



# e-Payment Study

## UNDP Bangladesh



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# Foreword

This research is part of the United Nations Development Programme in Bangladesh's support for the Government of Bangladesh's national objective of strengthening Government to Person delivery systems for social security cash transfers. This objective is outlined in the National Social Security Strategy of Bangladesh. The purpose of this micro-pilot was to explore the complexities involved in offering digital delivery mechanisms for social security cash transfers as an alternative to the status quo method of physical delivery. The information contained within this report and all ancillary data regarding the pilot will be used to inform additional research on Government to Person delivery mechanisms and provide policy guidance to the Central Management Committee.

The micro-pilot was conducted as a joint initiative by the Social Security Policy Support project, and the Strengthening Women's Ability for Productive New Opportunities project. The Social Security Policy Support project is implemented in partnership with the General Economics Division, Planning Commission; the Cabinet Division, Government of Bangladesh; and supported by the Department for International Development. The Strengthening Women's Ability for Productive New Opportunities project is implemented in partnership with the Local Government Division, Government of Bangladesh; and the International Labour Organization; and supported by the Sustainable Development Goals Fund and the Bangladesh Steel Re-Rolling Mills.

The pilot benefited from the support of the following individuals and implementing partners: Aminul Arifeen, Project Manager, Social Security Policy Support, UNDP; Göran Jonsson, Senior Programme Advisor, UNDP; Belayet Hossain, Monitoring and Evaluation Specialist, SWAPNO; Durani Abul Ahsan, Management Information System Associate, SWAPNO; Ahmadul Kabir Akon, District Manager for Kurigram, SWAPNO; Rabiul Islam, District Manager for Satkhira, SWAPNO; bKash; Bank Asia; and the Bangladesh Post Office.



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# Acronyms

|        |                                                                |
|--------|----------------------------------------------------------------|
| AECID  | Spanish Cooperation Agency for International Development       |
| BDT    | Bangladeshi Taka                                               |
| BPO    | Bangladesh Post Office                                         |
| BSRM   | Bangladesh Steel Re-Rolling Mills                              |
| CMC    | Central Management Committee                                   |
| DFID   | Department for International Development                       |
| G2P    | Government to Person                                           |
| GED    | General Economics Division                                     |
| GoB    | Government of Bangladesh                                       |
| IGAs   | Income Generating Activities                                   |
| ILO    | International Labour Organization                              |
| LGD    | Local Government Division                                      |
| LPL    | Lower Poverty Line                                             |
| M&E    | Monitoring and Evaluation                                      |
| MIS    | Management Information System                                  |
| NSSS   | National Social Security Strategy of Bangladesh                |
| PNGO   | Partner Non-Governmental Organization                          |
| RMG    | Ready-made Garments                                            |
| SDG-F  | Sustainable Development Goals Fund                             |
| SSCTs  | Social Security Cash Transfers                                 |
| SSPS   | Social Security Policy Support                                 |
| SSPs   | Social Security Programmes                                     |
| SSS    | Social Security System                                         |
| SWAPNO | Strengthening Women's Ability for Productive New Opportunities |
| UNDP   | United Nations Development Programme in Bangladesh             |
| UP     | Union Parishad                                                 |

## Executive Summary

The national objective of strengthening Government to Person (G2P) delivery systems is a central operational component of the National Social Security Strategy of Bangladesh (NSSS). Millions of Bangladeshi citizens are enrolled in social security schemes where the benefit is a cash transfer. Citizens collect these cash transfers physically, at local Government offices, or at banks throughout the country, despite often not having a bank or mobile-money account. This process for delivering social security cash benefits is inefficient, both for the Government and for the citizen. The intention behind this micro-pilot was to establish a starting point for further research that would then in turn be able to generate evidence-based knowledge, providing the Government of Bangladesh (GoB) with concrete policy options for transitioning social security cash transfers to digital delivery throughout the nation.

Implemented jointly by the Social Security Policy Support (SSPS) and the Strengthening Women's Ability for Productive New Opportunities (SWAPNO) projects, the study involved 1296 SWAPNO women participants, out of a total project population of 4464. Participants were randomly divided into 2 groups: the intervention group and the control group, each comprising 648 SWAPNO women. These women comprise the most extreme-poor in Bangladesh, having entered the project with an income below the Lower Poverty Line. All SWAPNO women receive a cash transfer every 15 days via manual collection at the local Union Parishad (UP) bank. Intervention participants were randomly divided into 3 groups for an alternative method of delivery for 8 cash transfers: 1) mobile-money (bKash); 2) agent banking (Bank Asia); and 3) postal cash card (local post offices).

Each group consisted of 216 women, with half, 108, located in Kurigram and the other half in Satkhira. The groups were further stratified by distance from the nearest city centre: 0 – 20 km, 21 – 40 km, and over 40 km. The following table provides the breakdown of intervention group distribution.

## Continued

| District | Service     | 0 – 20 km                   | 21 – 40 km               | Over 40 km                    | Total |
|----------|-------------|-----------------------------|--------------------------|-------------------------------|-------|
| Kurigram | Bank Asia   | Bamandanga, Nageshwari (36) | Bhangamor, Phulbari (36) | Raygonj, Nageshwari (36)      | 108   |
|          | Post Office | Kathalbari, Sadar (36)      | Daldalia, Ulipur (36)    | Shilkhari, Bhrungamari (36)   | 108   |
|          | bKash       | Chinai, Rajarhat (36)       | Bandober, Rowmari (36)   | Astomir Char, Chilmari (36)   | 108   |
| Satkhira | Bank Asia   | Parulia, Debhata (36)       | Kadakati, Assasuni (36)  | Dakshinsreepur, Kaliganj (36) | 108   |
|          | Post Office | Tala Sadar, Tala (36)       | Kushlia, Kaliganj (36)   | Anulia, Assasuni (36)         | 108   |
|          | bKash       | Nalta, Kaliganj (36)        | Sovenali, Assasuni (36)  | Padmapukur, Shyamnagar (36)   | 108   |
| Total    |             | 216                         | 216                      | 216                           | 648   |

Prior to the intervention, UNDP team members visited the UPs of Bozra and Chinai to conduct some preliminary research. Team members spoke with a local Bangladesh Post Office Post Master and a bKash agent. Additionally, 4 focus group discussions with 12 SWAPNO women each were conducted. The discussions were designed to provide anecdotal information about how the current method of cash transfer delivery affects them. A mini-survey of 39 of the 48 women was also conducted. The mini-survey showed that, on average, the women spend 7.5 hours collecting their cash transfer, spending BDT 24. Of the women mini-surveyed, 80% were readily open to the idea of being charged a small fee to receive their cash transfer quicker; the focus group discussions supported this response.

