaluation is underway in some states

3

A stronger value proposition is needed for women to participate

- The convenience, comfort, and relevance of the financial services offered in SHGs are key to BC Sakhis' success
- BC Sakhis also benefit from long-standing trusting relationships, which is especially important given women's high stakes for trying new services

4

CICO network models need to adapt to address barriers women face

- Barriers addressed include physical mobility, time poverty, trust, and financial literacy

Intersectional factors

- The program is especially useful in reaching rural women
- More research is needed on other factors

MiBank's Hibiscus Card and Agent Network

Papua New Guinea

MiBank's Hibiscus Card and agent network in Papua New Guinea provides some support for CGAP's hypotheses

1 Inclusion of women (as customers/agents) benefits CICO network development

- Data uptake and usage performance of women agents from Hibiscus Card

2 CICO networks meaningfully benefit women

- Benefits for women customers of MiBank

3 A stronger value proposition is needed for women to participate

- Set of financial products with features designed specifically for women

4 CICO network models need to adapt to address barriers women face

- Identification of barriers addressed by the model

These factors vary with intersectional characteristics such as age, location, socioeconomic status and ethnic group

- Identification of the sub-groups of women reached

Papua New Guinea has the greatest gender gap in financial inclusion in the Pacific Islands region

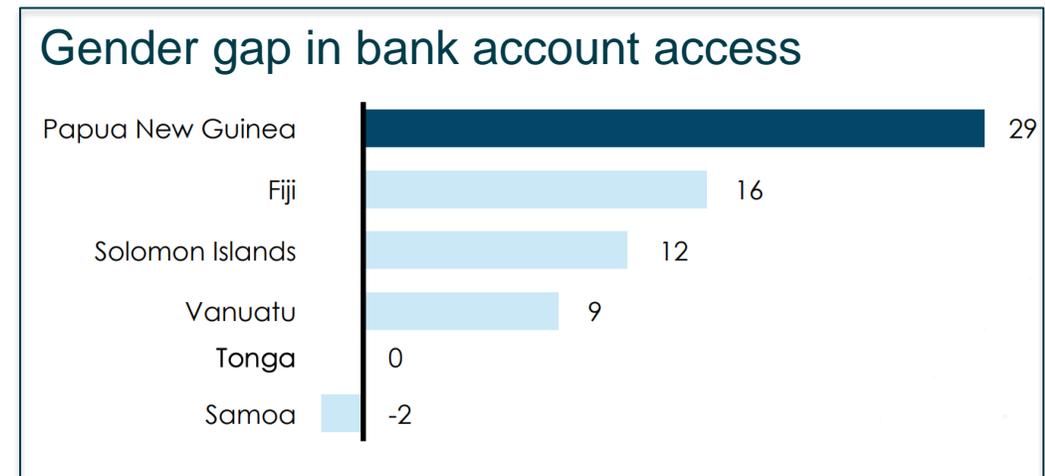
Overall access to financial services is limited by geographic factors¹



- 85% of PNG's low-income population lives in rural areas, hours from the nearest bank branch
- 6 ATMs and 3 bank branches per 100,000 people
- 37% of adults have bank accounts (2016)

Women's access and usage is even lower¹

- Women in PNG are 29% less likely to have a bank account than men
- 50% of population have a mobile phone, but only 16% of women do
- Gender-based violence is prevalent and linked to financial dynamics in the household²



MiBank's journey to address gender disparities

2011

- 25% of bank accounts were held by women
- MiBank enters the DFS market with MiCash wallet

- MiCash sees uptake by women who appreciate the **confidentiality of a mobile wallet product**, which enables them better control over their financial resources
- Share of accounts held by women increases to 38%

- MiBank launches a **whole-of-bank effort** to reach even more women customers, applying a gender lens to its processes and product development
- Internal workshops help address unconscious bias
- Focus groups to uncover women's needs and preferences

2019

- MiBank launches Hibiscus card to help address identified gender-related barriers
- Share of accounts held by women increases from 38% to **51%**
- Through dedicated recruiting efforts, nearly **50% of agents** are now women

MiBank focused on women to design products and delivery channels to bridge the gender gap

Gender-based considerations	MiBank solutions
Constraints on physical mobility due to gendered social norms and household responsibilities	Digital wallet and network of 12 MiBank branches and 250 agents throughout PNG
Passbooks' visibility enables male household members to control women's income	Mobile wallet provides confidentiality for women to better manage and control resources
Hurdles to open a financial account involving requesting permission from husband or family members	Zero account fees so women do not need to ask permission to spend money on the account itself
Women's preferences for learning from and transacting with other women	Whatsapp group for questions, savings tips Recruitment of women agents via savings groups
Shame associated with asking younger people for help or information	Leveraging women elders in villages as trainers for customers and agents



A promotional image from MiBank's website

Hibiscus Card has increased financial services usage among women via CICO agents

“Savings, however small they might be, allow these women to take independent financial decisions. And I am pleased to be serving my community in this way.”

