



## CASE STUDY

Reaching the Last Mile:

Introducing Digital Payments for Refugees in Meheba, Zambia



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## ABSTRACT

This case study focuses on the journey to design and implement a project to digitize cash-based interventions (CBI) by the Office of the UN High Commissioner for Refugees (UNHCR) in the Meheba refugee settlement of Zambia. The case study captures the entire journey to digitize CBI payments and offers critical insights about introducing a new payment method. The pilot for two digital payments was successfully completed in August 2018 with 100% of the payments digitised. Collaboration on this project by multiple stakeholders, including from the private sector, the Government and UNHCR, highlights the importance of flexibility in planning as well as of allocation of roles and responsibilities, with clear accountability for each stakeholder. The case study shares key lessons learned and concrete actionable next steps for UNHCR to take to digitize CBI payments in all refugee settlements of Zambia.





## Background

The MM4P programme was launched in 2012 because the UN Capital Development Fund (UNCDF) saw that the gains in digital financial services (DFS) were not reaching the least developed countries. UNCDF MM4P was created to demonstrate how the correct mix of financial, technical and policy support can build a robust DFS ecosystem that reaches low-income people in the least developed countries. In doing so, the programme has helped accelerate growth in several countries, identified some of the levers to help markets develop, and supported efforts to reach the last mile.

In Zambia, UNCDF MM4P aims to increase active usage of DFS in the adult population from 4 percent (in 2014) to 35 percent (in 2019). Applying the theory of change, the programme has been supporting DFS providers, regulators and the Government to achieve this mandate.

The Office of the UN High Commissioner for Refugees (UNHCR) in Zambia is focused on ensuring that persons of concern (PoC) become self-reliant and can gain access to basic services, including financial services. In 2014, the World Food Programme withdrew its in-kind (direct food) support to PoC in the country's two refugee settlements: Meheba and Mayukwayukwa. To continue its support of PoC, UNHCR partnered with the Ministry of Community Development and Social Services (MCDSS) to provide basic cash-based interventions (CBI) to two PoC sets: new arrivals for a period of 12 months and very vulnerable PoC (e.g., persons with temporary or permanent serious disabilities, elderly persons and unaccompanied minors). To do so, MCDSS has distributed cash to these beneficiaries once every two months. However, UNHCR and MCDSS have grappled with challenges related to this support such as timeliness, reliability, transparency and efficiency, among others.

In 2016, UNCDF MM4P and UNHCR partnered to conduct market research in Meheba to understand the key challenges faced there and to explore whether digitizing CBI payments would be helpful in addressing the key concerns raised by UNHCR and MCDSS. The organizations extended their partnership in order to develop and test market-led digital solutions to transition CBI payments within and outside Meheba. The partnership will support UNHCR in achieving its mandate of protecting and supporting refugees in Zambia.

**When the project started, 3,022 beneficiaries were receiving ZMW100 (US\$10) per person per month.**

UNCDF MM4P contracted *MicroSave*, an international financial inclusion consulting company with vast experience in Africa and Asia, to design and implement the transition from cash payments to digital payments in Meheba and to develop a roadmap to roll out the digital solution in Mayukwayukwa as well.



## Challenges, actors and processes

The key challenges that UNCDF MM4P and UNHCR are trying to solve through CBI digitization are predictability, reliability, transparency and efficiency.

The main actors involved with CBI payments are the following: Commissioner of Refugees (CoR), the government entity responsible for managing refugees in Zambia and in the settlement as well as the keeper of the refugee database ProGres; MCDSS, the implementation wing of the Government for CBI distribution; UNHCR Field Office Solwezi (FOS), for implementation and programme monitoring and management; and UNHCR Branch Office Lusaka (BOL), for the budget. The pre-digitization processes as well as the time necessary for each activity are listed in table 1 and further illustrated in figure I.

