GSMA

The digital financial literacy toolkit

Addressing the gap in low- and middle-income countries

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GSMA Mobile Money

The GSMA's Mobile Money programme works to accelerate the development of the mobile money ecosystem for the underserved.

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Foreword

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Disruptive technologies are leading to the emergence of new providers, new business models and new types of activities. In this rapidly evolving market context, the role of financial literacy is central to leverage the potential of new products and access modes that offer low-cost, easy-to-use access points and channels. In turn, the evolution of a digital financial services (DFS) regulatory framework has become particularly challenging, yet increasingly relevant to meet the goals of financial inclusion, stability, integrity, and protection.

The promotion of digital financial literacy (DFL) begins at the policy level with the establishment of financial literacy targets and financial inclusion strategies. This needs to be supported by consumer protection policies that support consumers in their journey to make informed choices and give them the confidence to engage in the financial system and transact safely.

For example, without adequate DFL, consumers might not fully understand how a financial product works or the consequences that will follow if they are unable to comply with the terms of service. This applies to women in particular, especially those with lower income and education levels, who remain more financially excluded than men and now face persistent inequalities that prevent them from benefiting from new technologies.

As the United Nations Capital Development Fund (UNCDF) Policy Accelerator (PA), we support governments to achieve their DFS-related policy and regulatory goals by providing expert-guided advice, supporting multistakeholder dialogue and introducing countries to global best practices to strengthen their regulatory environments around DFS. The essence of our approach is to accelerate policy change through collaboration with all stakeholders and by enabling a participatory model across all the elements of DFS policy, regulation and supervision.

For this reason, we are grateful for the opportunity to collaborate with the GSMA in the creation of this new resource, which aligns with our toolkit of practical resources for DFS policymaking. We trust it will be a valuable resource to enhance the implementation and evaluation of DFL programmes, and the development of cross-stakeholder approaches to strengthen DFL.

As we look to the future, we must continue to build regulatory frameworks and corporate strategies that modernise the digital payments ecosystem. We must keep working to close the gender gap and strengthen consumer protection. And we must keep working to make DFS safer, innovative and responsive to the diverse needs of all users.

For UNCDF, it is both a responsibility to contribute to this collective effort as well as an essential condition in our continuing mission of Leaving No One Behind in the Digital Era.

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Industry endorsements

Vodacom

As mobile money providers, we've seen a growing need to help our customers get the most out of DFS and be able to use them to their full potential.

Financial education is the key that will enable us to address this challenge by raising awareness, making our customers more financially savvy and empowering them to detect fraud risks.

This toolkit is vital as it elaborates how different stakeholders can address the digital finance skills gaps through training and collaboration with other partners. The shared resources are a value add as we now have reference materials to build on our existing financial literacy manuals and content that works for different types of customers.

As a leading service provider, we see great value in using this toolkit to enhance our financial education programmes.

FSD Kenya

Digital financial literacy (DFL) is increasingly becoming an essential aspect of the DFS space.

The development of the "gig" economy means that individuals will become more responsible for their financial planning. As such, consumers will need to have a higher level of understanding in navigating the financial services space to effectively use digital financial products and services and avoid fraud and costly mistakes.

We note that stakeholders have started addressing DFL. This toolkit brings to the fore the need for more collaboration and guides every stakeholder on how they can contribute to these DFL initiatives, which we all need.

Airtel Africa

As a key financial service provider in the market, we know that there is a key need to address the DFL gap to enable us to drive more uptake of financial service products that we have developed.

Financial education is the key that will enable us to address the growing consumer awareness challenge, making our customers more financially capable and empowering them to be able to detect fraud risks.

We appreciate the role the GSMA is playing to help drive more collaboration among all the stakeholders, as financial literacy requires a multidimensional approach, and we believe this toolkit will help drive this.

Contents

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Acronyms and abbreviations

AFI	Alliance for Financial Inclusion
ANMT	Agent Network Management Team
DFS	Digital financial services
DFL	Digital financial literacy
LMIC	Low- and middle-income country
M&E	Monitoring and evaluation
MMSP	Mobile money service provider
NFIS	National financial inclusion strategies
NGO	Non-governmental organisation
ODeL	Open distance and electronic learning
OPD	Organisation for Persons with Disabilities
ToT	Training of trainers

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Executive summary

The digital financial services (DFS) industry has seen tremendous growth in the last decade as these services have become a critical enabler of financial inclusion, especially during the COVID-19 pandemic. Despite this, digital financial literacy (DFL) remains a key challenge and hindrance to the uptake and use of DFS products.

Without the financial, numerical and digital knowledge and skills required to adopt and use these products, customers are extremely vulnerable to consumer protection risks that diminish their financial resilience.

This lack of digital financial skills and literacy has had a major impact on the delivery, uptake, use and promotion of DFS and, in turn, the financial inclusion and financial health of consumers. Policy adoption and implementation of DFL interventions are, therefore, crucial in providing customers with the skills they need to use financial services safely and efficiently. To bridge this gap, policymakers, regulators and financial service providers (FSPs) need to prioritise DFL as an integral part of their financial inclusion strategies.

It is against this backdrop that the GSMA decided to develop this toolkit to help address the DFL gap in low- and middle-income countries (LMICs). The goal of the toolkit is to guide mobile money service providers (MMSPs), mobile money agents, NGOs, development agencies, government agencies, regulators and policymakers resources they can refer to create DFL interventions that will help more people in LMICs gain access to financial services.

The toolkit calls for collaboration between all mobile money stakeholders, especially in the development of national DFL programmes and initiatives. It offers guidelines on how each stakeholder can contribute to financial literacy and underscores the value of coordinating monitoring and evaluation (M&E) for data-driven DFL initiatives.

It also highlights the key role that regulators and policymakers have to play in developing, implementing and monitoring national DFL initiatives, while also ensuring that relevant data is shared with DFS providers and used to improve and advance DFS products and solutions.

Introduction

According to the 2021 Global Findex report, 55% of adults in Sub-Saharan Africa now have a financial account and more than a third (33%) of these accounts are mobile money accounts.[1]

This has helped mobile money expand from a niche offering in a handful of markets to a mainstream financial service, moving millions of households in LMICs from the informal cash economy into the more formal and inclusive digital economy.

The expansion of mobile money services has created unique opportunities to advance financial inclusion, especially for underserved and low-income groups (rural, female, persons with disabilities, poorer and less educated) who were previously excluded from the formal financial sector. Despite this, their mobile money usage remains low, with barriers such as lack of knowledge and skills and lack of access to mobile money agents, especially for customers in rural areas, hindering uptake and use.