A total of 15 of the 39 (38%) women used a mobile phone (low-cost, feature phone), with only 11 of those being the sole owner of that phone. Although mobile phone usage is higher among the total SWAPNO population (63%), low-cost mobile phones were provided to women selected for the bKash groups in order to maintain a uniform experience.

## Executive Summary

For data collection and analysis on the 8 payment periods, a baseline and endline survey were conducted across the entire intervention (648) and control (648) population for a total of 1296 (actuals: 1288 baseline, 1284 endline). The research team developed a survey consisting of 26 investigative questions which are examined in this report. The baseline survey was conducted before the 1<sup>st</sup> delivery of the alternative payment method and the endline survey was conducted after the 8<sup>th</sup> and final payment of the micro-pilot, which also coincided with the end of the SWAPNO programme for all women of this cycle. SWAPNO's local partnering non-governmental organization acted as enumerators for the surveys, using an android device to electronically record responses in person. Data analysis and observations were performed by the research team.

Two research components were studied:

1. Efficiency: the time, from departing home to returning home; transportation costs; and number of visits to obtain the cash transfer.
2. Financial Inclusion: user experience with each alternative payment mechanism and any changes in money management.

Although only taking place over 8 cash transfer cycles, on a whole, the efficiency effects of digital payment mechanisms as an alternative to the status quo method looks promising. At baseline, among all research participants, the average self-reported distance traveled to the collection point from home was 3.9 km; at endline, it was 3.2 km, amounting to an average reduction of 0.7 km.

At baseline, the average collection time, starting from home and returning, was 4.6 hours; at endline, it was 3.0 hours, amounting to an average reduction of 1.6 hours. At baseline, the average transportation cost involved in collecting cash transfers was BDT 39; at endline, it was BDT 24, amounting to an average reduction of BDT 15. However, whereas 270 women had a transportation cost of BDT 60 or more at baseline, only 73 did at endline.



## Continued

At baseline, 90% of SWAPNO women made only 1 trip to their collection point to receive their cash transfer; at endline, it was 93%. At endline, 85% of intervention respondents said that their new payment delivery method was better (95% bKash, 91% agent banking, 63% postal cash card), 8% said worse (2% bKash, 0% agent banking, 25% postal cash card), and 7% said about the same (3% bKash, 9% agent banking, 12% postal cash card).

On the financial inclusion side, the results are less dramatic, but show interesting potential. At baseline, both intervention and control participants withdrew 100% of their cash transfer immediately; at endline, it was also 100%. However, at endline, for intervention participants, 20% of respondents reported using another service, outside receiving their cash transfer. 84% of those were using bKash (36% savings, 64% other); 16% were agent banking with Bank Asia (40% savings, 55% loans, 5% other); none was from the postal cash card group.

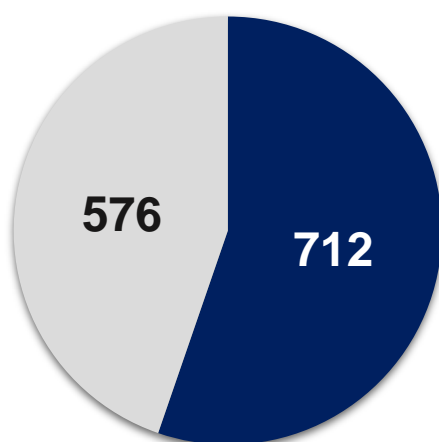
The experience across service providers was different. The average time involved in collection varied: bKash (1.8 hours), agent banking (1.9 hours), postal cash card (3.5 hours). Overall, bKash demonstrates the most immediate benefit, providing the largest efficiency improvements and having hundreds of thousands of agents across the country, available during all business hours. While Bank Asia's agent banking had closely comparable efficiency improvements, the limited supply of agent bankers hinders regular accessibility. However, the small uptake in loans through agent banking may prove to be an interesting area to research further. Their connection to a full banking system is also a significant benefit.

Although those in the postal cash card group had some improvements in their efficiency metrics, there was no effect on financial inclusion. The poor approval rating is related to regular deficiencies in service, including technical delays with their point of sale machines and staffing limitations.

# Analysis

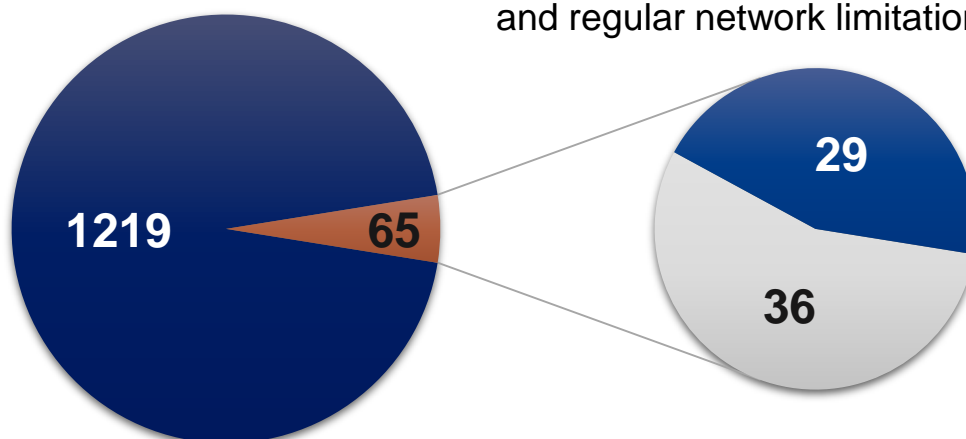
## Survey question 1.2: Did you receive your last cash transfer on time?

### Baseline



■ Yes ■ No

### Endline



■ Yes ■ No - Shilkhuri ■ No - Kanthalbari

There was a dramatic improvement in the number of SWAPNO women reporting receiving their cash transfer on time from baseline to endline. At baseline, 55% received on time, while 45% did not receive on time. By endline, 95% of women received their payment on time, while 5% did not. At the time of baseline, all women would have been reflecting on their experience with the status quo (control) method: traveling to the their nearest local Union Parishad bank to collect their cash transfer. At endline, the 5% (65 women) who reported in the negative were all in the postal cash cards group in the 2 Kurigram Union Parishads of Shilkhuri and Kanthalbari. The Bangladesh Post Office had several technical difficulties in these areas, including a lack of Point of Sale equipment and regular network limitations.