Table 1

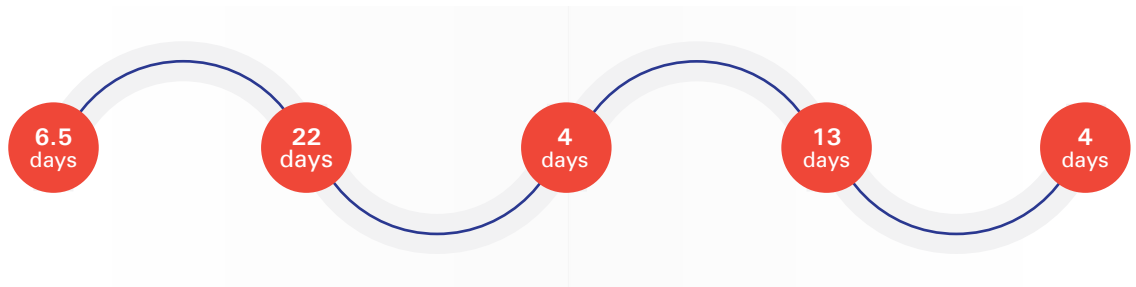
### Pre-digitization cash-based distribution: activities, responsibilities and timeframe

ACTIVITY	RESPONSIBILITY	WORKING DAYS
New arrival registration, verification and consolidation	CoR	6.5
Vulnerable CBI list generation and update	FOS and MCDSS	22
List approval and communication to MCDSS	FOS	4
Cash approval and CBI distribution	MCDSS with FOS representative	13
Reconciliation and reporting	MCDSS and FOS	4

The end-to-end (pre-digitization) CBI distribution process takes a minimum of 49.5 working days or upwards of 2.5 months. Consequently, in an 'ideal' scenario of this process, CBI payments are distributed only once per quarter. For CBI beneficiaries, who depend on this money to meet basic needs like food, this distribution process has resulted in unreliable and unpredictable payments. For UNHCR, it has meant constrained human resources since an FOS representative is critical to the process. For the quantum of CBI payments being made, the usage of resources is inefficient.

Figure I

**Pre-digitization cash-based distribution: detailed process**



**1 New arrival registration, verification and consolidation**

- Asylum seekers sent to Transit Centre
- Refugee card issued at Transit Centre, and food and shelter provided
- New arrivals refugee list sent to UNHCR Registration Officer who verifies it with list from border
- Consolidated list generated and submitted to FOS: existing and new refugees at Transit Centre

**2 Vulnerable CBI list generation and update**

- Vulnerable PoC identified in each block by Community Development Workers and Block Leaders
- List generated and shared with MCDSS Social Welfare Officer who conducts home visits, updates list and sends to UNHCR Protection Team for review
- Vulnerable beneficiaries called, review completed and decision communicated
- Individual case file created by UNHCR Team, decision updated and revised vulnerable list sent to FOS for approval

**3 List approval and communication to MCDSS**

- List validated by UNHCR Field Team and copies sent to Refugee Officer and MCDSS District Office
- Payment as per list approved by Social Welfare Officer
- Cheque prepared by MCDSS Project Accountant and shared with Office Head for sign off; Social Welfare Worker informed of sign-off

**4 Cash approval and CBI distribution**

- Social Welfare Officer travels from Meheba to Solwezi with two police escorts: cheque collected and encashed at bank
- Cash held overnight in a safe in Meheba and guarded by police escorts
- Disbursement by block conducted next day, continuing for 5 to 7 days
- People involved in disbursement: Social Welfare Officer, two Police Escorts, one UNHCR CBI Focal Staff, one UNHCR Protection Staff and Refugee Officer
- After disbursement, Social Welfare Officer checks balance amount with list, travels back to Solwezi, deposits balance in bank, submits deposit receipt and beneficiary list to Project Accountant

**5 Reconciliation and reporting**

- Project Accountant reviews, signs and matches balance with list
- Reconciliation statement submitted to Social Welfare Officer and UNHCR
- Comments updated in database by UNHCR Data Team, absentees noted and those absent for three months removed
- Updated list sent to BOL



## Pilot activities and processes

UNCDF MM4P hired *MicroSave* to implement the digital CBI pilot. *MicroSave* embedded a two-member team within BOL to support UNHCR in digitizing CBI payments. The project approach is described below and summarized in figure II.

