

Enhancing Women's Economic Empowerment Through Digital Cash Transfers

Digitize/Direct/Design: The D3 Criteria

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*This should be regarded as a working draft and further feedback is welcome.

Global evidence suggests that social protection¹ can be a powerful tool to enhance women’s empowerment. Digital transfers of social protection payments can provide women with independent access to predictable income streams, and the arrival of a digital payment can give female recipients greater control over how the money will be used,² particularly if linked to a stored-value product such as an e-wallet.³

At the same time, evidence shows that poorly designed or functioning digital transfers can have adverse effects. Intentional and effective design and delivery are critical to maximize benefits and reduce potential risks. Experience and recent systematic reviews suggest that the potential gains of social protection for women’s economic empowerment has yet to be fully realized.

We envisage that the adoption and usage of digital financial services, advanced through social protection programs, can significantly accelerate women’s economic empowerment. We are placing a bet on digitizing cash transfer programs to poor women as a way to both rapidly close the gender gaps in financial inclusion, and as a potentially powerful platform to catalyze empowerment. If major social protection programs are digitized and designed to work better for low-income women using the D3 principles, we believe that this could make a major difference to the wellbeing and prospects of millions of poor women.

Our basic hypothesis is that the economic empowerment effects of social protection programs could be expanded when they are designed with a gender intentional lens, and the transfers are delivered digitally and directly into an account owned and operated by a woman. A well-designed program can increase her control over personal financial decisions and enhance her prospects for economic empowerment, as demonstrated by increasing the share of household income which she controls, the extent to which she controls her economic gains by increasing her bargaining power within the household. Realizing this potential requires explicit consideration of a series of preconditions as part of the scale-up for women’s economic empowerment.

The purpose of this document is to lay out the vision for what a D3-principle-enabled social protection program could achieve for poor women, and to outline the criteria needed to realize the vision.

It has been developed in consultation with experts on social protection and digitization from the World Bank, UN and the private sector, and will underpin the approach the Bill & Melinda Foundation plans to take to accelerate WEE on this front. Over the next three years, the Foundation will test these principles in three countries – Tanzania (PSSNII), Pakistan (BISP) and India-Bihar (MGNREGS) – to identify what makes the most difference to the economic empowerment of poor women participating in major social safety net programs.

A D3-principle-enabled social protection approach is expected to involve improvements in the design and delivery of the program so that women have accounts into which the cash transfer is deposited, know how to use the accounts, and are more economically empowered through the program. Our plan is to work with the governments and local partners in each of the three countries to:

- Apply a D3 diagnostic to analyze how and where the relevant social protection program

1. This note uses the following terms interchangeable: cash transfers, safety net, social protection and G2P.

2. In India, Harvard Kennedy School’s EPoD unit experimented with the MGNREGS workfare program. This study showed that depositing G2P transfer payments into women’s own accounts (instead of the default of the head of household which is her husband’s) led to 90% account ownership, compared to 43% for those who did not receive payments into their own accounts (Field et al., 2016).

3. Aker et al, 2014

could be designed differently to better serve poor women;

- Work out – with government and relevant development partners – how best to test and/or implement the recommended changes;
- Understand the effects of specific D3 features to determine what are the most important

criteria and which have the largest impacts on women’s overall economic empowerment; and

- Share our findings as a global public good for governments, non-governmental organizations and others that work on social safety nets and other payment systems.

The Vision

We envision a future in which a woman's life will be improved because she is financially independent and economically active. She has access to and uses a range of financial services and products, and is respected and valued as an economic actor and financial decision-maker, among others. She lives in an integrated, thriving economic community and experiences increased mobility and security. She and her family have aspirations for better futures.

This is expected to lead to further benefits for participating women. She can become a leader in her community if she chooses and her voice matters. Her children's births are registered. In her community, households are becoming more prosperous and norms are changing so that women are viewed as powerful economic actors, not just contributors to the family. Community norms are supportive of women's desire to do productive work. She has a full say in decision-making—at home, work, within her family as well as her community.