According to the 2021 Global Findex survey, about a third of mobile money account holders in Sub-Saharan Africa said they could not use their account without help from a family member or agent. Women are the most impacted, with Findex data showing that women are 5% more likely than men to need help using their mobile money accounts. Since women tend to use only core services, they are not reaping the full benefits of mobile money. Women and rural residents are also more vulnerable to financial fraud than mobile money users in cities and towns due to lower education levels and less experience with digital tools.

To build public trust in the financial system and ensure that all customers benefit from financial access, it is vital for providers to invest in numeracy and digital financial literacy skills, design products that consider customer usage patterns and capabilities and create strong consumer safeguards.

Financial regulators have started addressing this gap by including DFL in their national financial inclusion strategies (NFIS) and policies. According to the Alliance for Financial Inclusion (AFI) 2022 *Current State of Practice* report, 71% of AFI member countries have an NFIS that includes digital financial services (DFS) and financial education.[2] This is a sign that there will be a growing demand for DFS stakeholders to jointly address the financial literacy gap and enhance financial literacy through innovative initiatives and programmes.

1   Demirgüç-Kunt, A. et al. (2021). *The Global Findex Database 2021*. World Bank Group.
2   AFI. (2022). *National Financial Inclusion Strategies: Current State of Practice*.
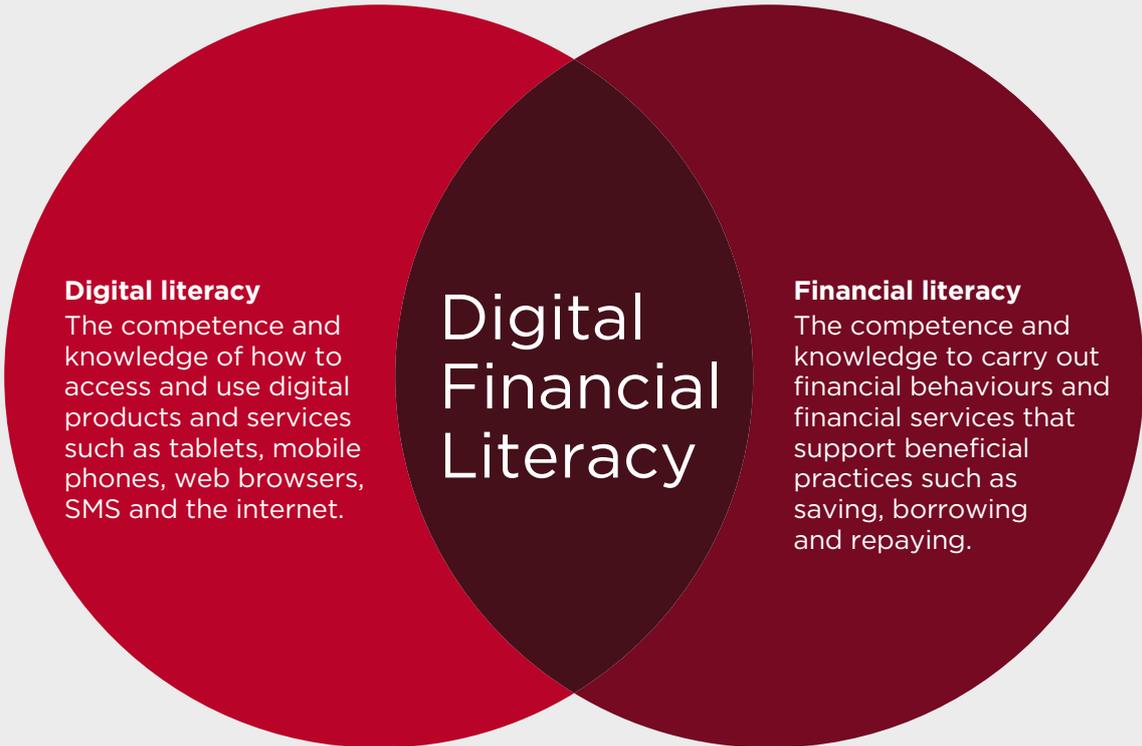
Definitions and scope

Financial literacy is the ability to make sound financial decisions, acquire the necessary knowledge, skills, confidence and competence to use financial products and services and act in one's best financial interest based on individual economic and social circumstances.

The AFI network defines digital financial literacy (DFL) as acquiring the knowledge, skills, confidence and competencies to safely use digitally delivered financial products and services to make informed financial decisions.

Figure 1

Graphical representation of DFL

Source: FutureLearn, *Digital Financial Literacy*.

Digital literacy
The competence and knowledge of how to access and use digital products and services such as tablets, mobile phones, web browsers, SMS and the internet.

Digital Financial Literacy

Financial literacy
The competence and knowledge to carry out financial behaviours and financial services that support beneficial practices such as saving, borrowing and repaying.

About the toolkit

Objectives

This toolkit provides practical guidance for mobile money service providers (MMSPs), mobile money agents, NGOs, development agencies, mobile money regulators and policymakers formulating and implementing DFL strategies and interventions.

The objective of the toolkit is to guide users, step by step, on how to develop DFL programmes and conduct training of trainers (ToT) and end user (consumer) training. It also highlights opportunities for greater cooperation between stakeholders in the digital financial space.

This is a complementary resource that should be used alongside other financial literacy manuals and tools.

Target audiences

The toolkit is aimed at three main audiences:

— MMSPs that want to develop a financial literacy training programme

— Mobile money regulators, governments and policymakers that are developing and implementing financial literacy policies and strategies for DFS

— NGOs that are offering and developing DFL training

How to navigate this toolkit

The toolkit is structured into different sections for different types of mobile money stakeholders.

Section 1 is for MMSPs and contains guidelines for developing ToT programmes for mobile money agents.

Section 2 is for MMSPs' agents, non-governmental organisations (NGOs) and development agencies. This section contains guidelines for developing training manuals, free resources to support the training, use case examples and best practices in training end users.

Section 3 is for regulators, policymakers and government institutions developing or implementing DFL policies and strategies for MMSPs or DFS providers. This section highlights the importance of DFL programmes and provides guidelines on best practices for national DFL and digital financial education programmes. It also provides guidelines on joint strategies for government and MMSPs to develop national DFL programmes and initiatives.

The toolkit is not a financial literacy training manual and does not offer tailored content. However, we recommend using it as a guide when developing training materials.

Methodology

This toolkit was developed in collaboration with a project advisory board comprised of stakeholders with experience and expertise in DFS, NGOs and MMSPs.

