Pakistan

IFS Focus Country Comparison 2017 & 2021 Analysis

Project Overview

The goal of this work has been to **examine a set of barriers inhibiting women's access to and usage of financial services**. We seek to determine **which barriers are most resonant to different segments of women in different markets** and to **make recommendations about** the kinds of **interventions** that could address them.

Ultimately, **our goal is to remove barriers to women's economic empowerment in the financial inclusion arena.**

IFS' WEE-FI Vision Statement

By 2030, women will have near ubiquitous (80% adults worldwide, 60% of those who earn <$2 a day), equal access to DFS, and can easily, safely, and confidently use them to manage their complex daily lives and aid in their aspirations, over which they have agency and control.

The general sentiment is that *many barriers contribute to an inequitable financial system* that makes it difficult for women to access and use services and products in ways that will allow them to *achieve economic empowerment*.

All barriers are *important* and play a role in a woman's lack of ability and access to choose and use a financial product or service.

Ultimately, our intention was to try to help focus efforts in each market as we asked the following question:

Can we identify barriers that are relevant and not yet resolved so program officers and partners can *center their programs and interventions* on *critical issues* facing women?

Full List of Barriers (1 of 2)

Prerequisites

Broader legal constraints (e.g. male signature)

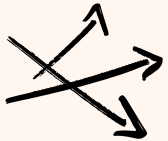
Internet/Mobile connectivity

KYC requirements

Lack of credit history (for credit products only)

Digital/Foundational ID

Phone/SIM ownership



Accessibility

Mobility constraints (e.g. legal curfews, norms)

Distance from bank/ FSP/CICO agent

Cost

Cost of mobile/internet

Cost of using DFS (incl. transaction cost)

Perceived and/or lack of money

Non-transparent fee structures / hidden costs

Information Availability & Capability

Lack of peers/family/ network who use DFS

Basic literacy and numeracy

Digital literacy

Financial literacy

Unclear or unavailable info about products/uses

Unclear or difficult process to open account

Full List of Barriers (2 of 2)

Product & Service Quality

Reliability of payments system and network

Reliability and quality of in-person services

Lack of products that meet women's needs

Lack of products and services that create value

Navigability of user interface of the digital product

Consumer Protection

Potential (or actual) privacy violations

Predatory lending

Over-charging

Fraud and scams

Fear of making mistakes

Online/Phone/Social media harassment

Difficulty resolving complaints

Human Resources

Lack of women in leadership at DFS providers and policy-makers

Lack of female agents

Social Norms

Ambivalence or antagonism towards women's financial independence

Expectation that men control HH finances

Women's disproportionate time burden

Biases that center men as financial customers

Financial Inclusion Segments

In 2021, BMGF asked Mathematica to create a segmentation model that would allow us to analyse and compare women across different markets.

01	02	03	04
Excluded, marginalized	**Excluded, high potential**	**Included, underserved**	**Included, not underserved**

Lower potential for inclusion → *Greater potential for inclusion*

Financial Inclusion Segments

This represents the segmentation approach as defined by Mathematica.

01. Excluded, marginalized

Does **not own** a financial account

and

Has not conducted **certain transactions** in the past 12 months

and either

Does **not have** an **income source** (neither in the workforce nor have received a G2P payment)

or

Cannot access financial services (does not have a mobile phone, and financial institutions are too far away)

02. Excluded, high potential

Does **not own** a financial account

and either

Has conducted **certain transactions** in the past 12 months

or

Has an **income source** (from being in the workforce or receiving a G2P payment)

and

Can access financial services (does have a mobile phone and financial institutions are not too far away)

03. Included, underserved

Owns a financial account

and

Has not conducted more than one type of **advanced transaction** in the past 12 months

04. Included, not underserved

Owns a financial account

and

Has conducted more than one type of **advanced transaction** in the past 12 months

◄ ..... ►

Lower potential for inclusion

Greater potential for inclusion

Barriers Relevant Across All Four Segments

Prerequisites	Broader legal constraints (e.g. male signature)
Cost	Cost of using DFS (incl. transaction cost) Cost of mobile/internet
Social Norms	Biases that center men as financial customers Expectation that men control HH finances Ambivalence or antagonism towards women's financial independence Women's disproportionate time burden
Human Resources	Lack of female agents