# Analysis

## Survey question 1.3: If No (not received on time), how long was the delay?

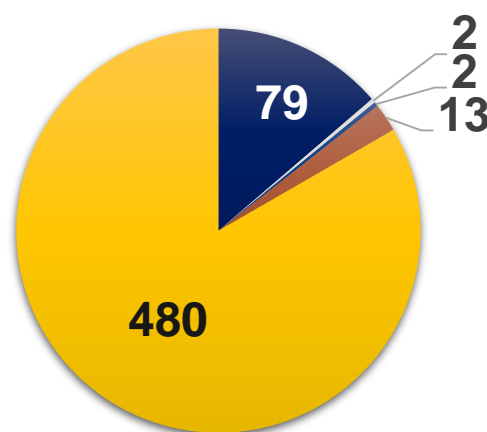
The range in reported delays was from the same day to 7 or more days. At baseline, before any digital transfers, of the 576 reporting delays, less than 1% reported receiving their cash transfer the next day or between 2 – 3 days; 2% between 4 – 6 days; 14% the same day, but with delays; and 83% 7 or more days. The 83% (480 women) all belonged to the District of Satkhira where a specific logistical issue resulted in this delay.

At endline, of the 65 women reporting delays, collectively, 11%, or 7, reported same day, but with delays, next day, between 4 – 6 days, or 7 days or more. The rest, 89%, or 58, reported between 2 – 3 days. This response aligns to the challenges experienced with the Bangladesh Post Office.

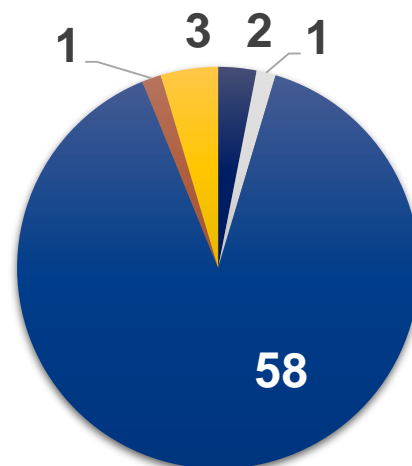
However, excluding the 480 respondents at baseline, there is a 32% reduction in women reporting delays, from 96 to 65.

- Same day with delays
- Next Day
- 2 - 3 Days
- 4 - 6 Days
- 7 or more Days

Baseline



Endline



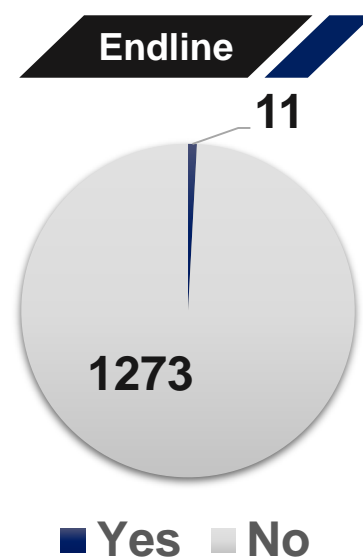
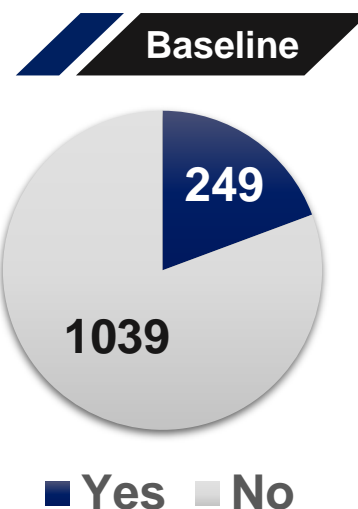
# Analysis

## Survey question 1.4: Has the payment facility (bank, agent, or vendor) ever run out of money on the day of your cash transfer collection?

This question examines whether the service providers, including the local Union Parishad banks for the control, experiences liquidity issues. At baseline, 19% of SWAPNO women reported encountering this issue. These instances are spread across Kurigram and Satkhira and are referencing local Union Parishad banks.

At endline, the question was asked in reference to the previous 8 cash transfers covering the micro-pilot. Less than 1% of women reported vendor liquidity issues. The previous 19% (249 women) were assigned as follows: 141 control, 36 bKash, 36 agent banking, and 36 postal cash cards. The less than 1% (11 women) at endline consists of: 6 control, 1 bKash, 3 agent banking, and 1 postal cash cards. It's important to note that baseline responses would be referring to the women's experience in the previous 13 months, or 26 cash transfers, while the endline would only encompass 8 transfers. Both control and intervention groups reduced their instances of liquidity issues.

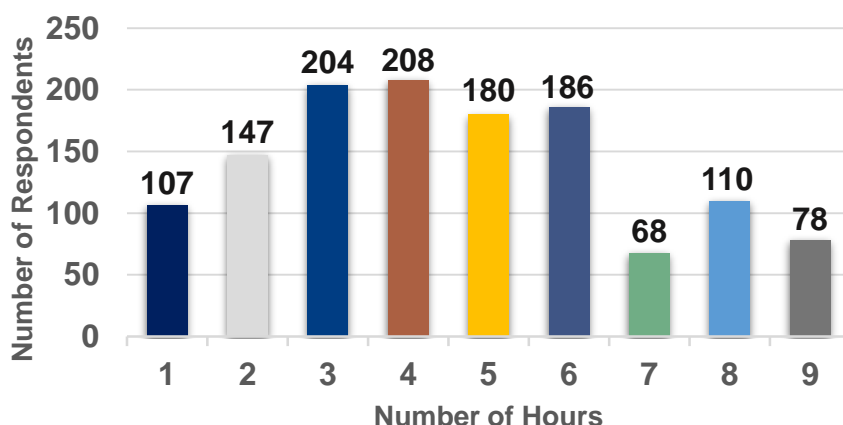
However, 3 out of 36 women with agent banking experienced this problem at least once over only 8 transfers, suggesting this be specifically investigated.