— Daphne Haveo, MiBank Agent

- 8,000 women have Hibiscus cards
- MiBank has rolled out a network of 250 agents (half women) to extend services including account opening, deposit, withdrawal, and payments beyond their physical branches
- Share of women account holders at MiBank increased from 37% to 42% within 6 months of launch, currently 51%
- One female agent has about 800 active customers, of which 70% are women
- Many of her customers are vendors who use the Hibiscus card and deposit some of their earnings at the end of the day

MiBank's Hibiscus Card and agent network in Papua New Guinea provides some support for CGAP's hypotheses

1

Inclusion of women (as customers/agents) **benefits CICO network development**

- Targeting women through a specific product seems to help rural agents boost transaction volumes

2

CICO networks **meaningfully benefit women**

- Hibiscus card users with access to CICO agents can safely store their savings and make withdrawals or payments

3

A stronger value proposition is needed for women to participate

- The incentives, support, and marketing are tailored to attract women clients to the product

4

CICO network models need to adapt to address barriers women face

- The model addresses constraints on time, financial literacy, and control over income faced by women in PNG

These factors vary with intersectional characteristics such as age, location, socioeconomic status and ethnic group

- Mostly rural users
- More information is needed about usage and uptake among different segments

More research is needed to apply these lessons to other contexts and networks

- These cases provides some useful insights and lessons
- More data is need to refine and validate those insights and test their applicability to other CICO models and countries
- Several topics merit further exploration, such as:
 - Impact of the model on women as customers and agents
 - Effects of agent gender on usage
 - Viability of the economics once training and support are included
 - Segmentation of usage by age and other factors

IV. Learning agenda

A global learning agenda with six focus countries

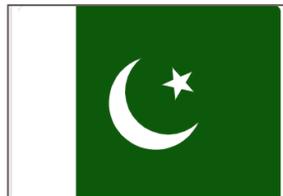
Global learning objectives:

- **Understand and categorize solutions** to the common barriers to including women as customers and agents in CICO networks
- **Define possible linkages** between inclusion of women and depth/effectiveness of CICO networks
- **Identify policy recommendations** to encourage more gender-inclusive CICO network development
- Qualify the above by factors such as a) CICO market model; and b) prevalence of restrictive gendered social norms

India



Pakistan



Morocco



Cote d'Ivoire



Indonesia



Colombia



Research at the country level may focus on a variety of questions, depending on relevance

Customers

- For a given product and geography, what is the size of the market of women customers?
- What role do CICO agents play in enabling women to benefit digital financial services?
- What products, services and delivery channels, and learning environments are most appealing to women?
- How can CICO agent networks overcome well-known barriers faced by women, e.g., by building on existing groups?

Agents

- How does agent gender affect uptake and usage of financial services among men and/or women (e.g., activity rates and types)?
- How does the income potential of becoming an agent compare to the risks and costs for women?
- What other services or support could CICO agents offer women?
- How do networks recruit and support agents? How might these methods be unintentionally gendered?

Examples of research questions at the country level

To be explored in collaboration with key stakeholders in the government and private sector

India

- How and why do CICO activity rates vary by user gender in rural areas?
- How do BC sakhis perform relative to male BCs on key metrics?
- What is the potential to make the BC sakhi model commercially viable without the subsidy level it has had?
- Are there opportunities to bundle services for women at service points to improve agent viability and better serve women?

Indonesia

- What is the current breakdown of CICO agents and access to CICO by gender?
- What are the unmet needs of subgroups of women, such as low-income, rural, and different regions?
- How can G2P payment programs better coordinate communication across facilitations, CICO agents, and recipients to increase benefits for women?

Colombia

- Where are the remaining pockets of underserved customers, and how does gender affect access in those places?
- What proportion of CICO agents are women and what are the barriers to building more inclusive agent networks?
- How have successful agent networks facilitated inclusion of more women?

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