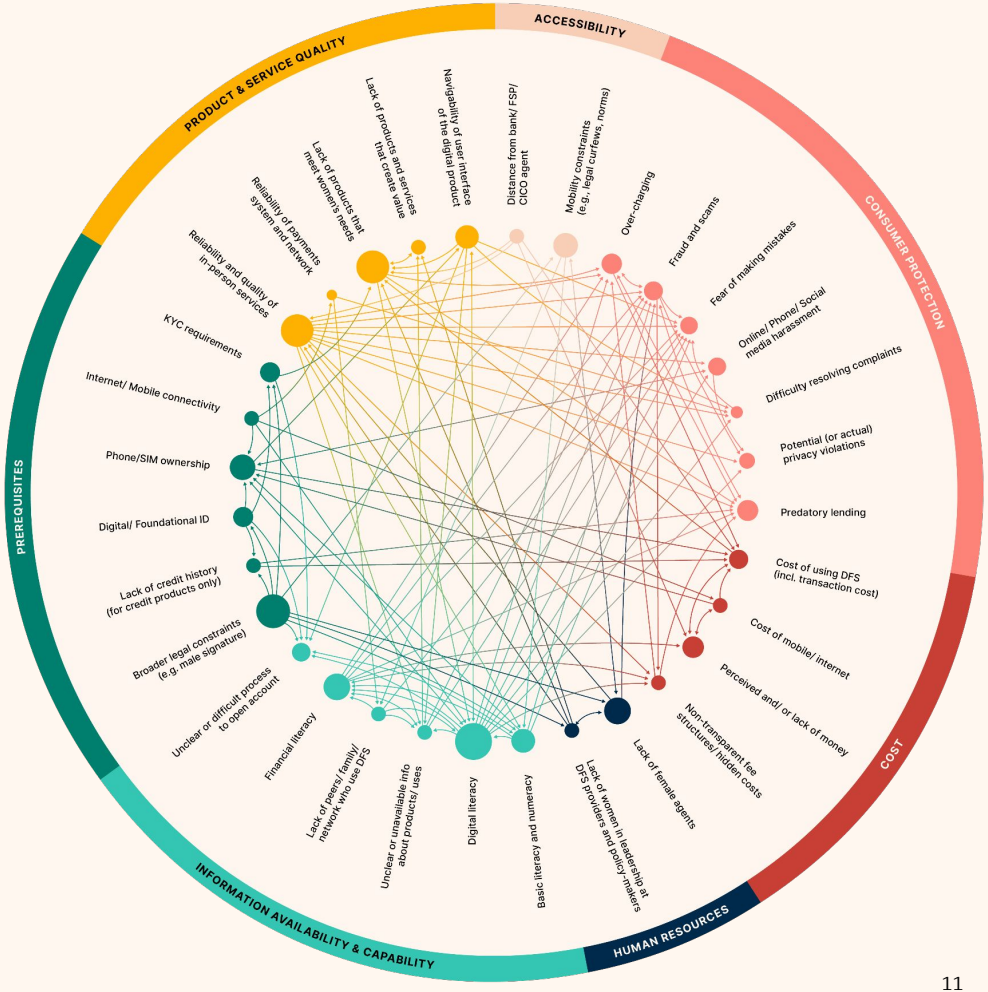
Some barriers typical for the largest segments in each market may be *more or less relevant based on local context*. This doesn't mean other barriers should be ignored or deprioritized.

Rather, in all markets, *one should take a contextualized approach* to determine which barriers need to be addressed more urgently than others based on what has already been resolved or attempted in the market.

Connected Barriers Map

No barrier operates independently of other barriers.

The nodes derived from this map can serve as a guide to identify opportunities for outsized impact. For a more granular view into the connected barriers, see our project website.



Pakistan

The following slides take an in-depth look at specific segments for Pakistan.

The following slides provide insights into Pakistan from the segmentation model, using 2017 and 2021 Findex data to allow for comparison over time. Note that Findex provides nationally representative data at points in time; it is not panel data on the same individuals over time.