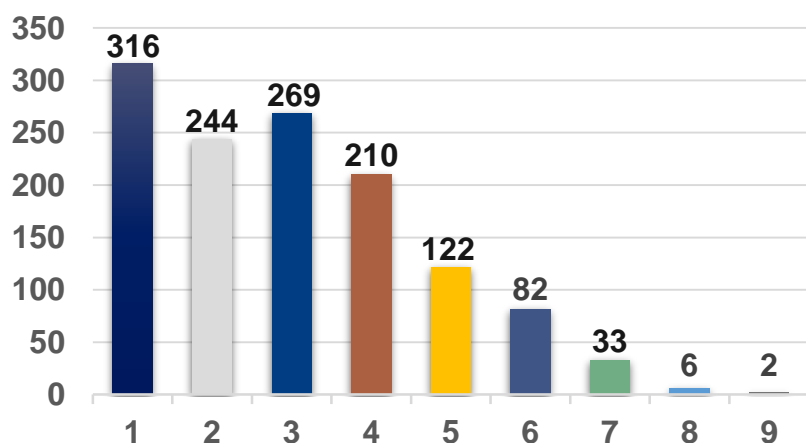
# Analysis

**Survey question 1.5: How many hours does it take you to collect your cash transfer, starting from leaving your home to returning back home?**

## Baseline



## Endline

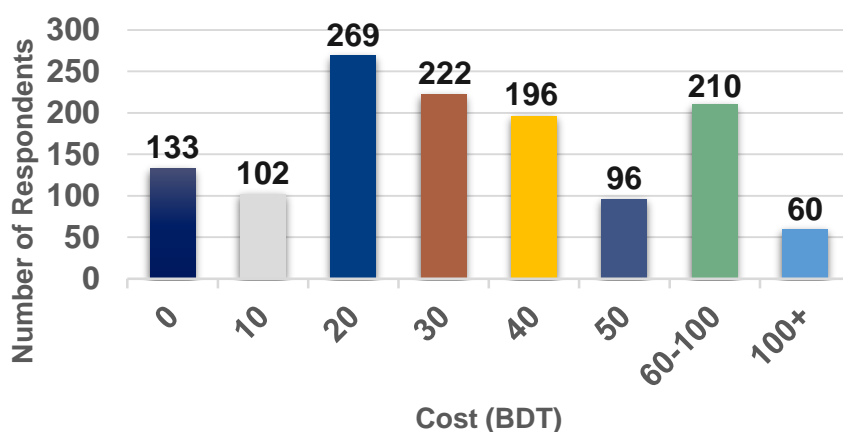


At baseline the average collection time, from home back to home, was 4.6 hours. At endline, it was 3.0 hours. Examining the endline data, the average time in collection varied: bKash (1.8 hours), agent banking (1.9 hours), postal cash card (3.5 hours), and control (3.7 hours). Most of the variation between the starting 4.6 hours to 3.7 hours can be attributed to the previously mentioned issue in Satkhira. Using the weighted average for the control (4.3 hours), the average time reduction between control and intervention groups is 2.0 hours. Individually: bKash (2.5), agent banking (2.4), and postal cash cards (0.8).

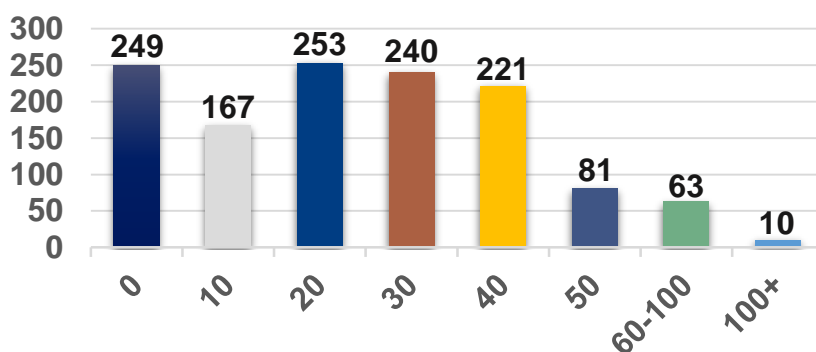
# Analysis

## Survey question 1.6: What are the transportations costs involved in collecting your cash transfer?

### Baseline



### Endline

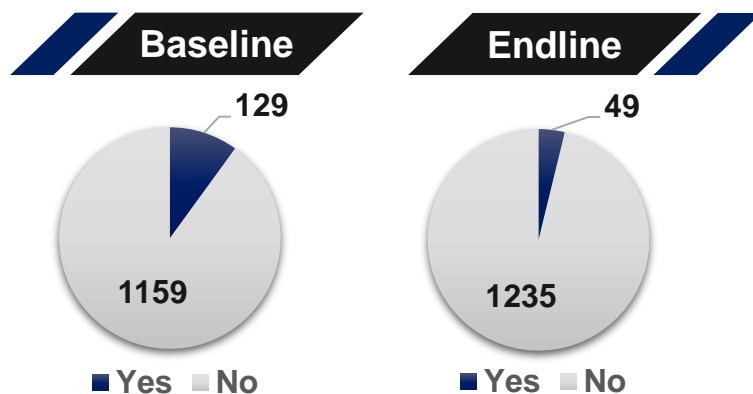


At baseline, the average transportation cost involved in collecting cash transfers was BDT 39; at endline, it was BDT 24, amounting to an average reduction of BDT 15. At endline, control transportation costs were BDT 30. This difference may be attributable to self-reporting errors. However, the difference between control and intervention is significant, regardless. For the individual interventions, the average cost varied: bKash (BDT 17), agent banking (BDT 16), and postal cash cards (BDT 21). Using the weighted average for the control and intervention groups, the average cost reduction is BDT 18.

Although bKash, agent banking, and postal cash cards had similar cost reductions, there were other differences. No bKash women reported higher than BDT 50, while for agent banking this was BDT 80, and for postal cash cards, BDT 100.