Understanding Context

Realizing the foregoing vision requires a good understanding of existing patterns of opportunities and constraints in women's economic empowerment in the local context. Social norms can constrain, as well as facilitate, women's opportunities. Understanding opportunities and barriers to poor women's economic opportunities should be based on empirical (quantitative and qualitative) data, which illuminates the following basic questions:

- What is the profile of poor women – including the severity of poverty, location, family type and size, education and extent of illiteracy and innumeracy?
- How do men and women contribute to poor household's livelihoods? What types of paid work do women engage in? What types of jobs are considered to be demeaning for women? How easy is it for women to move freely to the market or to paid work?
- Decision-making power – who is in charge of different types of spending and savings decisions in the household? How do the structures of power within households affect how the transfers are managed, spent, and saved?
- Do poor women have their own financial accounts? What are the correlates of financial inclusion, barriers and opportunities? Do they own cell phones?

This profile will likely vary depending on ethnicity, region and level of education, among other factors.⁴

The D3 Criteria

The D3 criteria are intended to inform assessments of existing and proposed social protection programs. These can be used to flag areas that would be expected to enhance the results for women's economic empowerment, and those that may be barriers to change unless effectively addressed. The criteria are guideposts that need to be adapted to local context as appropriate. Each of the three areas of D3 have a set of criteria therein, and are accompanied by elements ("core enablers") as well as cross cutting issues that impact the ability of a program to achieve its goals. We review these below, beginning with the core enablers.

Key Vision Characteristics

Digital Financial Services

- She has consistent, reliable access to mobile connectivity.
- She has financial capacity—she is financially literate and numerate which has improved her knowledge of the market.
- She has digital literacy/skills to access and use digital financial products.
- She has choice in the market among different financial providers that allow her to choose which products she prefers.
- She has access to a number of financial access points such that she is able to address her financial service needs via diverse delivery channels.
- Merchants and local markets accept digital payments, and they respect her and program recipients. She is not discriminated against because of her status in the program.
- She owns her own data and can move her data when she switches payment providers.

Interactions with the Social Protection Program

- She has knowledge of programs and products and can access them easily.
- She has made queries and complaints that have been resolved to her satisfaction.
- She has a positive outlook and aspirations for her own and for her family's future. She is optimistic.
- She has greater income earning opportunities and she and her family are moving out of poverty.
- She is able to take more risks and weather shocks and uncertainty, and experiences increased resiliency.
- She has growing social capital and social networks.
- Her assets are diversified and have increased, and she can access resources in an emergency. She is saving intentionally over time, without appropriation of her assets by others.
- She has trust in her program, the financial service provider, and her community.

4. This type of data and analysis is typically gleaned from a combination of existing household surveys (for example, LSMS, LSMS-ISA, DHS) as well as qualitative sources. Informative and relevant reports are often available from the government

Specific hypotheses that we will investigate will depend on the in-country results of the D3 diagnostic, which can serve as formative research, so that we can test which aspects of Digitize, Direct and Design have the most beneficial impacts on women.

Core System Enablers

There are some core conditions that ideally would be in place in order to ensure that the social protection programs function smoothly and can fulfill their promise to poor women. These readiness factors will affect the functioning of any social safety net program, but are particularly critical for any efforts to operationalize the D3 principles.

Effective Public Financial Management Systems (PFM)

Payment reliability is much more likely with effective PFM that includes adequate, timely and secure financing from Treasury, a strong Integrated Financial Management System (IFMIS) that efficiently distributes resources where needed and accounts for them reliably and accurately, and a pipeline of resources and staffing that ensures clear and effective execution of roles and responsibilities at different levels of government.

Network Reliability

Minimum standards for mobile (for program participants and agents) and broadband (for government systems) network coverage are required for reliable and secure digital payments, particularly in the hardest-to-reach areas.