Figure II  
Project approach



### INCEPTION AND RESEARCH IMMERSION

At the inception of the project, UNCDF MM4P, UNHCR and *MicroSave* organized two visioning workshops with CoR, MCDSS and UNHCR staff to explain the benefits of digitizing CBI payments and also to establish buy-in from all internal and external stakeholders involved in the existing cash disbursement process. These workshops ensured that all stakeholders were in alignment with the project objectives and helped *MicroSave* address some of the concerns the team had with respect to CBI digitization. The workshops also built the confidence of the implementing partner regarding how CBI digitization would help it to achieve the desired results and to make its job more efficient. Beyond the workshops, *MicroSave* conducted desk research to compile all the studies that had been done so far and developed a plan for the primary research to follow.



## MARKET INSIGHTS AND GAPS

The *MicroSave* team, under the guidance and oversight of UNCDF MM4P and UNHCR, carried out a detailed market research study in Meheba using a human-centred design and behavioural research approach.<sup>1</sup> The study, while building on information collected during earlier research conducted by the consulting firm PHB Development in partnership with UNCDF MM4P and UNHCR, aimed to identify the financial needs and preferences of beneficiaries, especially CBI recipients.



New arrival beneficiaries participating in product prototype testing in Meheba refugee settlement

During the research, one of the main concerns raised by CBI beneficiaries was a fear of being missed on the CBI distribution list due to various reasons. To avoid being missed, the beneficiaries travelled from block to block until their names were called; they described “following the money”.<sup>2</sup> As the average time for cash distribution by MCDSS was 7 to 13 working days, the beneficiaries’ approach took a toll on their productive activities (e.g., farming, trading and providing casual labour). A back-of-the-envelope calculation on the potential loss of income while the beneficiaries were “following the money” came to ZMW125 (\$12.50) at the household level—all to collect a CBI payment of ZMW200 (US\$20) per person for two months.<sup>3</sup>

<sup>1</sup> See the following webpage for more information on the approach: [http://www.microsave.net/pages/home/mi4id\\_market\\_insights\\_for\\_innovation\\_and\\_design](http://www.microsave.net/pages/home/mi4id_market_insights_for_innovation_and_design)

<sup>2</sup> All speech quoted from Meheba residents in this publication arose from interviews conducted by Veena Krishnamoorthy during an informal feedback session held immediately after cash withdrawal in Meheba refugee settlement in April 2018.

<sup>3</sup> Currency conversion rate: US\$1 = ZMW10 (Source: [www.oanda.com](http://www.oanda.com), 1 October 2017). Note: This publication refers to the Zambian kwacha as ZMW based on guidance from Bank of Zambia, the country’s central bank, after a currency adjustment.

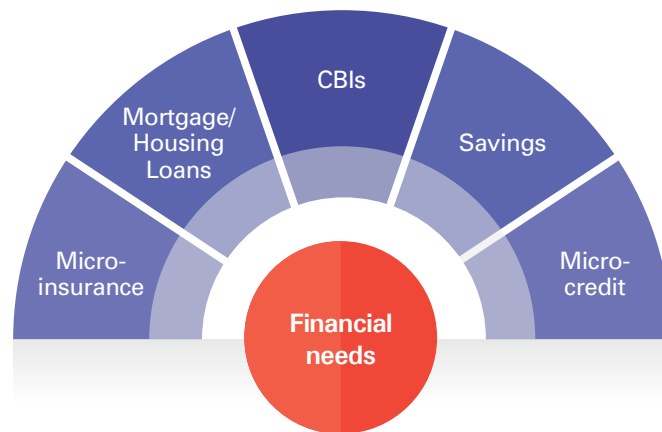


The research also focused on understanding the financial needs of Meheba residents. In terms of access to formal financial services, residents only have two access points: an Airtel Money agent inside the settlement and an MTN Mobile Money agent right outside the settlement. The closest ATM is 27 km from the settlement.