Primary and secondary research was conducted to gather content and resources, which was then validated through regular stakeholder and peer review meetings and interviews with MMSPs, mobile money agents and NGOs. Documents reviewed during research have been referenced extensively throughout the toolkit.

1
Guidelines for training mobile money agents

According to the 2021 Global Findex report, about a third of mobile money account holders in Sub-Saharan Africa could not use their accounts without help from a family member or an agent.

This is because, despite the high penetration of mobile money services, most consumers are illiterate and lack the knowledge and skills needed to operate mobile money accounts.

These barriers can be addressed by empowering mobile money agents and customers with digital, financial and numerical skills, and by reducing the fraud risks associated with low awareness and understanding of products and services.

For MMSPs, the value of financial literacy training lies in greater customer satisfaction, less fraud (especially due to low financial literacy levels), increased uptake, investment and adoption of mobile money services beyond payments. Agent networks have been at the heart of successful mobile money services for more than a decade and can be leveraged to train mobile money users on DFL.

Agents are usually responsible for converting physical cash into digital value and vice versa, performing crucial tasks such as onboarding, supporting and guiding millions of customers on product offerings and the proper use and management of a mobile money account. Ideally, agents are the link between mobile money operators and consumers and represent the face of mobile money services worldwide, especially in rural areas.

MMSPs need to provide annual, high-quality training to their agents to ensure high standards of service delivery and consumer protection.

Training of mobile money distribution networks

Various players in the mobile money industry use a distribution network to provide their services. These distribution networks differ depending on market needs, set-up, business operations and commercial position.

In Sub-Saharan Africa and Asia, the distribution network for most mobile money services is mobile money agents. These agents either work out of retail stores owned directly by MMSPs or the services are offered by merchants or small independent stores or chains the operator has signed up with.

Who should be trained in the mobile distribution network?[3]

Depending on the distribution structure of the MMSP, different groups will need to be empowered and trained to offer DFL training to mobile money users across different geographical areas. Education levels, literacy, numeracy, preferred speaking language, community affiliation and digital skills will vary and need to be considered when designing the training curriculum and format.

Agent training should target the following groups in the distribution channel.

3   GSMA. (2018). *Distribution 2.0: The future of mobile money agent distribution networks*.

1 Business owners

Business owners are in charge of one or multiple outlets offering mobile money services. These are individuals who have put up the capital to invest in the mobile money business.

Business owners are key partners and will need to understand the benefits of DFL in order to understand the benefits of offering the training and to retrain the agents they employ or engage to provide the services. Business owners can grow their revenue and improve customer service by enhancing the DFL of their customers.

Training of business owners should cover the following:

— What is DFL?

— The importance of DFL awareness for business owners and customers

— Mobile money products and solutions and how to onboard customers to different services

— Benefits of the products and solutions for business owners and customers

— Mobile money fraud risk

— How to identify fraud risk

— How to train customers on the credit and savings products available

— How to measure and conduct check-ins of agents' awareness levels

— How to report back to MMSPs on training needs

These focus areas will vary depending on the assessments of MMSPs. They should train business owners on the value of employing women agents, especially at outlets in communities where cultural practices and lack of support for women agents have resulted in limited uptake of mobile money services or DFS. Encourage the use of local language to enhance understanding, especially in remote areas.

2 Handlers/attendants

Handlers or attendants are individuals who interact directly with customers and facilitate mobile money transactions at business premises. All new handlers will need to be trained before offering the service, and refresher training should be conducted annually or based on changes in the market.

Handlers are tasked with offering services to customers, educating them about services and carrying out the business as stipulated by the MMSP. As such, customers see them not only as the face of the company, but also expect them to be subject matter experts. Therefore, training handlers or attendants before offering the service is highly recommended.

This can be achieved by:

— Making it a requirement for handlers/attendants to be trained before an agent outlet is allowed to start offering services

— Having visual-based training manuals that can be used for training and retraining handlers and attendants

— Having an end-of-the-training assessment checklist for monitoring training frequency, awareness level, customer management and product understanding

— Having training materials that focus on the needs of customers who are underserved or illiterate would help prevent discrimination and improve customer service

Poorly trained handlers contribute to poor customer experience, which in turn contributes to lack of trust and increased incidences of fraud. MMSPs should encourage business owners to train handlers, ensure they are continuously upskilled and hire more female attendants who can conduct DFL training for women in their markets.

3 Foot soldiers

Several MMSPs use "foot soldiers" to register customers and/or help customers perform their first cash-in transaction. Given their profile and incentive structure, there tends to be a high turnover of foot soldiers, making training an expensive proposition. However, as with handlers, there is no way around it. If foot soldiers are a new customer's first interaction with a mobile money service, they must be trained. The training can be shorter than what is provided to full-fledged agents, but it must include all the elements mentioned on the previous page to ensure that foot soldiers provide high-quality and inclusive services.

4 Agent Network Management Teams (ANMTs)

Agent network management teams (ANMTs) manage the agent network and are essential to scaling it while ensuring that agents provide consistently high-quality service. These teams may comprise:

— Employees of MMSPs that have added mobile money to their other duties. This is common among MMSPs whose sales and distribution teams also manage airtime resellers and mobile money agents.

— Employees of mobile money operators who manage agents directly and exclusively

— Specialised third parties that are outsourced on a contractual basis

— Large retailers with an established retail network

ANMTs play various roles, including identifying, training and managing agents. Given that their mandate typically goes far beyond training, their knowledge of the service must be exceptional. They are expected to understand how the service works, the benefits of mobile money, the risks associated with it and preventive measures, the benefit of a business offering mobile money, as well as basic business principles to guide the business owner and handler.