Payment Systems Interoperability and Infrastructure

An adequate level of acceptance and infrastructure readiness must be determined and in place.⁵

Pro-Financial Inclusion Policy and Regulation that Enables:⁶

Choice and accessibility

- Multiple modalities for account ownership and access should be possible, which would require mobile network operators (MNOs), post offices and other non-bank financial institutions (NBFIs) to be licensed to make payments and accept cash in.
- Allowing for eKYC account opening would reduce the burden of time and process for women and for PSPs responsible for account opening. Unique digital/biometric ID could be leveraged for eKYC (such as in Aadhar for NREGA)

Security

- Data privacy, security and protection rules and mitigants must be in place to reduce the risk of fraud, discrimination and other consumer risks.
- GDPR and Privacy by Design offer potential models to consider to strengthen Data Privacy & Protection

Consumer protection

- Product suitability, fair treatment

Distribution/CICO

There should be a good liquidity management system in place and a plan for increased demand for cash on paydays. This will differ across different types of financial service providers (banks and non-banked financial institutions) and different contexts:

- CICO Service Level Agreements are adhered to.
- Grievance Redressal Mechanism (GRM) is used to assess reliability
- Women have flexibility on how they use their account
- When there are problems at the local access point, there are alternative ways to access the money.
- Notifications: Awareness and communications can reinforce reliability over time.

(for example, reporting on the Sustainable Development Goals), World Bank, ILO and/or UNDP, for example, as well as bilateral development agencies and NGOs, which document key aspects of gender inequality and women's empowerment.

5. Please see Level One Project and PAFI principles

6. Please see CGAP four regulatory enablers

Key Infrastructure⁷

- ID systems need to be in place to facilitate identification, targeting, onboarding, account opening and monitoring with integration into the program management information systems.
- Adequate mobile phone penetration needs to be in place including network connectivity in rural areas by multiple providers.

Digitize Criteria

Digitization refers to a payment system whereby payments are received electronically. Digitization offers the possibility of scale-up of cash transfer payments at low cost, especially to people who are located remotely, as well as technical tweaks, behavioral nudges and interface upgrades. It provides new possibilities in terms of two-way communication and recourse.

A digitized social protection that promotes women's economic empowerment (WEE) should be:

- Reliable
- Accessible
- Flexible
- Secure
- Accountable

Reliable

Digital social payments, including systems and networks that support them, must be reliable. This includes: Payment Reliability (amount, frequency, and timing), Systems Reliability, and Communications (customer can count on regular communications that notify them of any changes/updates to payment terms). This should hold true regardless of conditionality or payment type.

Accessible

Accessing the payment should not be burdensome in terms of time, convenience, and/or cost for program participants. Factors that affect accessibility can include:

Proximity

- Distribution networks, particularly agents to cash out payments or merchants that accept digital payments for goods and services.
- Ability to nominate a proxy if mobility constrained

Affordability

This has several aspects related to the cost of payment usage and the opportunity (time), transport and other costs involved in accessing services.

Flexible

The payment options should provide choice and control of when and how participants receive the payment. These should allow space for trial and error, so that recipients can learn the system and their options. Core elements of flexibility include control, privacy and choice:

Control

- Timing: The payment adapts to the timing and predictability of cash flows in a household.
- Agency: Women should be able to pull her payments from the PSP when she needs it, rather than a push system by the PSP. Neither formal nor informal rules should restrict how and when she withdraws cash once the transfer has moved from the government to the PSP.

⁷ This requires background information on existing infrastructure reach including: mobile penetration, is there ACH, agent network, registry in program, diversity of agents, and policy constraints in order to inform?

Privacy

- Women can keep their transactions private.
- Women have the ability to keep the monies safe from expropriation by family members.

Choice

- Customers have multiple real options at the local level about their payments provider, access point and portioning of payments.
- The contract and policy framework allow for choice and encourage competition at the last mile.
- There are options for commitment products or savings options.

Secure

Data privacy, security and fraud protection are all components of security which mitigate consumer risks and ensure safe provision digital payments to women.

- Data privacy, protection and security is critical, including strong authentication systems so that only the individual, or persons, authorized can access the money – independent usage.
- Fraud monitoring, including physical security and protection against fraud.

Accountable

The women are aware their rights, they are respected by the program and PSPs, they have the ability to access to well-functioning recourse, and ultimately have agency. All participants have the right to be treated in dignity and respect.

Awareness: All women know their payment amount, timing, and frequency and any applicable fees. They know how the system and payment mechanisms are supposed to work and where to go if they face problems. They know and understand payment amount penalty for non-compliance. Individuals own their own data and know how to use it.