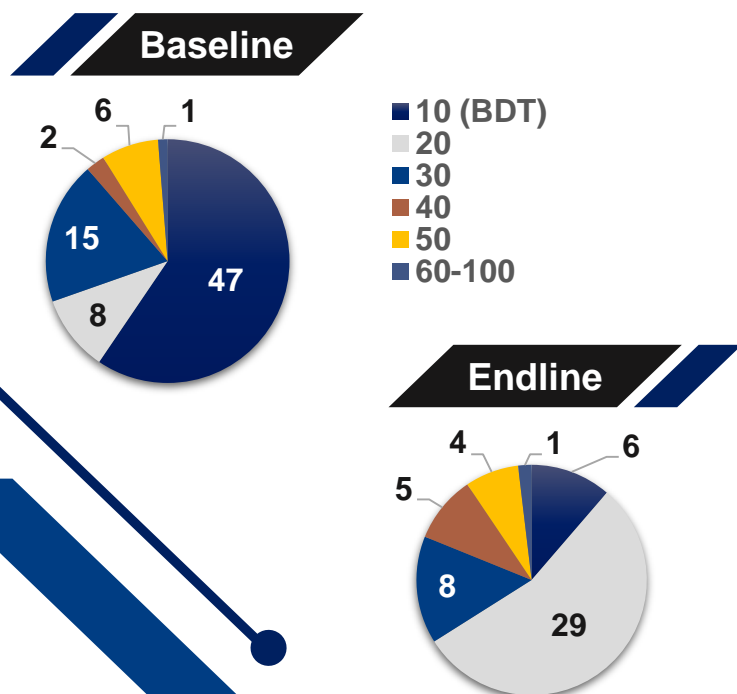
# Analysis

## Survey question 1.7: Are there any other costs associated with collecting your cash transfer?



At baseline, 10% of women reported other costs associated with collecting their cash transfer. All of these women, except 5, were scattered throughout Kurigram. At baseline, 4% of women reported additional costs.

## Survey question 1.8: If there are other costs, what is the amount?



For the women who reported additional costs, the range was from BDT 10 to BDT 100. At endline (49 women), 35 were from the control and 14 were from postal cash cards.

This survey question was intended to illicit responses about the fees charged by each service provider. For example, withdrawing cash from a bKash agent incurs a 1.85% fee. All intervention women would have charges, therefore, the responses for this question do not accurately reflect its intended purpose and should be revised for future surveys.

# Analysis

## Survey question 1.10: What is the distance (km) of your nearest collection point from your home?

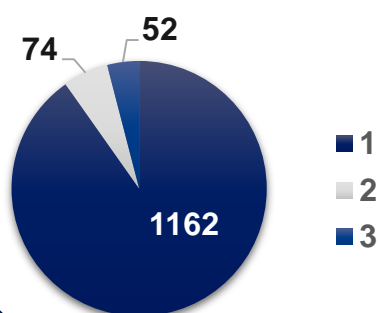
At baseline, the average distance from a women's home to her nearest collection point was 3.9 km. At endline, the average distance traveled was 3.2 km. However, for the control, it was 3.5 km. Since this question is self-reported, the 0.4 km difference from baseline (who would all start as control) to endline control, is within reason. Among only intervention group members, the average distance traveled for each is the following: bKash (2.5 km), agent banking (2.5 km), and postal cash cards (3.5 km). Using the weight average for the control (3.8 km), the distance reduction for bKash and agent banking is 1.3 km, and 0.3 km for postal cash cards.

## Survey question 1.11: How many visits per transfer do you visit the collection point (bank, agent, or vendor) to receive your transfer?

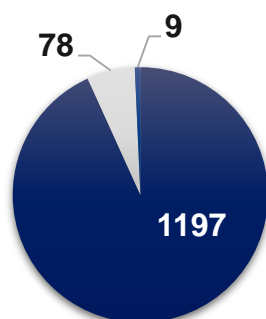
This question examines whether SWAPNO women were able to collect their cash transfer with only 1 visit. Multiple visits are negative.

At baseline, 90% of women were able to collect their transfer on their 1<sup>st</sup> visit. At endline, this increased to 93%. Of the 7% (87 women) visiting 2 or 3 times, 20 of those were control, 1 was bKash, and 66 were postal cash cards. 65 of the 66 were from the Kurigram Upazilas of Bhurangamari and Kurigram Sadar.

### Baseline



### Endline





# Analysis

## Survey question 1.12: Are you treated with respect when you collect your transfer by facility staff (bank staff, agent bankers, bKash vendors)?

All intervention SWAPNO women, with the exception of 2, reported feeling respected when interacting with their respective service providers. The 2 outliers were both using postal cash cards with the Bangladesh Post Office, 1 from Sadar Upazila and 1 from Bhrungamari Upazila.

## Survey question 1.16: If your current method is bKash, agent banking, or postal cash cards, do you think it's better or worse than the status quo?

All intervention respondents rated their overall experience better than their previous method of collecting their cash transfers. On average, 85% of women said their service provider was better than before; 8% said worse; and 7% said about the same. However, the responses within service providers is different. 95% of women using bKash rated it better, while only 2% rated it worse, and 3% the same. Bank Asia's agent banking also scored high, with 91% rating it better, 0% saying it was worse, and 9% saying the same. However, only 63% of women using postal cash cards used with the Bangladesh Post Office rated their experience better, 25% rated it worse than before, and 12% rated it the same. Of the 25% who rated their experience worse, two-thirds were from Kurigram Sadar, while the remainder were from the Upazila Kaligonj in Satkhira.

| Service Provider | Better | Worse | Same |
|------------------|--------|-------|------|
| bKash            | 95%    | 2%    | 3%   |
| Agent Banking    | 91%    | 0%    | 9%   |
| Postal Cash Card | 63%    | 25%   | 12%  |
| Weighted Average | 85%    | 8%    | 7%   |

# Analysis

## Survey question 6.1: Are there any benefits with your current payment method?

The overwhelming majority of intervention women responded that their collection time was quicker than before, aligning with their actual reported distance and time. Other responses included spending less money on transportation, being an overall easier process than their previous method of physical collection, and the availability of many bKash agents close to their home.

## Survey question 2.1: How much Taka (BDT) did you withdraw in cash on your last day of transfer?

## Survey question 2.2: How much do you normally withdraw in cash on the day of your transfer?

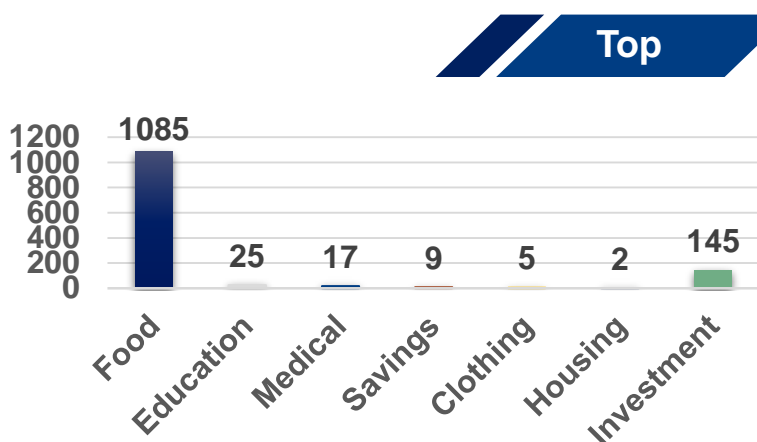
This question refers to the amount of cash (BDT) that a woman withdrew on her first visit to the collection point for her most recent cash transfer, assuming no other challenges incurred.