Respondents ranked their financial needs thus (see also figure III):

- A convenient way to receive CBI payments on a timely basis
- A safe place to save small amounts to meet emergency requirements, pay for school fees, and procure agricultural inputs or invest in their small trade
- Access to micro-credit to establish and expand their small business venture
- Micro-insurance products for health issues or crop failures
- Housing loans/mortgages to help to build permanent houses

Figure III  
Financial needs of Meheba residents



Apart from spending their time “following the money”, the other key challenges faced by the PoC were the following:

- Lack of awareness regarding available financial products and services
- Lack of documentation required to access financial services (i.e., the Proof of Registration or Refugee ID that refugees typically have are not accepted as valid know-your-customer documentation by financial institutions)
- High transportation and opportunity costs to access a bank branch (80 km away) or an ATM (27 km away)

The key challenges identified by those people who are in Meheba from various governmental and non-governmental organizations, such as school teachers, doctors and nurses, and staff from CoR and MCDSS, were as follows:

- High transportation and opportunity costs (as a result, most send their ATM card with someone who is travelling to an ATM or a bank branch to collect money on their behalf)
- Minimum balance requirements by banks

Based on the research results, *MicroSave* developed a cost/benefit analysis for CBI beneficiaries and UNHCR with respect to digitizing CBI payments. The analysis revealed that UNHCR Zambia could bring down the monthly cost of distribution by 47 percent and reduce the time required for distribution by 61 percent. A financial model was also created for mobile money providers, master agents and sub-agents. The financial model clarified potential earnings as well as liquidity management requirements for the DFS provider, master agents and sub-agents. The financial model indicated that, with the current situation in Meheba, the business case for independent retailers as agents is low. Thus, the recommendation was to use the master agent model with sub-agents recruited from the settlement. The insights from the research and the models helped UNHCR to realize the benefits of digitizing CBI payments for all stakeholders as well as enabling access to financial services for all refugees by partnering with a DFS provider with a good agent network.

The key requirements for both sets of residents (PoC and other residents) were the following:

- **Easy access** to financial services within the settlement
- **Affordable** financial services

#### ONBOARDING OF STAKEHOLDERS

Staff at UNHCR headquarters, in collaboration with BOL, made the executive decision to extend the existing contract with Standard Chartered Bank for digital payments. Standard Chartered Bank has an existing agreement with both Airtel Money and MTN Mobile Money, which means that UNHCR can make payments to the digital wallet of beneficiaries without having a contractual relationship with the mobile money providers. To avoid challenges anticipated during implementation, *MicroSave* and UNHCR made sure that all key requirements, a few of which are listed below, were detailed, agreed upon and captured in the contract between UNHCR and Standard Chartered Bank.

Requirements:

- Permanent agents located on different blocks of the settlement
- Key potential barriers for retail agents and recommendations for agent network structure
- Service, SIM card and mobile money registration as well as turnaround time for issue resolution
- Processes, duration, volume and value of digital disbursement
- Reporting

#### PREPARATIONS FOR PILOTS

The *MicroSave* team established a standard operating procedure for the digitization process. The team also conducted two surveys, one to understand mobile phone and SIM card ownership and the other to identify the different kinds of existing businesses in Meheba, registration status, capacity for capital investment, and interest in becoming DFS agents. In addition, *MicroSave* developed different training modules for all key stakeholders, such as BOL, FOS, Standard Chartered Bank, Airtel Money and the Airtel GSM team in Lusaka and Solwezi to ensure that everyone was clear on the requirements, processes and anticipated challenges for digitizing CBI payments in Meheba.

Modules were also developed for agent training as well as communication and marketing material for UNHCR and Airtel/Standard Chartered Bank, with a focus on increasing uptake and usage of financial services by CBI and non-CBI beneficiaries in Meheba.

To make certain that all project objectives were met and all issues tracked and measured in the pilots, *MicroSave* created a pilot test protocol following the *MicroSave* 10-step pilot approach. The protocol captured each activity that needed to be completed and assigned responsibilities to each stakeholder as a mechanism to ensure CBI payments were delivered to beneficiaries reliably, consistently and transparently with minimum wait time.

Finally, *MicroSave* developed a phased approach to introduce new products and services and to increase access to and usage of financial services by all Meheba residents.

## IMPLEMENTATION OF PILOTS AND SCALE-UP PLAN FOR MEHEBA

Beneficiaries were sensitised to build awareness and knowledge of the new way to receive CBI payments and the various services that they could access through the digital wallet. The newly developed processes (e.g., identification of household representative, SIM card registration, opening of digital wallet, setting up of new PIN, updating of digital wallet/mobile number on the government refugee database ProGres, generation of new CBI list, validation of SIM card number with information in ProGres and finally payment) were handy in sensitisation, onboarding and overall coordination.