Segment 4 is excluded from the analysis due to the low percentage of women in these segments.

Slides 1-2	A breakdown of women **by segment** in 2017 and 2021 and a **gender comparison** for all segments in 2021.
Slide 3	Insights into each segment's **demographic breakdown** in 2017 and 2021, including employment status, education level and age.
Slide 4	A breakdown of **mobile phone ownership** by segment in 2017 and 2021.
Slide 5	Insights into the **gender gap in mobile phone ownership** for each segment in 2021.
Slide 6-8	An overview of **key insights into women in each segment**, using 2021 Findex and additional sources.
Slide 9	An analysis of the barriers that may be **more or less relevant for each segment**, the largest segment in Pakistan.

Women in Pakistan:

Segmentation Breakdown

2017 & 2021

The segmentation distribution in Pakistan is similar in 2017 and 2021, with Segment 1 being the largest segment of women (84.9% in 2017 and 71.5% in 2021).

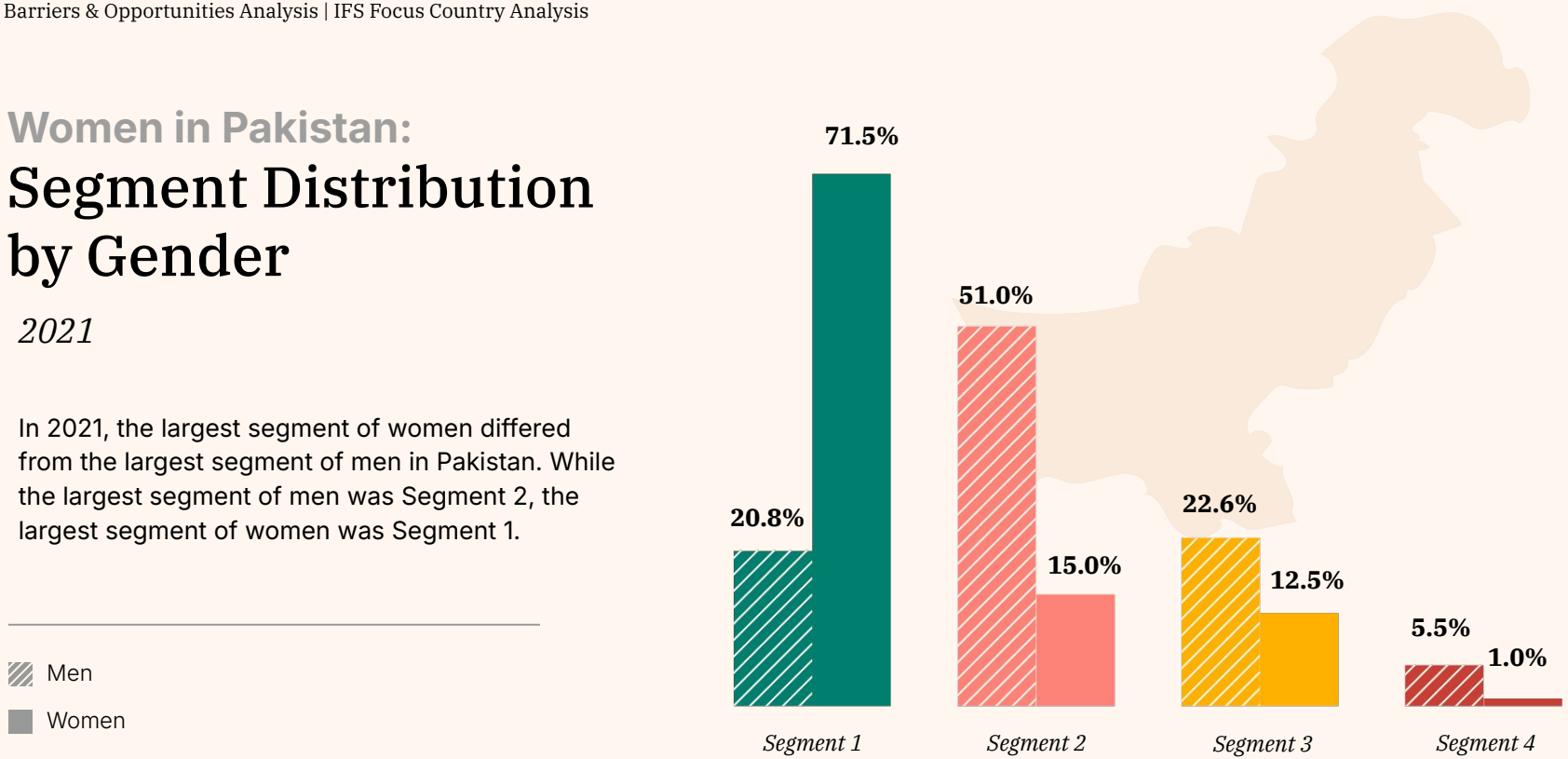
Sources: Mathematica analysis of 2021 Global Findex database data.