At baseline, all women withdrew 100% of their previous cash transfer; at endline, this was also 100%. Additionally, all women reported that they withdrew 100% of their cash transfer each transfer cycle, on their first visit to the collection point.

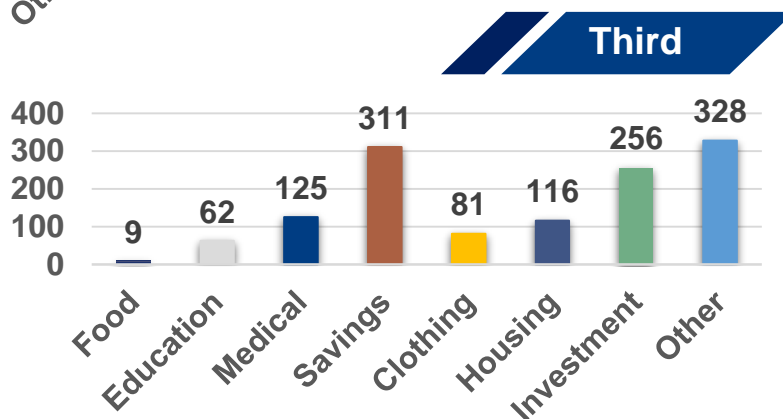
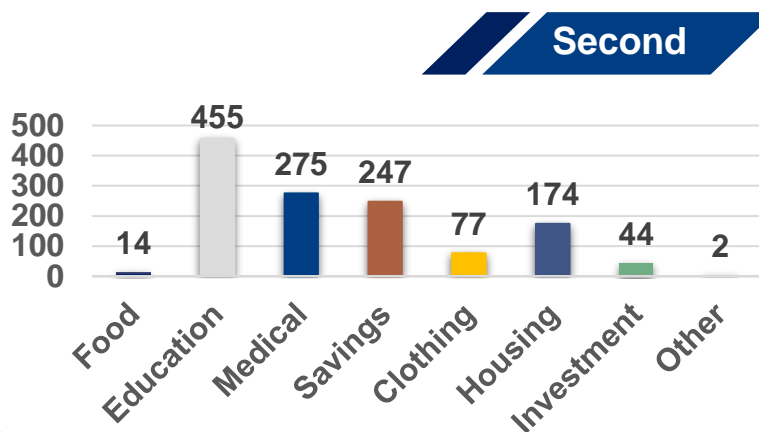
During the focus group discussions prior to the baseline survey, when asked about where they keep their unspent cash, all 4 groups said that they keep money either stored beneath the ground in their home (inside a container), in another location around their home, or on them at all times (inside a pocket). While 8 transfer cycles isn't enough to affect money savings and storage habits, it's evident that trust in digital money accounts, whether formal banking or mobile-money wallet, are still low.

# Analysis

## Survey question 2.12: What are your top 3 expenses per month?

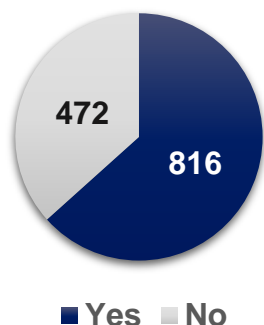


This question simply examines what SWAPNO women spend the most on each month. These responses reflect baseline data only. The charts show the number of women ranking their three top expenses, by category, per month. 84% of the women have food as their top monthly expense. The second highest monthly expense is education for 42% of the women, health care for 21% of the women, and savings for 19% of the women. The third highest monthly expense is savings for 24% of the women and investment in income generating activities for 20% of the women, while 25% have various “other” expenses listed third highest.



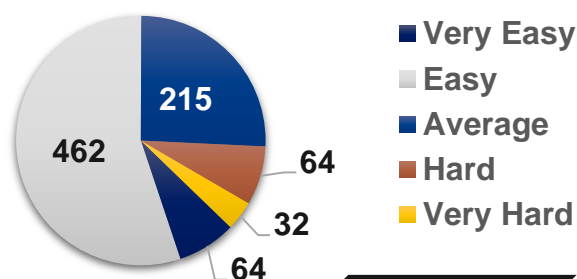
# Analysis

## Survey question 3.1: Do you use or own a mobile phone?

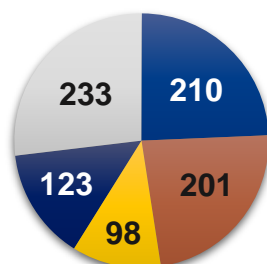


## Survey question 3.2: If Yes (you use a mobile phone), rate your level of ease using the phone.

### Baseline



### Endline



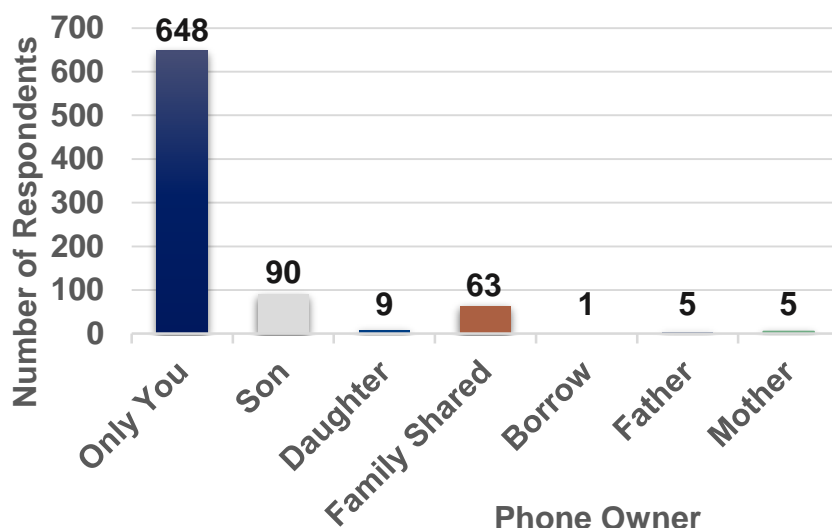
This question refers to low-cost feature phones. At baseline, 37% of women did not use or own a mobile phone. A feature phone can cost as low as BDT 900. Since bKash requires a phone, the project team provided a phone to each bKash women randomly selected into the bKash group, regardless of whether or not they already owned a phone. The women did not have to return the phone at the end of the micro-pilot.