The *MicroSave* team trained staff of the various stakeholders, such as BOL, FOS, CoR and MCDSS, including Community Development Workers, temporary Airtel Agents (GSM and Airtel Money) and their Zone and Territory Managers on the various processes.

The *MicroSave* team demonstrated the activities during the first round of sensitisation as well as the SIM card and mobile money registrations. Subsequently, the FOS team was trained to lead the activities. Beneficiaries were sensitised and household representatives identified. Dates and locations for SIM card and mobile money registrations using temporary agents were finalized and communicated to the beneficiaries using various channels (e.g., megaphones, notice boards and Community Development Workers).

Airtel brought in temporary agents for SIM card registrations. During the five day SIM card and mobile money registration campaign, 514 households were registered. Due to some technical glitches, only 304 SIM cards and digital wallets were successfully registered. Beneficiaries were encouraged to visit the CoR office to update their mobile numbers. UNHCR and *MicroSave* teams validated the beneficiary list with their mobile numbers (Airtel database versus the government refugee database).

UNHCR decided to kick-start digital payments with 57 percent of beneficiaries (870 beneficiaries) and at the same time conduct direct cash payment through a cash-in-transit facility with Standard Chartered Bank in order to understand the challenges involved, which could be addressed during the next digital payment to all beneficiaries.



Beneficiaries waiting in line to cash out with an Airtel agent in Meheba refugee settlement

Over 91% of the digital payment transfers were successful in the first payment. The remaining 9 percent failed due to SIM registration technical challenges and communication gaps between Airtel data team and the project team. The first payment many learning opportunities and flagged improvements required in the processes, especially with respect to SIM card registration and data sharing. The second payment managed to make transfers to 100% of the beneficiaries.

**“I never believed I would get CBI so fast. I did not believe you when you said [it]. It is like magic.”**

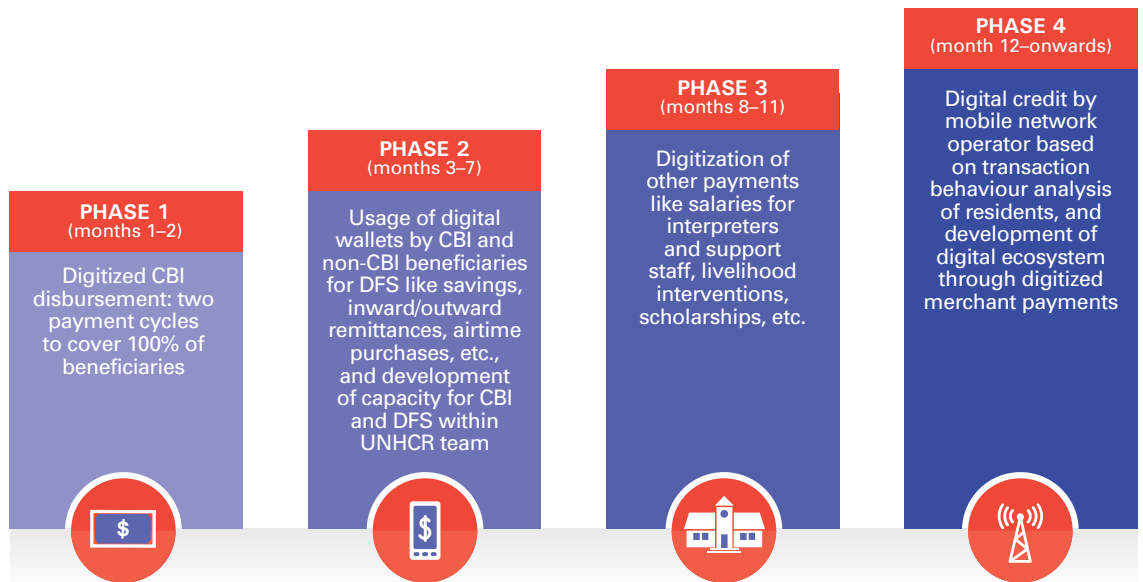
- An elderly new arrival from Democratic Republic of the Congo upon receiving her first CBI payment through a digital wallet



## ROADMAP FOR DIGITAL ECOSYSTEM IN MEHEBA

The phased scale-up, depicted in figure IV, will allow UNHCR and its partners to address all of the challenges and lessons learned from the first digital payment in Meheba. Further, the phased approach will allow refugees to gain trust in the digital system and will improve the use cases for all Meheba residents. The approach focuses on moving from pure DFS access to DFS usage beyond use as a payment channel.