Women in Pakistan:

Segment Distribution by Gender

2021

In 2021, the largest segment of women differed from the largest segment of men in Pakistan. While the largest segment of men was Segment 2, the largest segment of women was Segment 1.



Sources: Mathematica analysis of 2021 Global Findex database data.

Women in Pakistan:

Demographic Breakdown

2017 & 2021

Segment		*Primary Employment Sectors*	*Leading Education Level*	*% of Women Under 35*
01	2017	Not in workforce (93.1%)	Primary or less (77.3%)	60.6%
	2021	Not in workforce (87%)	Primary or less (78.6%)	65.8%
02	2017	Not in workforce (44.4%)	Primary or less (74.6%)	50.5%
	2021	Not in workforce (37.6%)	Primary or less (83.8%)	54.1%
03	2017	Not in workforce (74.5%)	Primary or less (55.2%)	37.4%
	2021	Not in workforce (72.1%)	Primary or less (71.1%)	55.4%
04	2017	Public employment (40.2%)	Secondary (64.1%)	66.4%
	2021	Private employment (45.4%)	Primary or less (59.6%)	65.4%

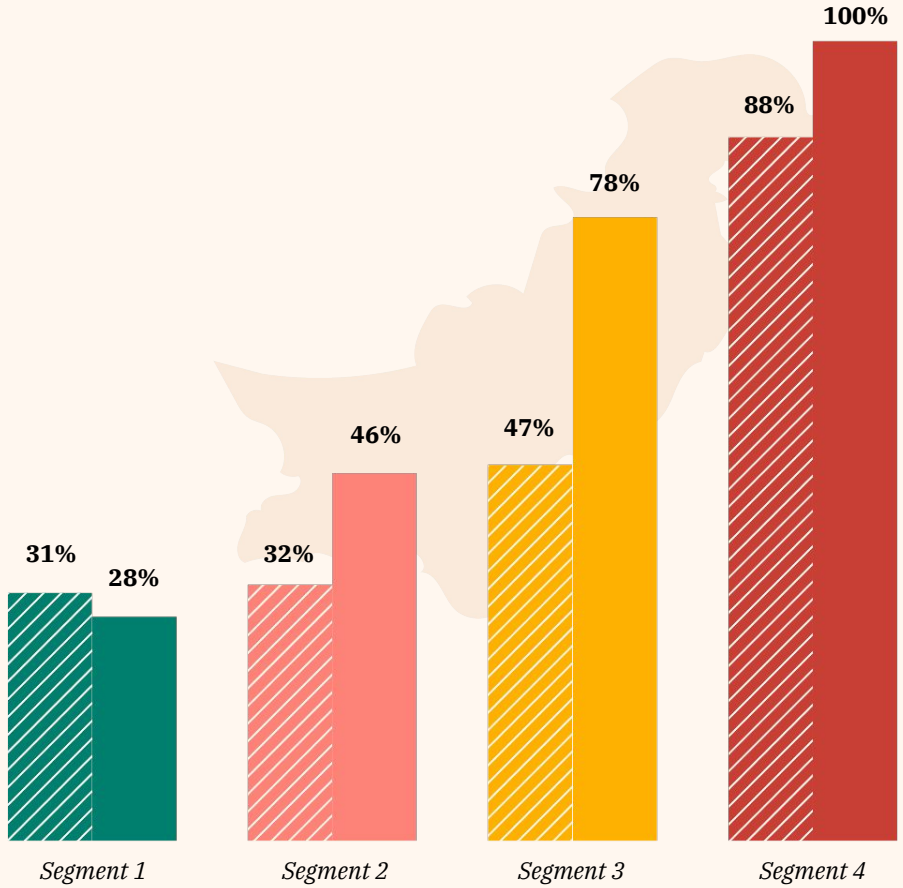
Sources: Mathematica analysis of 2021 Global Findex database data.