MMSPs should involve and hire female ANMTs to support the training of female agents and users, especially in rural areas and communities where cultural practices inform interactions between women and men.
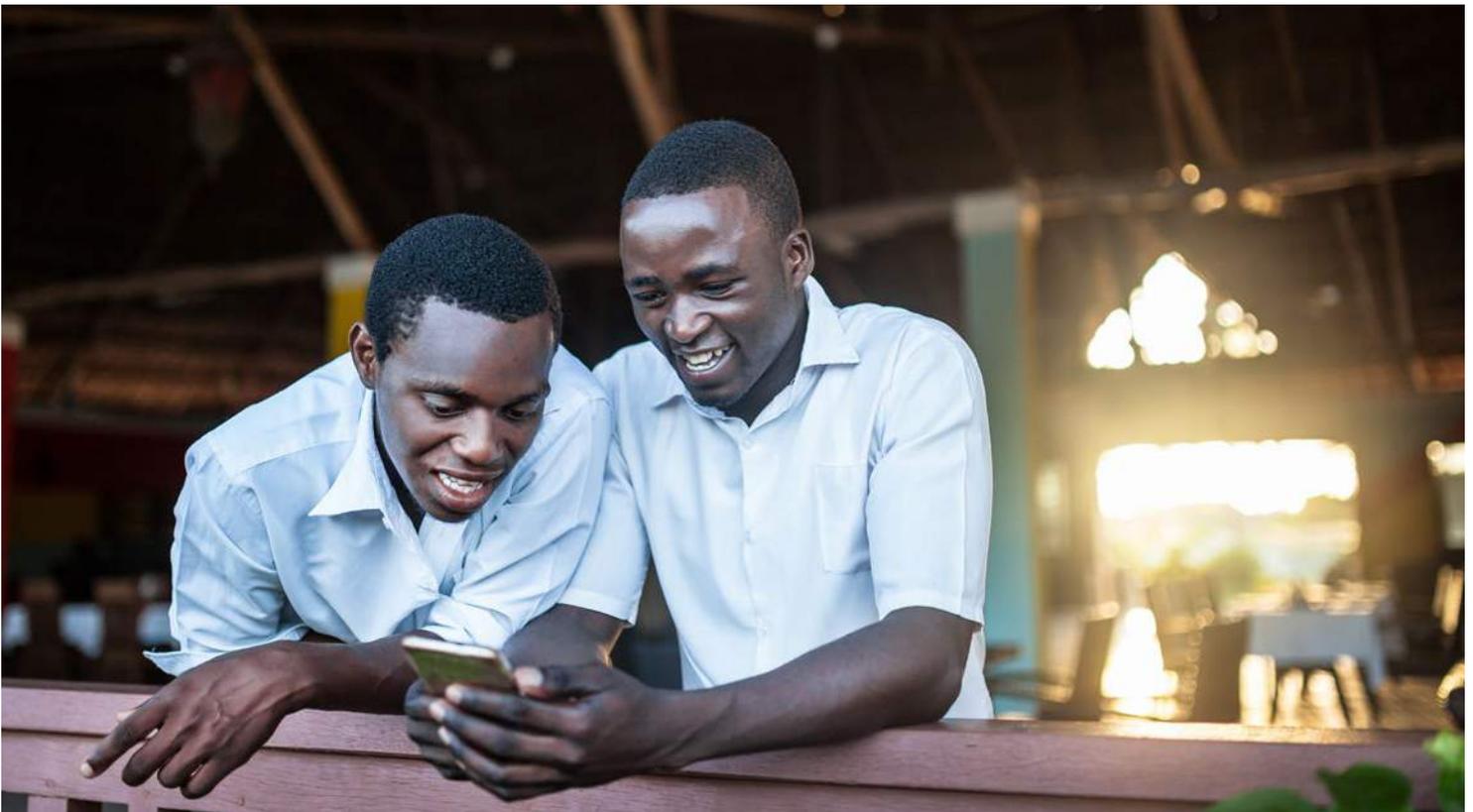
1.1
Implementing train-the-trainer programmes and workshops

Before implementing DFL programmes or workshops, MMSPs should conduct demand-side market analysis with a focus on the following:

— **Market segmentation** – this analysis should ideally comprise customer demographics, customer needs, financial literacy gaps and social practices and norms

— **Market structure** – this analysis should look at how the market is organised, the types of customers and the competition. This will help MMSPs map out the kind of training to be conducted (regional, community-based, frequency, etc.).

— **Consumer awareness level** – this analysis should look at consumers' product awareness levels, digital skills, ability to use mobile money products and services competently and safely, and knowledge of related risks and preventive measures. A key consideration should be analysing underserved segments, including women, persons with disabilities and rural and low-income customer segments.

The market analysis is critical since it will inform the type of training that will be conducted, the resources that will be required, how to structure the training and the support agents will need to conduct effective and inclusive training. To prioritise the training areas, identify the most significant and frequent challenges or barriers that customers experience. Priority topics can also be determined based on customers' feedback, segments, complaints and data collected.

MMSPs should consider developing partnerships with organisations that have the reach and expertise to work with specific customer segments. For example, women's organisations, such as strategic advisors, UNCDF or the GSMA Connected Women team, or organisations of persons with disabilities (OPDs), such as Disabled World, Prosper Canada and iSave.

Types of training

1   In-person training

Training-of-trainers (ToT) can be done in person and conducted on an annual basis with ad hoc refresher training and check-in sessions conducted semi-annually either in person or digitally. Refresher training helps to ensure that training content remains current.

For maximum effectiveness and to handle the various community contexts, in-person sessions should be arranged in a central location and conducted at the community level.

The training should be flexible and held for approximately one week for two to three hours a day. Timing should be determined based on the agents' needs, availability and domestic and caregiving responsibilities.

Venues should be easily accessible, near the agents' area of operation and in locations female agents feel comfortable attending.

This mode of training can cover:

— Definition of financial literacy

— Importance of financial literacy

— How to conduct financial literacy for different agents

— How to conduct training for different customer segments

— How to monitor and evaluate the training

— Key performance indicators (KPIs) and how to track and measure them

— How to incorporate and use different training tools
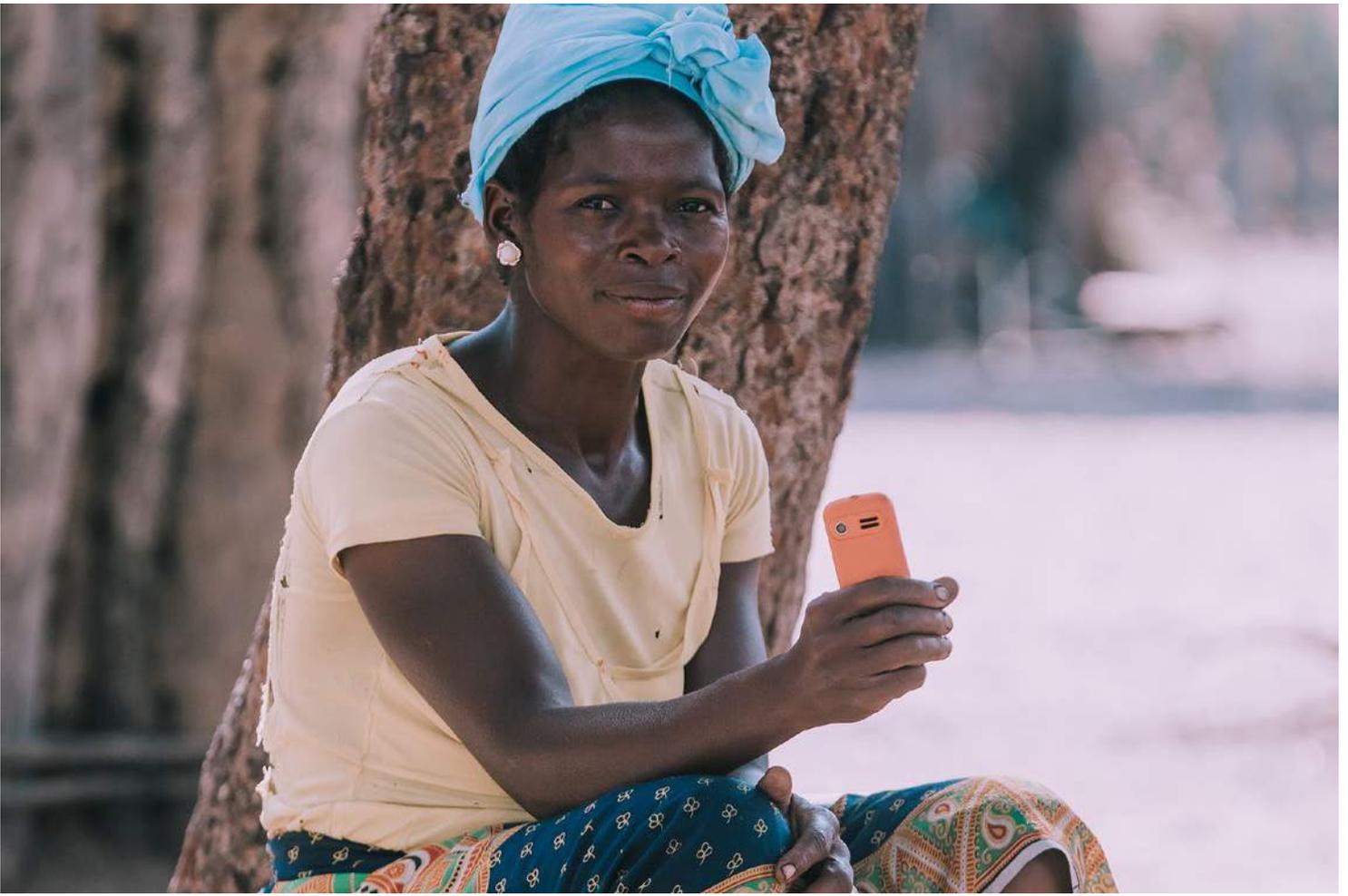
2 USSD or SMS-based training

This form of training can be conducted on an ad hoc basis and is ideal for rural agents who do not have access to a smartphone. USSD and SMS channels can be leveraged to support refresher training, conduct analysis or evaluate training.

These channels can be used to provide a summary of the in-person training and send quick how-to tips and reminders to agents.

Due to word count limits, feature phone message capacity limitations and USSD customer journey problems, we believe SMS and USSD channels would be best used to support other types of training, such as delivering training reminders and tips and refresher training.

3 Digital or gamified training

Depending on the digital skills and availability of digital channels of agents, gamified training may be used to conduct ToTs. MMSPs will be able to reach more agents using gamified training, particularly in geographically remote areas.

In terms of cost and ease of tracking, this might be the most cost-effective method, as it does not require a lot of logistical planning and agents do not need to take time away from their day-to-day business operations. Implementation and operational costs for MMSPs may vary depending on their procedures and administration process.

However, MMSPs need to ensure that all agents complete the training. This can be achieved by:

— Setting mandatory requirements for all agents to complete their training within a certain timeframe

— Setting timelines for different modules to be completed

— Allowing agents to unlock different products and functionality upon completing a training module or section

— Making it an essential requirement for compliance

Figure 2

Resources for implementing ToT programmes
Source: GSMA

Simplify Money[4]	This financial literacy programme of the Bank of Uganda is part of the national financial literacy and inclusion strategy. The programme offers financial literacy ToT on an application basis, and trainers are certified upon completion.
Financial Education Program (FEP) Social Safety Nets (SSN) Project in Liberia *Volume III: Training-of-Trainers Manual*[5]	This ToT manual was developed for Liberia and includes resources and tools to guide financial literacy training in LMICs. MMSPs can use materials from the manual to develop a training manual tailored to their market context.
International Labour Organization (ILO) *Financial Education Trainers' Manual*[6]	This illustrated and in-depth trainers' guide is designed to educate vulnerable groups, especially women, in financial literacy.
Grameen Foundation Digital Financial Education Toolkit for Agents[7]	The Grameen Foundation has developed a DFL platform to support agent training, with a focus on increasing the adoption and uptake of DFS among poor rural women. The programme focuses on the Bangladesh market. G-LEAP is an Android-based e-learning solution developed by the Grameen Foundation for organisations to conduct remote learning and development. It is designed specifically for last-mile/field executives to learn on their own and use it as a job aid.
The World Bank *Women Mobile Financial Services Agent Training Manual*[8]	This document provides generic training material for DFS provider staff to train new female agents. The various sections provide a basic understanding of DFS and guide women through key points to keep in mind as they immerse themselves in their new role as agents.

Figure 3

Other resource materials
Source: GSMA

GSMA *A Guide for Mobile Money Agents and Digital Literacy Change Agents*[9]	This digital literacy training guide is a contextually appropriate, engaging training guide designed to address the knowledge, attitudinal and skills barriers that prevent refugees – especially women – from accessing and using financial services. This guide is designed to be delivered by local mobile money agents and local women influencers.
GSMA *Mobile Internet Skills Training Toolkit*[10]	This toolkit is a free resource that teaches people the basic skills they need to access and use mobile internet and mobile money. It uses a train-the-trainer approach and consists of short lessons available in PDF and video format that can be easily adapted to local needs and languages.

4   Simplify Money; https://simplifymoney.co.ug/
5   World Bank Group. (2018). *Financial Education Program (FEP) Social Safety Nets (SSN) Project in Liberia Volume III: Training-of-Trainers Manual*.
6   ILO. (2008). *ILO Financial Education Trainer's Manual*.
7   Grameen Foundation learning platform ; https://gleap1.grameenimpact.com
8   World Bank. (2018). *Women Mobile Financial Services Agent Training Manual*.
9   GSMA. (2020). *Digital Literacy Training Guide: A Guide for Mobile Money Agents and Digital Literacy Change Agents*.
10   GSMA. (2022). *Mobile Internet Skills Training Toolkit (MISTT)*.