Figure IV  
Roadmap to build digital ecosystem in Meheba



### Phase 1

**Digitized CBI disbursement (two proposed payment cycles, approximately 2 months):** The first digital payment cycle helped bring attention to some of the key challenges that must be addressed before scale-up. UNHCR and its DFS partners Airtel and Standard Chartered Bank need to address the following challenges to ensure the smooth transition to digitized payments:

- SIM card registration: Due to technical challenges with the network operator, data quality issues and network problems, registering SIM cards and opening digital wallets represented a major bottleneck during the first payment cycle.
- Validation and reporting: Validation of beneficiary details against information captured during SIM card registration was another major challenge, along with reporting requirements for reconciliation of CBI transfers from UNHCR to various beneficiary accounts (including transactions that failed during transfer and withdrawals made by beneficiaries from their wallet).
- Timely generation of complete CBI list: UNHCR needs to make certain that the new CBI list is on time and complete, with all beneficiaries and mobile numbers captured in ProGres, divided based on blocks and submitted on schedule to the partner to facilitate the second and third payments.
- Partner coordination for permanent agents: By the third payment, UNHCR must work with its DFS partners to ensure that permanent agents are set up in the settlement.

### Phase 2

**Usage of digital wallets (5 months):** By the end of the first phase, the DFS provider should start focusing on building awareness of the digital wallet and agents in the settlement so as to increase DFS usage by Meheba residents. The DFS provider can use a combination of the various marketing messages and tools developed during the project, such as posters (with text- and picture-based messages), town hall meetings, megaphone announcements, marketing campaigns and recruitment drives, to increase uptake. Usage of influencers or booster teams that focus on recruiting non-CBI customers to access and use DFS could increase the digital footprint in the settlement. UNHCR should focus on building internal team capacities (regarding both CBI payments and DFS overall) and identify team members who would be solely responsible for CBI payments.

### Phase 3

**Digitization of other payments in the settlement (4 months):** This phase should focus on DFS usage. UNHCR with its partners could focus on identifying other payments, such as salary payments to support staff in the settlement and to translators, livelihood projects and scholarships.

### Phase 4

**Digitization of merchant payments (onwards):** With most of the residents having access to DFS, the focus in this phase should be on moving towards a digital economy. The mobile network operator along with UNHCR could build awareness and influence customer behaviour by providing incentives to use mobile money or create opportunities for mobile money in daily purchases as a way to create positive user experience and to develop the habit of conducting transactions digitally. With more and more digital payments, the idea is that CBI beneficiaries would start using the digital wallet and refrain from withdrawing cash, thus resulting in fewer cash requirements and more digital needs.