Women in Pakistan:

Mobile Phone Ownership

2017 & 2021

Women's mobile phone ownership increased for Segments 2, 3, and 4 from 2017 to 2021, with Segment 3 increasing the most (31%). Segment 1 decreased slightly, from 31% in 2017 to 28% in 2021.

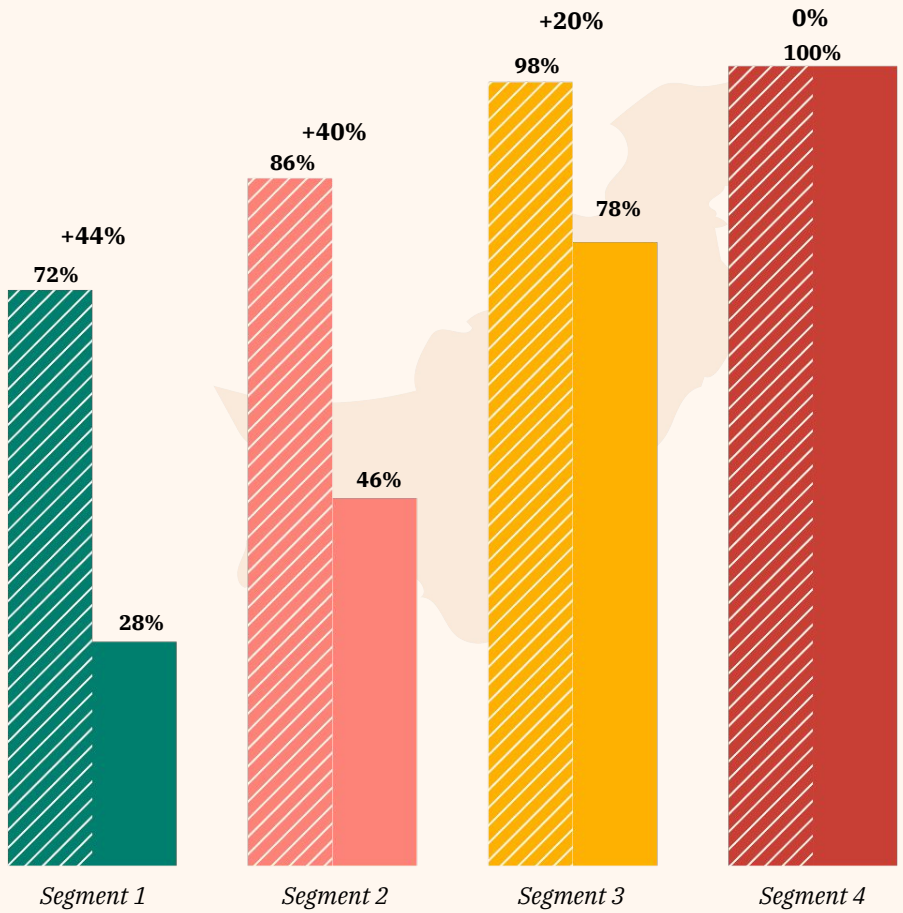


Sources: Mathematica analysis of 2021 Global Findex database data.

Women in Pakistan:

Gender Gap in Mobile Phone Ownership

Segments 1, 2 and 3 have large gender gaps, sitting at 44%, 40%, and 20%, respectively. Segment 4 has reached gender parity, with a 0% gap between men and women's phone ownership.



Men

Women

Sources: Mathematica analysis of 2021 Global Findex database data.