1.2
Training evaluation checklist for mobile money agents

An evaluation checklist can be used after the completion of a training session to check agents' level of understanding and provide feedback on the quality of the training. The following is a sample evaluation form that can be used to evaluate a ToT.

Figure 4

Sample financial literacy training of trainers' evaluation form
Source: GSMA

Financial Literacy Training of Trainers Evaluation Form

Personal Information

Name*	Gender*

Name of Institution*

Information on Training

Course Title*	Date of Training

Enter Topics Covered*

October 2022

Su	Mo	Tu	We	Th	Fr	Sa
25	26	27	28	29	30	1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30	31	1	2	3	4	5

Overall Rating

What were your overall expectations of the workshop?

> Enter overall expectations of the workshop

Did the course meet all your expectations?

○ Fully   ○ Partially   ○ Not at all

> Please explain your rating briefly

What aspects of the training will be of direct benefit to your work?

What will you do differently as a result of the training?

Rate your experience during the training

○ Poor   ○ Fair   ○ Good   ○ Very Good   ○ Excellent

Comment on the best session of the training, the module covered and explain why it was significant to you.

How do you rate the training venue?

● Poor ● Fair ● Good ● Very Good ● Excellent

Any suggestions, observations and recommendations you would like to make:

Rating yourself (0%–100%)

a) Before the training

b) After the training

Evaluate your facilitators using the following scale:

Knowledge of the subject

● Disappointed ● Fair ● Good ● Very Good ● Excellent

Depth of coverage

● Disappointed ● Fair ● Good ● Very Good ● Excellent

Facilitation skills

● Disappointed ● Fair ● Good ● Very Good ● Excellent

Class-handling skills

● Disappointed ● Fair ● Good ● Very Good ● Excellent

Time management

● Disappointed ● Fair ● Good ● Very Good ● Excellent

Submit   Reset

2
Guidelines for training end users of digital financial services

Digital financial literacy is viewed as a viable intervention for reducing financial market inequality and enhancing financial inclusion.

Individuals who participate in the digital economy and society need to have a basic level of DFL, but they also need the knowledge and skills to:

— Operate digital devices such as mobile phones, smartphones and tablets

— Conduct digital financial transactions

— Protect themselves as consumers in the digital marketplace[11]

A holistic approach involving efficient coordination among all stakeholders, especially regulators and DFS providers, is key to designing and implementing DFL initiatives. Along with conventional financial education curricula and programmes that emphasise basic financial and digital skills and positive financial behaviours, it is essential to inform citizens about the DFS available to them and the related rules, rights, responsibilities and risks.

Rather than taking a uniform approach to DFL, training needs to be aimed at, and tailored to, underserved groups based on gender, urban/rural settings and small/large firms.

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11   Lyons, A. and Kass-Hanna, J. (2021). *A Multidimensional Approach to Defining and Measuring Financial Literacy in the Digital Age*.

2.1
Designing digital financial literacy programmes for end users

Before developing and offering DFL training to any stakeholder, a baseline assessment should be conducted to understand the financial lives of the consumers; the constraints they face in terms of access to knowledge; their awareness of DFS and the fraud risks they face; their access to and use of digital technology; their level of digital skills; and their financial decision-making. The assessment should be gender disaggregated to understand gender-based financial disparities in access, usage and experience with DFS.

Ideally, the assessment should be used to inform the type of programme to develop, the nature of delivery, key focus areas and how to measure its effectiveness.

Key factors to consider

When developing a DFL training programme, stakeholders need to consider some key elements to ensure the programme is effective and addresses different target markets. These factors are:

— Language

— Gender

— Disability

— Age

— Training tools

— Collection and distribution of consumer surveys

— M&E of the programme

Language

All training programmes should be developed with end users in mind. Manuals, tools and programmes should therefore be adaptable to the target audience's language and easy to translate into any other local dialect.

The language, cultural practices, region and country of the target audience should inform the illustrations and examples used. Stakeholders should also ensure that the tone reflects their language and nuances.

Hey, Sister! Show me the Mobile Money!, a campaign by Strategic Impact Advisors, is a good example of how to incorporate these aspects. The content has been translated into the languages of the target countries.

Strategic Impact Advisors
Hey Sister! Show Me the Mobile Money![12]

This interactive voice response (IVR) campaign was designed to increase women's ability to access and use DFS.

The programme has learning resources in the local language and uses relevant examples suitable for the target audience and market. It is available for learning and facilitation in Ghana, Kenya, Malawi, Rwanda, Tanzania and Uganda.

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12   Strategic Impact Advisors: *Hey Sister! Show Me the Mobile Money!* campaign.

Gender

Gender is an important aspect for stakeholders to consider if they are to ensure that gender norms, practices and biases are factored into the training content and delivery.

Women are less likely than men to access and use DFS for various reasons, including lower literacy and confidence levels, service design that does not meet their needs and lower incomes. Therefore, stakeholders need to ensure that their DFL training addresses these gender-related challenges. Ensure that training programmes are gender-inclusive by incorporating training approaches suitable for different genders, especially in settings where gender roles are very different and determine the use of mobile money or DFS.

To ensure that DFL training programmes reach women, stakeholders should consider hiring female trainers or agents, collaborating with female mentors, women's groups and female community leaders, leveraging family connections and holding women's community forums to raise awareness of the programme and its benefits.

For digitally delivered training, stakeholders could think about working with female community leaders and respected peers to record the content and voiceovers and use real-life examples that different female users can relate to.

Several guides and programmes for women have been developed and can be used to guide the development of DFL programmes for women. Examples include CGAP's *FinEQUITY Brief*, UNCDF's WDFI Advocacy Hub and Strategic Impact Advisors' Her Business, Her Future training programme.

CGAP
FinEQUITY Brief
Enabling Women's Financial Inclusion through Digital Financial Literacy: A Synthesis of FinEQUITY Members' Insights[15]

FinEQUITY is a community effort that aims to help the financial sector better understand DFL and address the DFS gender gap.

The FinEQUITY Brief is organised into five key enablers (literacy, numeracy, access, awareness and design) and their associated challenges, and highlights cross-cutting constraints (social norms). The framework helps to unpack the different dimensions of DFL and demonstrates why they should not be tackled in isolation, as they are very much connected.

The brief includes four case studies of organisations addressing DFL in countries such as Cambodia, Bangladesh and Ghana.

The Women's Digital Financial Inclusion (WDFI)
Advocacy Hub[13]

The Women's Digital Financial Inclusion (WDFI) Advocacy Hub is a global initiative to create an environment where women can make informed choices about their financial future and lift up their communities and national economies.