For the 63% of women who used a phone at baseline, 64% of them found phones either very easy or easy to use. However, at endline, only 41% of women rated using a phone the same way.

The baseline doesn't have any bKash users while the endline does. At baseline, women assigned to bKash, on average, rated phone usage difficulty as 2.53 (1 very easy), referring to their experience using a phone for non-bKash uses. At endline, the same women, on average, rated phone difficulty as 3.09, meaning bKash increased their difficulty. Therefore, it's important for researchers and policy makers to adequately plan for mobile phone learning curves in relation to mobile-money initiatives.

# Analysis

## Survey question 3.3: If Yes (you use or own a mobile phone), who owns the mobile phone?

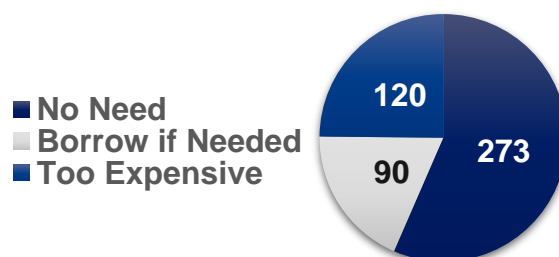


In regards to the women who used or owned a low-cost feature phone at baseline, 21% were not the owner of a phone. 90 women who used a phone but weren't the owner used their son's phone, while 63 used a family phone.

For women who responded that they do not use or own a phone (at baseline), 57% said they had no need for one, 18% said they would borrow one if needed, and 25% said it was too expensive.

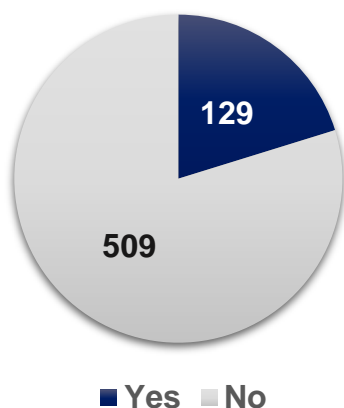
Therefore, three-fourths of SWAPNO women who didn't use or own a mobile phone at baseline either do not have any use for or see any value in a phone. However, since the majority of women did use or own a phone, it would be useful in the future to re-examine this question in focus group discussions or one-on-one interviews.

## Survey question 3.4: If No (you don't use a mobile phone), why not?



# Analysis

**Survey question 4.1: If you use bKash, Agent Banking, or Postal Cash Card for collecting your transfer, do you use that vendor for any other services?**



**Survey question 4.2: If Yes (you use another service from the same vendor as how you collect your cash transfer), what is the purpose?**

Service provider usage by intervention women outside the regular collection of their cash transfers was limited. Only 20% of women reported using another service from their respective service provider. Of those 20% (129 women), 100% were from 3 Upazilas in Satkhira.

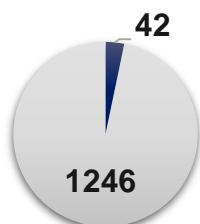
Among the 3 Upazilas (Assasuni, Kaligonj, and Shyamnagar), 109 women used bKash and 20 used agent banking. 39 of the bKash users reported using savings, which would indicate making deposits into their mobile-money accounts. An additional 70 reported “other”; it’s likely that this refers to the ability to transfer money through bKash to someone else who uses bKash, such as a family member or merchant. 8 women reported using savings with agent banking, while 70 reported “other”, the purpose being unknown. Interestingly, 11 women reported using agent banking for a loan, which could serve as a point of further research.

| Service       | Savings | Loan | Other | Total |
|---------------|---------|------|-------|-------|
| bKash         | 39      | 0    | 70    | 109   |
| Agent Banking | 8       | 11   | 1     | 20    |
| Total         | 47      | 11   | 71    | 129   |

# Analysis

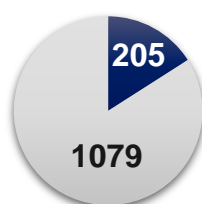
**Survey question 4.4: Do you currently use any other financial services from any other source?**

**Baseline**



■ Yes ■ No

**Endline**



■ Yes ■ No

**Survey question 4.5: If Yes (you use financial services from another source), what is the service?**

**Survey question 4.6: If Yes (you use financial services from another source), who or what is the source?**

At baseline, only 3% of women reported using a financial service outside of bKash, agent banking, or with the Bangladesh Post Office. At endline, 16% reported using a service outside these providers.