### ROADMAP FOR MAYUKWAYUKWA

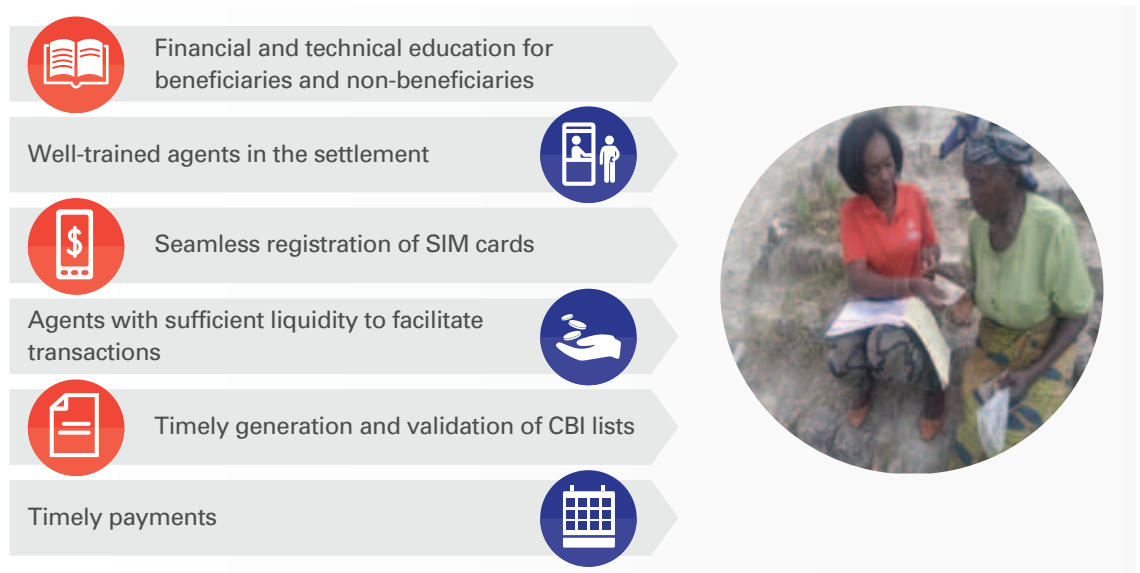
The project also concentrated on applying the lessons learned from digitizing CBI payments in Meheba to develop a roadmap to do the same in the Mayukwayukwa refugee settlement. Mayukwayukwa was established in 1966 and is the oldest refugee settlement in Zambia. It is situated in Kaoma District in the Western Province and hosts about 12,000 PoC, of whom about 6,000 are former refugees.

*MicroSave* developed a roadmap for Mayukwayukwa to digitize CBI payments and to offer a wide range of DFS to its residents. The roadmap will be fine-tuned based on a scoping exercise, which will focus on establishing a clear understanding of the financial needs of Mayukwayukwa residents and identify potential businesses that could serve as agents.

Based on the experience of *MicroSave* in Meheba, figure V summarizes the key success factors for CBI digitization in Mayukwayukwa.

Figure V

#### Critical factors for successful digitization of cash-based interventions in Mayukwayukwa





## Results and lessons learned

Due to several challenges that are explored below, only 57% of the first payment was made through digital wallets. The rest of the payments were made using Standard Chartered Bank’s Cash in Transit facility, which was a fall back alternative. Despite the challenges, the feedback from the beneficiaries was positive. Many beneficiaries said that this was the fastest that they have received CBI without “following the money”. In addition, the two subsequent digital payments were done in the space of 2-3 days as opposed to 10-15 days of manual cash disbursement. Table 2 compares the old process for physical cash distribution with the new process for digitized distribution and identifies anticipated changes in the process and time required.

- **52 percent of transfers** completed using a **digital wallet**
- Distribution time **reduced** from an average **13.0 days to 2.5 days**

Table 2  
Physical versus digital payment distribution: change in process and time

Old process: Physical cash distribution	New process: Digitized CBI distribution	Change in process time
Approval of distribution and physical cash distribution by MCDSS: 10–15 days	Internal approval process, upload of payment file, payment, and withdrawal of CBI payments by beneficiaries through Airtel agents or by the Standard Chartered Bank cash-in-transit facility: 4 days	9 days, though it is expected that the time could be limited to 0.25 days
Reconciliation and reporting: 4 days	Reconciliation and reporting: 7 days	3 days, though it is expected that the time could be limited to 0.25 days



Despite the success of the pilot payments, activities in SIM Registration and wallet opening were rife with challenges. These challenges, and their potential solutions, are the key learnings that must be applied to make sure that digitized CBI payments are seamlessly provided by UNHCR in Zambia and elsewhere and that the payments become more reliable, transparent and efficient.