Recourse: There should be a well-organized, adequate, timely and reliable grievance and complaints mechanisms for participants. There are toll-free service hotlines and communication channels for participants to encourage reporting of complaints and improve resolution. Recourse requires well-defined governance structures, & mechanisms including clear roles and responsibilities at participant, psp and program levels.

- Women know their rights and do not fear that complaining will get them removed from the program. Recipients know that when there is a problem, an inconvenience or something they do not understand they have recourse.
- Grievance redressal mechanism (GRM). There should be clear accountability, clear roles and responsibilities to manage the GRM. The mechanism should have clear escalation paths, and could include a call center (which has the ability to do reversals), chatbots, an agent hotline for complaints resolution, and dashboards, each of which is available in local languages.

Direct Criteria

The principle here is simple: 'one woman, one account.' Direct payments into an account held by the beneficiary, who has control over the account, which are registered in their names and to which they have direct access. The Direct principles are designed in order to enhance women's prospects for control and to mitigate the risks of having funds appropriated by other family members.

We aim to learn what types of accounts allow for full realization of the digitize and design principles.

Questions we expect to test include:

- Can we achieve our objectives with limited functionality accounts or are full purpose accounts required? What are the tradeoffs when considering limited mandate and fully functional accounts?
- Does it make an impact difference if women receive multiple government transfers and /or social protection payments and receive them into one account⁸

Design Criteria

The social protection program should be designed in ways that enhance prospects for economic empowerment of program participants. What is appropriate and feasible will depend on the specific context, but dimensions and aspects that should be explored would be expected to include the elements below. Three broad categories of design questions are relevant, viz ensuring appropriate coverage, maximizing benefits through complementary services and linkages, and avoiding adverse effects.

Hypotheses that we will investigate include:

- Testing alternative transfer sizes and duration to gauge impact on women's economic empowerment, and
- The impact of various complementary services on measures of empowerment.

Specific Criteria:

Ensure Appropriate Coverage

Eligibility and Targeting

- Targeting criteria (income; number of children; marital status; disability) are determined and applied appropriately.
- The criteria have been validated.
- There is community participation in targeting, validation and evaluation

- There is a good understanding of why eligible women not participating.
- Eligibility rules do not deter savings or credit.
- Understanding whether participating women covered by, or participating in, other transfer programs.

Financing

- The program has adequate financing – external, central, local – both transfer amounts and administrative costs – and there are no financing gaps.
- Budget is allocated on time
- There is a medium-term financing plan.

Size of Transfer

- The size of the average transfer is adequate relative to poverty line, and to bottom quintile income or consumption.⁹
- The transfer amount is indexed for inflation.
- The transfer amount is appropriately determined, and in constant versus variable amounts (e.g. for number of kids and meeting conditions).

Timing and Frequency

- When and how often are benefits are paid is appropriate to meet program objectives.¹⁰

Exit Criteria and Duration of Eligibility

- Eligibility is reviewed at appropriate levels and criteria for exiting the program are aligned with program objectives.

Maximize benefits through complementary services and linkages

Digital data and access can be used to facilitate linkages and referrals and empower participants and frontline workers, although there is also a risk that lack of human contact reduces linkages to complementary support and services. There is a need to coordinate across programs and agencies—to have effective ways to identify multidimensional needs and fill gaps that can enhance program effectiveness. Integrated social registries can play an important role. It should be clear whose role and responsibility it is to ensure linkages to complementary services.

The social protection program should be linked to existing and planned livelihoods in ways that ensure market linkages and diverse income opportunities. It is expected that linkages to livelihood programs that ensure market linkages promote diversity of economic opportunities and improve women’s control of resources in the household. Alternative

Public Works Schemes

- Are there quotas to ensure women’s participation in work, and equal pay for hours worked?
- Who organizes the public works? Private contractor may be male dominated.
- Does the program avoid reinforcing gender stereotypes in the types of work allocated?

Type of Work and Assets Built

- Are there rules on labor versus material share of program costs?
- Do women participate in decisions about what is to be built or supported, and is there regular review the pattern of investments to track gender bias in types of assets constructed?
- Is agricultural labor in women’s plots part of public works?
- Does the concept of community public assets extend beyond infrastructure – for example, child care; health extension work, adult literacy and HIV awareness and promotion? Community assets like ploughs or refrigerator? Aged care?
- Are constraints to women’s participation addressed by locating public work sites closer to where women live, and/or by providing transport, separate toilets?
- providing flexible hours, mitigating child care constraints, maternity leave) and allow for life cycle needs – e.g. alternative employment or direct support (no work requirement) for women in late stages of pregnancy or lactating.
- What measures are in place to improve (men and) women’s skills and promote employability after completion of the program?