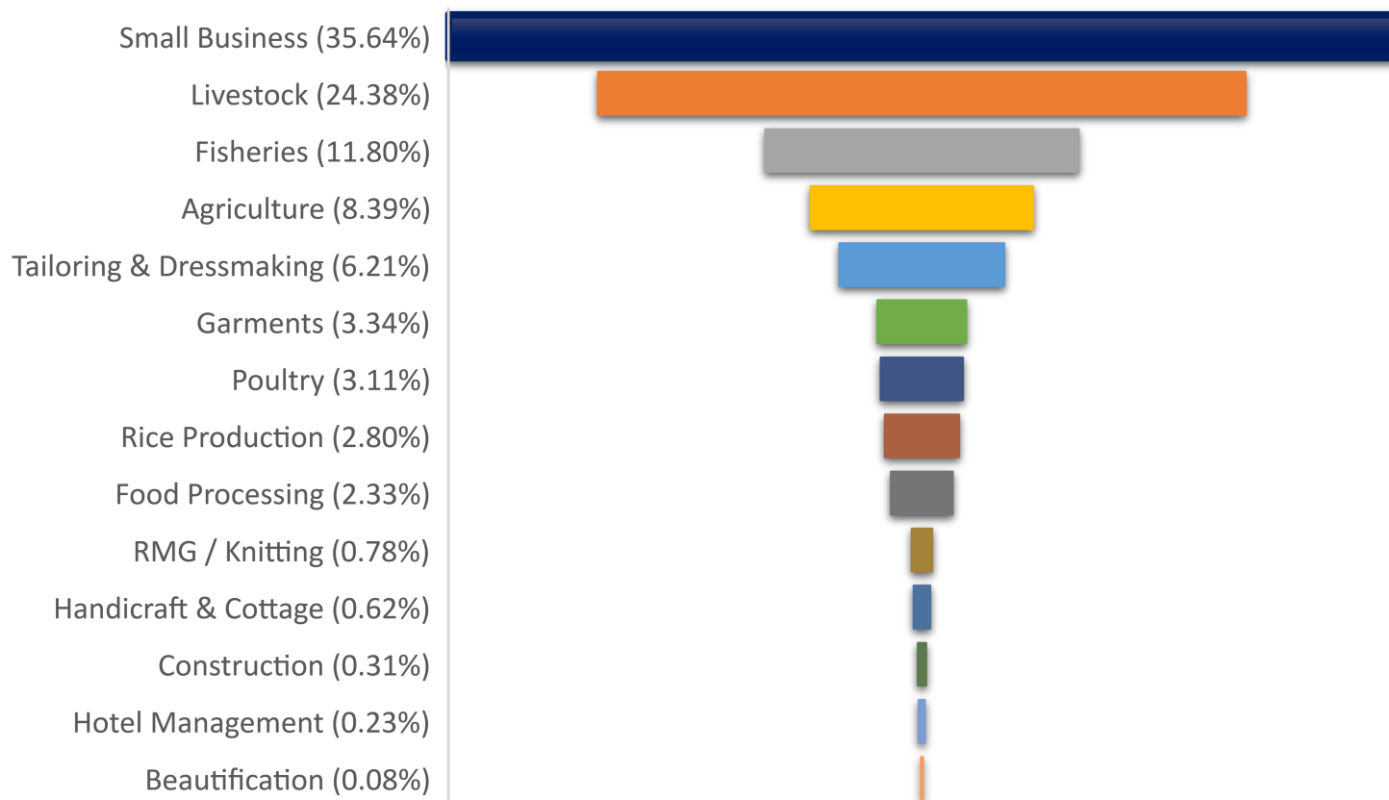
Of these 16%, they were split between savings and other purposes.

The source of these services was mostly the local Union Parishad bank while some were from family members. The reported use of financial services, both within the micro-pilot service providers and outside, demonstrate that SWAPNO women, who enter the programme as the most extreme poor, access financial services on an extremely limited basis.

Undoubtedly, the most significant reason for this is that they lack the assets in the first place to access such services. However, a secondary reason may be unfamiliarity with available services. Therefore, future efforts with the objective of broadening financial inclusion through access to financial products should investigate both possibilities, and for the latter, specifically foster awareness.

# Livelihoods

**Survey question 5.1: Do you have a plan for income after SWAPNO ends?**  
**Survey question 5.2: If yes, what is it?**



In alignment with the full SWAPNO endline survey, the e-Payment baseline survey (which was 13 months from the start of the current cycle and 5 months before the end) found that 100% of SWAPNO women had a livelihood plan. The above table illustrates the wide ranging diversity of livelihood options developed by SWAPNO women. As a large portion of income generating activities are geared towards self-employment, the potential for digital platforms to increase efficiency between local businesses and customers, and expand financial inclusion, has never been greater.





# Conclusions

Based on the two research components of efficiency and financial inclusion, several conclusions can be made. One of the most important insights is that nearly all women were paid on time, verifying that delivering the cash transfers is at least as time-reliable as physical collection. On the efficiency side, bKash and Bank Asia's agent banking digital payments reduced the total distance traveled to collection points, however, the distance traveled for postal cash card users was nearly the same as the control group. Despite this limitation with the Bangladesh Post Office, all women reduced their average time collecting their cash transfers, and on average reported preference for each service provider over their former method for collection. Since the distance was reduced, the average transportation cost was also reduced. Further, the number of women with higher transportation costs was reduced. The number of visits to a collection point, regardless of type, is usually one. Overall, bKash improved efficiency metrics the highest. Overall, postal cash card users experienced the least improvements, with a sizeable number having to make multiple trips and travel the same distance as control members, with a quarter of users reporting an overall worse experience than before.

Regarding financial inclusion, there were no changes regarding the storage of funds. Uptake of other financial services is low, regardless of service provider. Trust in digital service providers is also low.

For those using a mobile phone, on average, the women experienced increased difficulty from baseline to endline, indicating that bKash mechanics are not fully understood. Additionally, a majority of the women who did not use or own a mobile phone don't see any value in using one.

The single biggest advantage of bKash is their presence across the country, existing in every single Union Parishad. Bank Asia's agent banking network is dramatically smaller. While the Bangladesh Post Office has significant coverage, it scored lower on all metrics compared against the other two.

## Recommendations

1. Future research should focus on mobile-money service providers.
2. Future research survey questions regarding associated service charges and fees should be specifically and clearly designed.
3. Future research survey questions regarding uptake of other financial services should include all available options.
4. Future research should include orientation on all the available services from a service provider.
5. Future research should include specific orientation on all mechanics of the service provider, including the basics of digital money.
6. Future research should ensure that liquidity problems will not be an issue.



## Social Security Policy Support Project (SSPS)

The Social Security Policy Support (SSPS) Programme is working with the government to re-configure the current social security system so that economic growth is achieved in a more inclusive manner, with economic opportunities reaching the rural and urban poor and the protection of vulnerable groups against shocks. Support is provided primarily in two areas: governance of social protection and strengthening of systems.

*It shall be a fundamental responsibility of the State to secure to its citizens – “The right to social security, that is to say, to public assistance in cases of undeserved, want arising from unemployment, illness, or suffered by widows or orphans or in old age, or in other such cases.”* **Bangladesh Constitution, Article 15 (d)**

## Strengthening Women’s Ability for Productive New Opportunities Project (SWAPNO)

Strengthening Women’s Ability for Productive New Opportunities (SWAPNO) is a social transfer project for ultra-poor women to be engaged in public works essential for the economic and social life for rural communities. It promotes employment, and most importantly future employability, of extreme poor rural women. Creating productive employment opportunities is generally considered the most efficient way to secure poverty reduction and inclusive growth. SWAPNO will promote and test innovations, offering a replicable model that will inform social protection strategy through a parallel policy programme designed to strengthen governance and the systems of social protection programmes in Bangladesh.

[www.swapno-bd.org](http://www.swapno-bd.org)

[www.socialprotectionbd.org](http://www.socialprotectionbd.org)