Women in Pakistan:

Barrier Prioritization for *Segment 1*

What we know:

- 51.8% of women in Segment 1 stated they **do not have enough money to use financial institutions.**
- 30.4% of women in Segment 1 cited that **financial services were too expensive.**
- 72% of women in Segment 1 **do not own a mobile phone.**

Sources: Mathematica analysis of 2021 Global Findex database data

Women in Pakistan:

Barrier Prioritization for *Segment 2*

What we know:

- 61.8% of women in Segment 2 stated they **do not have enough money to use financial institutions.**
- 52.8% of women in Segment 2 cited that **financial services were too expensive.**
- 46.2% of women in Segment 2 **own a mobile phone.**
- 83.8% of women in Segment 3 have **primary level education or less.**

Sources: Mathematica analysis of 2021 Global Findex database data

Women in Pakistan:

Barrier Prioritization for *Segment 3*

What we know:

- **Only 10.8% of women in Segment 3 saved money for any reason.** 7.8% did so with an informal savings group or person outside the family, 1.8% did do through a formal financial institution, and **0.5% did so with a mobile money account.**
- **38.8% of women in Segment 3 borrowed money from any source.** 5.3% borrowed from an informal savings group and 4.2% borrowed from a formal financial institution.
- 71.1% of women in Segment 3 have **primary level education or less.**

Sources: Mathematica analysis of 2021 Global Findex database data

Barrier Prioritization by Segment in Pakistan

	Segment 1	Segment 2	Segment 3
More relevant	Basic literacy and numeracy		
	Perceived and/or lack of money		Digital literacy
	Cost of financial services (incl. Transaction cost)		Lack of peers/family/network who use DFS
	Phone/SIM ownership		Lack of credit history (for credit products only)
			Lack of products that meet women's needs
	All barriers in the Social Norms category		
Less relevant	N/A		

Exemplars & Opportunities Analysis

Our exemplar analysis maps rigorously tested successful interventions and programs to the barriers and customer segments they address.

With an understanding of the most relevant barriers for a specific customer segment in a specific market, exemplars can *inspire and inform opportunities* for adapting and designing *evidence-based programs* in other markets.

A key part of our exemplar analysis was identifying the design principles that were inherent in each activity, program, and intervention.

Design principles are a set of ***guiding rules and elements to be considered during program conception and design.*** These principles will help create intentional, effective, and valuable interventions and activities that work for women.

Five design principles emerged as the most common principles throughout our exemplar research.

Interventions that adopted one or more of these principles were also found to be successful in addressing barriers to WEE-FI and meeting their intended objectives.

These five design principles should be considered when designing programs and activities specifically for women given their popularity in existing programming and impacts on improving access and usage of financial services.

The five key design principles we identified are:

01 Bundling a product/service rollout with capacity-building training

02 Targeting both supply- and demand-side actors under one program

03 Leveraging multiple communication channels for recruitment, and trusted community members for program implementation

04 Using women-centered design models

05 Making interventions affordable

Sample Exemplars

The following slides provide *a sample exemplar* that could *inspire activities* to address key barriers to women's financial inclusion in Pakistan.

The exemplar provides lessons from a project implemented in Tanzania that addresses key barrier affecting Segment 1 in Pakistan: perceived and/or lack of money and phone/SIM ownership.

There are 43 other exemplars in the extended resources that may provide additional inspiration for service providers working on women's financial inclusion and economic empowerment in Pakistan. These resources can be found on our website.

Mobile Phone and Livelihoods of Women Project

"Few other global trends have outpaced the rate at which people living in poverty are acquiring mobile phones and using them to improve their economic welfare." To estimate the effects of mobile phones on the welfare of low-income women, the authors undertook a RCT (n= 1,348) in Tanzania in 2016–17 in which basic handsets, smartphones, and a cash placebo were randomly assigned to participants. To the knowledge of the authors, "this is the first pure RCT testing the effectiveness of mobile phones on poverty reduction." (Roessler et al., 2018).

To recruit participants, the team partnered with BRAC, and the Tanzanian government's anti-poverty Social Action Fund, TASAF. The team worked in 11 districts in five different regions of the country—"Arusha, Mwanza, Iringa, Tanga, and Ruvuma—that provided both broad geographic diversity and a balanced mix of rural, peri-urban and urban residents." At the time of study, the research team "focused on women because in Tanzania, like in many other developing countries, mobile phone ownership for women is significantly lower than among men" (Roessler et al., 2018).