Safety and Security

- Are there provisions in place to prevent sexual harassment in the workplace?
- Is there safety in the community to transit to and from work sites
- Are measures to facilitate women’s participation monitored and enforced?

9. Benefits typically range from about 5 (China) – 25 (Mexico) % of bottom quintile’s consumption. Below 10% is believed to be too low, above 30% (ECA) too high in terms of adverse work effects

10. Pilots in West Africa tested whether the frequency of payments -- monthly, quarterly etc. made a difference – and found better poverty impacts if payments were made less often in larger amounts

rules for “graduation” or exit from the program may be linked to livelihood programs and opportunities.

Complementary mechanisms may be used to promote productive asset accumulation and investment.

To encourage individual savings for example, different account features may be utilized; quarterly lotteries may be used to encourage positive account balances; and/ or some matching devices or bonuses.

It is important to consider linkages to community level programs—including self-help groups. Our hypothesis is that groups and social networks can serve as a resource to both promote account usage and women’s empowerment at home, and in the community. Effective links to community level programs can serve not only as a mechanism for delivering training and other relevant program content at scale, as well as a means to share relevant content to non-program participants such as men and boys, and community leaders. Examples outside safety net programs (for example addressing intimate partner violence) illustrate how community level programs can help to change social norms that impede women’s economic empowerment and overall household welfare.

We could test this by assessing the following:

- Extent to which and how women’s participation in program governance and self-help groups at the local level promotes individual and collective empowerment
- How engaging community leaders and household members that are not directly participating in the program could help them become aware of, and potentially advocates for the program’s intended impact.
- Whether targeted content and coaching delivered via community programs promotes changes in household decision-making that boost overall household welfare and give women greater opportunity to increase their decision-making and control over resources.

Mitigate Adverse Effects

Program eligibility criteria and conditions should be reviewed on a regular basis to identify potentially adverse effects and unintended consequences. There is also a risk that the loss of human touch with digitization means that potential benefits and linkages are not fully realized.

It is important to ensure that the program conditions are appropriate, well understood and monitored efficiently to avoid delays—this has several aspects:

- Avoid onerous application and onboarding process – in terms of required documentation, travel, wait time and enrollment¹¹ -- that are disproportionately borne by women
- Avoid counterproductive conditions – e.g. restrictions on borrowing.
- Take care to not reinforce gender roles and stereotypes—for example requiring that the mother take the child for a check-up or vaccinations.¹²

The risk of intimate partner violence may worsen if tensions increase at home—although the evidence is mixed. Sometimes the risk of violence is reduced because there is less financial stress in the home, but women’s economic empowerment may lead to their partner’s reacting violently especially if the men are unemployed, frustrated.

- Are there wrap-around support services, delivered through appropriate case management systems, that can detect potential adverse risks and effects on women?
- There may be risks to social cohesion where program benefits are seen to be unfair. which can be avoided by clearly explaining program objectives and eligibility, and in the cases of displaced populations, extending benefits to the local community.¹³

11 Turkey is a new good practice example of rapid processing, reducing the time from 15-20 days to one minute.

12 There is existing evidence from Young Lives longitudinal research of adverse effects on girls with increased care burden when mothers are in paid work

13 In Lebanon, authorities extended benefits to local communities in addition to Syrian refugees. In Bihar for the Jeevika program, the community defined PRAs based on levels of poverty to avoid these consequences.

Cross-Cutting Themes

There are several issues that cut across all D3 areas:

Capacity Building

In order to realize the potential of G2P programs, there is a set of knowledge and skills women must have in order to use the accounts through which they receive the transfer, and to make informed financial decisions. Only then will women have the confidence and capability to control the resources they are given, leading to greater economic empowerment.