The Hub's recent Digital Financial Literacy Campaign[14] focused on raising awareness of the relevance of financial education in Ethiopia and reinforcing the link to financial consumer protection. Through stakeholder engagement and gender-intentional advocacy, the campaign collected resources and examples of good practices that will be leveraged by the National Bank of Ethiopia to support the implementation of the new NFIS.

Strategic Impact Advisors
Her Business, Her Future[16]

Her Business, Her Future is a training programme for women microentrepreneurs adapted from the USAID and Mastercard "Project Kirana for Women" curriculum for women-owned and operated microenterprises in India. The training is designed to build the capacity of women microentrepreneurs to own and manage their business.

The training has eight modules, which are available in PowerPoint in English, French, Swahili and Spanish. The training content can be customised to meet the goals of any organisation seeking to build the business, financial and digital capabilities of women microentrepreneurs.

13   UNCDF; Advocacy Hub.
14   UNCDF; Women Digital Financial literacy Campaign.
15   CGAP. (2021). *FinEQUITY Brief*.
16   Strategic Impact Advisors: Her Business, Her Future.

Persons with disabilities

Digital financial literacy for persons with disabilities is critical to achieving equitable financial inclusion in the digital age. This segment of customers is typically the most excluded since most services do not cater to their needs and are not assistive, leaving them unable to use the services. Persons with disabilities, therefore, need more support. MMSPs need to structure their training to ensure there is ongoing support and on-demand access to refresher content.

When developing training programmes, it is critical to know how to approach and disseminate information to mobile money users with disabilities. This includes ensuring that training tools and delivery mechanisms are accessible and meet the needs of people with different types of disabilities. For example, training content should be packaged in various formats and made fully accessible, including through video, audio and visual content, braille tools and, where relevant, local sign language interpreters and captioning. Training materials should include examples that are relevant to individuals with disabilities, simple to understand and employ local currency terms and numeracy examples.

When delivering in-person training, there are several important considerations to keep in mind. Ensure that the location is easily accessible. Incorporate sign language interpreters and use local language and examples. Ensure that participants have been assessed prior to the training and have a support team in place to assist those who might experience challenges.

iSAVE
Inclusive Economic Empowerment[17]

The iSAVE Inclusive Economic Empowerment programme is an inclusive microfinance programme designed to remove barriers that hinder the inclusion and participation of persons with disabilities.

The programme provides financial literacy training to group members. The training provides information on the services of microfinance institutions (MFIs) and their clients' obligations. It also provides training on disability inclusion for staff and management in the microfinance sector.

The programme works with local communities to encourage the establishment of village savings and credit groups. The groups are self-selected and managed by persons with disabilities but also include non-disabled members, such as caretakers of persons with disabilities and others in the community. These groups engage in extensive training on how to develop and maintain a savings and credit group that is member-owned and self-managed.

17   iSave. (2014). *Financial Literacy: Simplify Money, Magnify Life*.

Age

Age is another critical factor that must be considered when developing DFL training programmes. To ensure that training content and delivery are relevant for different age groups, they will need to be adapted to fit their needs and digital skills.

Youth are considered to be digital natives and fast adopters of digital technologies, new platforms and services. It is, therefore, ideal to reach this group using digital tools, gamification and entertainment channels, such as campus radio stations, social media platforms, social influencers, and other youth influencers online.

Grouping the target audience by age is key, as interests and needs vary across different age brackets. For example, training for 18- to 24-year olds could focus on financial growth and easy access to saving features.

For in-person training, stakeholders might benefit from on-campus outreach programmes, youth-based community centres, student fellowship groups and clubs, as well as the involvement of youth community leaders, student councils, influencers and mentors.

Elderly audiences require a slightly different approach than youth because they may lack confidence and experience with DFS. DFL stakeholders might benefit from using traditional channels, such as radio, television, community leaders, and face-to-face sessions at community meetings, to conduct training for the elderly.

Tools and channels

The training tools and channels used are crucial determinants of how quickly the training content can be disseminated and how effective the programme is for the end user. Again, different customer segments should be reached through different channels.

In their Digital Financial Literacy Toolkit, AFI suggests the use of the following tools and channels:

Traditional channels and tools[18]

1 Face-to-face interaction

Face-to-face interactions include traditional lectures, seminars, training, workshops, conferences, public exhibitions, school curricula, focus groups, awareness, education campaigns, group activities and learning within booths.

Although this is considered to be the most effective channel for many end user segments, it is also the most time-consuming and expensive method as it requires a great deal of logistical planning and resources.

2 Publications and materials

Publications such as brochures, booklets, leaflets, printouts, books and notebooks can be distributed to participants during DFL programmes and campaigns or published electronically.

Considering that low literacy may be an issue for those most in need of financial literacy training, written materials should also use pictures and illustrations.

3 Media

Television programmes, infomercials, talk shows, messages, videos, radio talk shows and broadcasts can all be used to raise awareness of DFL. Because different users consume media differently and use different channels, it is crucial to identify the best timing and channels for programmes, shows and broadcasts to reach the most people and target groups.

Digital channels and tools

1 Websites, social networks and mobile

Websites, social media pages (Facebook, Twitter, TikTok, etc., depending on the popularity of these networks in a community), short educational YouTube videos, reels, stories, TikTok vidoes, WhatsApp stories and messages can all be effective channels for delivering DFL. Since digital content can rapidly increase in popularity, using these tools for DFL initiatives can have a wider reach and be more effective and efficient in terms of cost and time.

However, this method has some limitations as some customer segments, such as women and the elderly, may lack digital skills and not have access to mobile phones or mobile internet.

2 Distance and electronic learning

Open distance and electronic learning (ODeL) approaches make it possible to tailor training to be more accessible to those with limited language or numeric skills, disabilities or time constraints, especially vulnerable, isolated and potentially excluded populations. Digital platforms can be created to advance DFL, and offering online courses on DFL topics provides self-directed learning opportunities. If quizzes are included, learners can also evaluate their progress.

3 Visual communication

The use of visual communication, such as infographics, animations, short texts, GIFs and memes, can enhance DFL initiatives as many people may not comprehend text-heavy communications and prefer visual illustrations. These channels can be used to deliver messages on certain practices to avoid or to encourage the adoption of certain behaviours.

4 Online calculators

Calculators empower individuals to make informed financial decisions and take more responsibility for these decisions. They encourage financial consumers to focus on long-term priorities while planning their futures. Examples are loan calculators, deposit calculators and pension calculators.