Quick facts

Barriers addressed

Prerequisites
Phone/SIM Ownership

Cost
Perceived and/or lack of money
Cost of mobile/internet

Information Availability & Capability
Digital literacy
Unclear or difficult process to open an account

Segment focus

1 **2** 3 4

Customer Journey Relevance

Geography

Tanzania

Key stakeholders involved

1,352 Tanzanian women
BRAC
Social Action Fund (TASAF)
Tanzanian MNOs

Sources

Roessler et al., 2018.

Mobile Phone and Livelihoods of Women Project

Key activities

After identifying participants through a brief, inconspicuous survey that screened for phone ownership with the help of BRAC and TASAF, participants were assigned to one of several groups. In the control group, women were placed on a waitlist to receive a phone in year two of the program. In the treatment group, participants were assigned a combination of "basic handsets, smartphones, cash (40,000 Tanzanian Shillings, or US $18, the equivalent value of a basic phone), group or individual mobile phone training, mobile credit vouchers, and solar chargers."

After assigning participants to groups, participants were invited to a distribution meeting where they were walked through "how to install a SIM card, charge the phone, turn on the phone, use the radio and flashlight, make a phone call, send SMS, use mobile money, and, for smartphone recipients, how to access the internet and download an app. Some received this training individually, some as a group and others received no training at all," to assess the outcome of the program, female enumerators conducted baseline, midline, and endline surveys in Swahili.

Outcomes/results

- "At endline one year after distribution of the phones, women assigned to the basic and smartphone conditions were significantly more likely to own phones, use mobile money, use phones for income-generating activities, and score higher on an index of financial inclusion."
- "In the cash group in which women were given money equivalent to the cost of a basic phone, 55% possessed phones at endline, indicating that many used their cash gift to buy a phone. Given the many other pressing needs on which subjects in the study may have spent the cash, this high rate of phone purchasing in the cash group suggests the premium that poor women place on phone ownership."

Mobile Phone and Livelihoods of Women Project

Key enabling environment factors for the intervention

- The research team partnered with organizations that have a national presence in Tanzania for participant recruitment. These organizations also work mainly with women from low-income households. Taken together, these organizations helped to build trust with the participants in the program.
- Mobile infrastructure and connectivity was strong. Participants were given SIM cards from mobile network operators with strong coverage in their particular area.

Key design elements and principles that led to successful outcomes

- Participants were given SIM cards from mobile network operators with strong coverage in their particular area, rather than given SIM cards from the same MNO. This could have helped prevent challenges related to insufficient connectivity.
- Trainings were customized for basic phone owners versus smartphone owners.
- Trainings and surveys were conducted by female enumerators in Swahili.
- The program was affordable. Women did not have to pay for their phones or SIM cards, reducing cost barriers to program participation and enabling a diversity of participants.

Potential for scale/replicability

The success of this program was enhanced by partnering with firms with a national presence in Tanzania, and several major mobile network operators. Organizations seeking to replicate this program should keep this in mind, as finding multiple partners may be challenging or time consuming. The type of phones offered in different markets should also be considered, as some markets may be less familiar with smartphones. Trainings should be customized to reflect the skills and literacy levels of the participants in replicated programs.

Mobile Phone and Livelihoods of Women Project

Challenges encountered during the program

This program encountered significant noncompliance with the study's experimental conditions. For example, some women sold their smartphones for more basic phones, and not all of the women in the treatment group retained their phones at endline. Additionally, "31% of women in the basic phone group, and 26% in the smartphone condition did not own any phone at endline, reporting their project phone either lost, broken, stolen, or sold."

Recommendations from the research

Due to the significant numbers of participants who did not own any phone at endline due to their phone being lost, broken, stolen, or sold, future programming should give consideration to the challenges faced by low-income mobile phone users when they face the loss of valued assets.

At endline one year after distribution of the phones, women assigned to the basic and smartphone conditions were significantly more likely to own phones, use mobile money, use phones for income-generating activities, and score higher on an index of financial inclusion.

Thank you!

For questions please contact:

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