Women's World Banking and Fundación Capital were engaged in 2018 to investigate whether training is critical to support the knowledge, skills, attitudes and behavior change envisioned, and if so, what elements of training programs will be most effective. Their approach included mapping the landscape of global G2P training programs, interviewing global experts, analyzing the evidence base on financial education, and conducting on-the-ground research in seven countries.

Because the evidence on the impact of financial training is modest, we will be testing the principles below to see if we can show impact of capacity building for women recipients of cash transfers to support their active participation in digital financial services and ultimately their economic empowerment. Training may also be necessary to help overcome common challenges of knowledge gaps, misinformation, digital illiteracy and scams, all of which were evidenced in the countries where field research was conducted. We use the term "financial training" to reference training in the context of financial capability, including training that encompasses payment / product features, technical capacity, and basic financial management concepts.

Summary of Key Principles

Based on the evidence review, industry interviews and field research, we have developed five strategic principles:

1) *Create an enabling environment through government and other partners' commitment to financial training and its outcomes*

When developing financial training for the G2P context, a critical first step is to ensure an enabling environment through government leadership, which requires an expectation of accountability, policy alignment and funding. While other stakeholders (financial institutions and civil society) will continue to play a role and may in some cases design and/or deliver the training themselves, the government's support and coordination is critical to ensuring that financial training becomes an integral part of G2P programs and can be scaled and sustainable. In addition, beyond a commitment to training, the government plays a key role in ensuring a broader enabling G2P environment that can optimize the outcomes of the financial training, such as ensuring a multiple choice of payment providers for G2P recipients.

2) *Deliver three essential components of financial training, which deliver prioritized content simply and sequentially*

The training should have a clear and focused training objective. Content should be prioritized, sequenced and dosed in order to achieve clear learning and behavioral outcomes, and contribute to the progressive creation of financial capabilities and economic empowerment. Furthermore, the training should be simplified, taking a "less is more" approach. This approach supported the establishment of three essential components for financial training: payment information, technical capacity, and basic financial management. Advanced content can be provided as additional training, if time and budget allow, or offered through complementary programs.

3) *Embed financial training into the G2P program delivery model*

To ensure effectiveness, efficiency and scale, financial training should be embedded in the existing G2P program delivery model and delivered by people who are most trusted by the participants, such as community leaders or G2P program local officers. Building trust is essential, and leveraging existing institutional 'scaffolding' can create efficiencies. Stakeholder alignment builds capacity along the delivery model, aligns institutional messaging and can help reinforce financial capability and women's economic empowerment concepts. By leveraging trusted networks and existing institutional scaffolding, the training can be scaled up at a lower cost and achieve local buy-in more effectively.

4) *Engage recipients along the G2P program user journey*

Training should be continuously delivered in an engaging format along key touchpoints in the G2P program user journey. The training content should be designed in accordance with best practices, and should be delivered and sequenced to key moments in the user experience, which may be repeated and involve multiple stakeholders (from the government, to the payment service provider, to other relevant actors such as community leaders). Recipients should be engaged through a "tech-touch" combination that leverages in-person interactions and digital tools, in order to maximize effectiveness in terms of outcomes and cost.

5) *Monitor and iterate with women*

While monitoring is an important component of any intervention, it is especially important to an effective financial training program as it promotes innovation and improvement through an iterative design process and ensures women's voices are an integral part of the program. Monitoring can leverage existing data sources, specifically from PSPs, or collect new data in a cost-effective manner through existing touchpoints with women along the user journey.

Human Resource Management and Strategy, Especially Capacity Building on Gender Sensitivity

- Front line staff capacity building
- Training on gender sensitivity at all levels
- HR Plan/Strategy. Human resource mapping, gap identification, needs assessment.
 - Includes officials, FSPs, and agents, MNOs and Ops
 - Performance Management critical
- There should be a clear assignment of roles and responsibilities across programs and actors.
- Training and Communications – need to clarify responsibilities for both, especially since lines may be blurred and new skills required. Identify different training modalities for different target groups (officials, FSP-Agent, clients)
- There should be established training indicators/outcomes defined for different stakeholders

Value Proposition: A Successful Program Will Provide a Value Proposition for All Stakeholders

No single entity will have complete control over all facets of program design and implementation – which means that there should be a clear value proposition for all stakeholders from the outset. Careful consideration should be given how to how different criteria can impact the value proposition for the various stakeholders in the value chain. For example, government stakeholders need to see the value in the e-payment system. Otherwise they may prefer to rely on the systems they already know. Potential value added

include preventing corruption and greater efficiency of the program, expanding financial inclusion and advancing the national development agenda. Potential risks to overcome include increased costs associated with digital delivery.