- **A business case for all stakeholders is critical for the success of digital payments, especially for the mobile network operator**
- **Timely reports and quick issue resolution are needed to ensure that CBI payments become more reliable for beneficiaries**

The details of these challenges are provided below:

- **CBI list generation, validation and certification:** This process should be streamlined and ensure that no eligible family member, individual or household is missed from the list. Doing so will help UNHCR meet its mandate to protect refugees with respect to CBI payments.
- **SIM card and wallet registration:** Airtel faced several challenges in SIM card and wallet registration. These problems were partially due to technical errors and partially to human error and lack of training. Airtel, Standard Chartered Bank and UNHCR should agree on turnaround time for sharing failed SIM card registrations and a method for re-registering SIM cards with no inconvenience for CBI beneficiaries. It is also important to carry out continuous training and monitoring of agents activities to ensure compliance to laid out business processes, especially for registration of beneficiaries.
- **Updating of beneficiaries' mobile numbers in ProGres<sup>4</sup>:** UNHCR needs to ensure that beneficiaries update their mobile number on which their digital wallet has been created in ProGres. It also must make sure that the CoR Registration Officer, who is the custodian of ProGres, authenticates each beneficiary using the biometric database. This authentication is meant to, as much as possible, avoid incorrect or ghost beneficiaries receiving a CBI payment in their wallet due to improper registration or other fraud. This issue was one of the key challenges during the first payment pilot, since beneficiary identity was not authenticated using the biometric database.
- **Validation of SIM cards by Airtel:** UNHCR should generate a new CBI list, either directly or through CoR, with the mobile number, ID number and beneficiary name (household representative in whose name the SIM card is registered). UNHCR should then send the list to Airtel, so that it can validate the list and, in case of an error, report it within 24 hours so that the issue can be resolved. Due to human resource challenges at both Airtel and UNHCR as well as issues updating mobile numbers in ProGres, this process was not followed during the first payment pilot, which resulted in a number of challenges such as failed payment transactions.
- **Permanent agents and liquidity management:** The Airtel Money team should ensure that they are recruiting permanent agents on each block (A–D). These agents should be from the community and able to speak the local language. They should also be supported with sufficient liquidity. However, Airtel Money requested and UNHCR agreed to have temporary agents during the first two payment cycles so that Airtel could assess the situation in Meheba and the requirements for agents. These temporary agents were very experienced and had sufficient liquidity to manage the requirements in Meheba. They were provided with transport by Airtel Money to move from block to block, which might not be the case with permanent agents. Thus, Airtel Money needs to provide sufficient support so that beneficiaries are able to access CBI payments seamlessly post-pilot through well-funded and mobile agents.
- **Reports:** It is critical to understand how many withdrawals are carried out, where the withdrawals are made and how many transactions fail or succeed. UNHCR, Standard Chartered Bank and Airtel Money should re-examine their agreement and settle on timelines for generating reports.

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<sup>4</sup> ProGres: Software used by UNHCR in the collection, sharing and use of information on refugees and other persons of concern in more than 70 countries. It is however managed by the government agencies in the respective countries.”



## Conclusion

The pilot involving one digital payment cycle in Meheba provided UNHCR and its partners with helpful early lessons so that seamless digital payments can be provided to PoC. The project plan, which set out to cover three payment cycles (a technical payment as well as first and second payments), aimed at applying lessons learned from each cycle in subsequent ones. However, due to a number of reasons, only one payment cycle was completed. Completion of the two additional payment cycles will help UNHCR and its partners assess what savings are possible through digitization and how these savings can benefit PoC. Successful replication in Mayukwayukwa and potentially in a new refugee settlement in Mantapala, Nchelenge, can pave the way for UNHCR Zambia to train other UNHCR operations to digitize payments as a way to effectively serve PoC and make CBI payments predictable, reliable, transparent and efficient.

## **ABOUT UNCDF**

UNCDF makes public and private finance work for the poor in the world's 47 least developed countries. With its capital mandate and instruments, UNCDF offers "last mile" finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development. UNCDF's financing models work through two channels: financial inclusion that expands the opportunities for individuals, households, and small businesses to participate in the local economy, providing them with the tools they need to climb out of poverty and manage their financial lives; and by showing how localized investments — through fiscal decentralization, innovative municipal finance, and structured project finance — can drive public and private funding that underpins local economic expansion and sustainable development. By strengthening how finance works for poor people at the household, small enterprise, and local infrastructure levels, UNCDF contributes to SDG 1 on eradicating poverty and SDG 17 on the means of implementation. By identifying those market segments where innovative financing models can have transformational impact in helping to reach the last mile and address exclusion and inequalities of access, UNCDF contributes to a number of different SDGs.





This case study is brought to you by UNCDF MM4P in partnership with the Mastercard Foundation.

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