The value proposition for women is critical; if the program performs poorly in terms of reliability, trust and the other criteria outlined above, demand for e-payments or other such financial services in the future will be weakened. The specific Digitize criteria outlined above are all important, as well as account features.

Payment Service Providers (PSPs)

The PSP delivering safety net payments could be a government agency, a bank and/or its agent outlet, or a mobile network operator and/or its agent outlet. PSPs need to factor in the impact of cost considerations, their capacity to deliver services, core operating constraints (including staff capacity), implications of policy and regulations, and how these will impact their ability to successfully deliver payments to program participants at the intended scale.

Specific considerations for the PSP include the fixed and ongoing costs of infrastructure, profitability, new client acquisition, opportunities for other work with government, as well as corporate social responsibility. Where the revenue-to-expense ratio is low, the PSP's commitment and ability to deliver on program objectives may be weak, especially where the PSP does not already have agent networks. Whereas programs may assume that PSPs can leverage cash transfers as a strategic way to improve agent presence, liquidity, and cross-selling, in reality these factors may not be sufficiently large to offset risks and costs. PSPs may also consider how they might bundle products with other government services. In some instances, governments will provide subsidies to the PSPs.

Service Level Agreements (SLAs)

SLAs should be established and used as way to assess PSP commitment to performance. PSPs may need to adjust their operating model in order to reach the last mile. This may include expanding the products available to customers at retail outlets. PSPs will need to ensure they have the capacity both from and HR and systems standpoint to deliver payments to poor women in remote areas.

Governments, Donors and PSPs should be aware of the risks to payment delivery which include, but are not limited to, lack of competition across providers and regulations that impede successful delivery.

Communication

There should be adequate channels of communication with effective rights and responsibilities specified.

Robustness

The program itself, and its management and governance, must be flexible, responsive, and committed to finding ways to make the payment scheme work. This requires that the systems and partnership structures flexible enough to make required adjustments, whether they are small tweaks or larger process changes, to quickly rectify problems – appropriately linked to performance management.

Program Monitoring, Measurement and Evaluation

Good measurement and evaluation is important for understanding whether the elements of the program are working. For Digitize elements, for example, appropriate and timely monitoring allows us to know: what are the experiences at the agents/branches/ATMs? Do the agents/PSPs have enough liquidity? How long are the recipients waiting? Are there issues at specific locations?

Monitoring should ideally capture long as well as short-term impacts. Some behaviors and outcomes might be expected to take longer to shift – for example, increased probability of women to find a job after participating in a public works program, change in attitudes associated with the increased control of cash transfers; long term nutritional status; and so on.

Dashboards and evaluation instruments will be critical elements of an M&E plan. The most typical indicators included in social protection programs relate to the number of female participants. This is informative, but this does not necessarily mean that women have been empowered or gender disparities have been narrowed.

Good monitoring and evaluation frameworks should include the elements listed below, and is likely to involve qualitative as well as quantitative data and analysis.

Intermediate and Outcome Indicators

It is important to review what is already assessed in terms of household and individual data, and administrative information – e.g. from facilities (e.g. schools) – and links to back end systems and the social registry, and work out what additional information is needed to inform performance against the objectives of women’s economic empowerment.

Administrative performance

- Number of people -> women and men
- Dollars spent /Administrative costs
- Accuracy of payments—errors of exclusion and inclusion
- User satisfaction

Indicators at the individual, family and community level

- Decision making—individual and joint in the household
- Group and community participation, social networks
- Accounts – access, ownership and use.
- Savings, investment and consumption patterns
- Paid work: men, women—and time use
 - Buying or selling (e.g. livestock); Working for wages
 - Asset accumulation
- Intimate partner violence—experience and attitudes towards violence
- Changing social norms (e.g. towards women’s work, aspects of autonomy)