18   AFI. (2021). *Digital Financial Literacy Toolkit*.

Collection and distribution of anonymised consumer data

When collecting data on participants during the assessment, training and post-training, stakeholders must adhere to data protection principles. All local support teams should be sensitised on collecting, processing and storing data.

An important factor to consider at any phase of the design process is that any personally identifiable data collected should be limited to only what is necessary to support the propagation of the DFL training or programme. Participants should be informed of what data will be collected, how the data will be stored and their rights over their data. Explicit consent should be provided before any data is collected.

DFL stakeholders should sensitise their local support teams on the importance of maintaining data confidentiality when handling any sensitive data collected during training or post-training; how this data should be transmitted back to them or their partners; how to store the physical data in their possession; the process and procedure for handing the data over to them; the appropriate destruction process; and, in the case of data leakage, the procedure for reporting this.

For in-person training that requires physical data collection, stakeholders would benefit from using individual forms or sign-up sheets that are stored in a central location to protect the personal information of participants.

Practices for an effective DFL programme

When delivering DFL training programmes or initiatives, stakeholders will need to consider adopting specific practices to ensure the training is effective, engaging and memorable.

In their paper on behaviour change, the Center for Financial Inclusion[19] recommends seven practices for effective financial capability interventions that highlight the need for stakeholders to connect learning with doing. The seven practices are:

1   Teachable Moments

2   Learning by Doing

3   Nudges, Reminders, and Default Options

4   Rules of Thumb

5   Make It Fun

6   Customise It

7   Make It Social

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19   Center for Financial Inclusion. (2016). *A Change in Behavior: Innovation in Financial Capability*.

Key elements of DFL programmes

There are critical pieces of information that must be embedded in a DFL training programme. We recommend covering the following areas:

— **How to navigate a DFS platform** – DFL training and programmes should begin by exploring DFS platforms, DFS products available, different access channels available, shortcuts and USSD codes that can be used to perform different transactions. This should be updated following any changes to the process.

— **Financial planning** – DFL programmes should help end users understand how mobile money platforms or products can be used to:

  • Plan and budget for expenses
  • Track expenses and transaction costs
  • Save extra income
  • Monitor credit
  • Plan for emergencies
  • Improve creditworthiness and increase credit limits, especially for micro, small and medium-sized enterprises (MSMEs)
  • Build financial credibility and data
  • Manage spending and debt

  We recommend that the programme or training focus on raising awareness of how mobile money services can support better financial planning and management. This will guide the responsible use of DFS and raise awareness of available DFS products.

— **Saving and budgeting** – DFL training should address how consumers can use mobile money services and platforms to save. This should be informed by market needs.

— **Credit and debt** – DFL training should look at credit, debt and how end users can prevent indebtedness. The training should raise awareness of available forms of digital credit and the differences between them in terms of interest, repayment periods and credit limits. It should cover how consumers can assess appropriate types of credit products, how to manage credit and avoid late payments, penalisation due to late repayment and credit reference bureau listings for defaulting. The training should raise awareness of:

  • Types of credit
  • Interest rates and how they are calculated
  • How to select low-interest rate credit services
  • How to check approved lending service providers
  • Tips on how to avoid overindebtedness
  • The risk of unplanned and poorly managed credit
  • Effects of credit default

— **Consumer protection** – Consumer protection is a fundamental aspect of DFS and DFL training should inform and educate end users on protecting themselves against risk. DFL training should cover the following:

  • Techniques and tips on how to mitigate fraud
  • Information on PIN protection and safety
  • Data protection
  • How to interpret terms and conditions
  • Available recourse mechanisms
  • Available reporting channels

Figure 5

A training tool to support learning on savings

Source: Simplify Money

Savings calculator

Calculate the savings you will get if you deposit a certain amount at the beginning of each month for a certain number of years.

Enter the amounts into the grey fields, which automatically calculate your savings.

Monthly amount	Number of years	Interest rate		Total savings amount
100	3	3%	per year	3769.35

2.2
Resources and tools

The following are sample resources and tools referenced or used to support other DFL training.

Figure 6

A training tool for supporting learning about loans

Source: Simplify Money

Loan calculator

Which amount do I have to repay yearly if I borrow a certain amount of money?

The interest rate in this case is **fixed** and is calculated on a **declining* basis.**

Amount borrowed	Number of years	Interest rate		Monthly repayments
10,000	2	2%	per year	545.50

*Declining means that the interest rate is calculated on the outstanding amount, which has not been repaid yet.

Figure 7

Budget planner

Source: Simplify Money

Monthly family budget

Summary projected	Total income	Total savings	Total expenditures	Total remaining/overspent
	O	O	O	O

Summary actual	Total income	Total savings	Total expenditures	Total remaining/overspent
	O	O	O	O

Monthly income	Projected income	Actual income	Difference
Income 1			O
Income 2			O
Extra income			O
Total monthly income	O	O	O

Savings and investments	Projected savings	Actual savings	Difference
General savings			O
Savings account			O
Retirement account			O
Investments			O
Other			O
Total savings and investments	O	O	O

	Projected	Actual	Difference
Total expenditures	O	O	O

	Projected cost	Actual cost	Difference
Housing			
Mortgage or rent			O
Salaries (e.g. security, house cleaning)			O
Electricity			O
Gas			O
Water and sewer			O
Waste removal			O
Maintenance or repairs			O
Supplies			O
Other			O
Subtotals	O	O	O

	Projected cost	Actual cost	Difference
Food			
Groceries			O
Dining out			O
Other			O
Subtotals	O	O	O

	Projected cost	Actual cost	Difference
Transportation			
Bus/taxi/boda boda fare			O
Car payments			O
Fuel			O
Insurance			O
Licensing			O
Maintenance			O
Other			O
Subtotals	O	O	O

	Projected cost	Actual cost	Difference
Medical			
Doctor fees			O
Medication			O
Other			O
Subtotals	O	O	O

	Projected cost	Actual cost	Difference
Children			
School fees			O
School supplies			O
Lunch money			O
Child care			O
Toys/games			O
Other			O
Subtotals	O	O	O

	Projected cost	Actual cost	Difference
Personal (self and family)			
Cleaning, washing, etc.			O
Saloon			O
Clothing			O
Health club			O
Organisation dues or fees			O
Other			O
Subtotals	O	O	O

	Projected cost	Actual cost	Difference
Communication, entertainment			
Phone/internet			O
Video/DVD/CDs			O
DSTV			O
Sports events/concert/theatre			O
Other			O
Subtotals	O	O	O

	Projected cost	Actual cost	Difference
Loan repayments			
Loan 1			O
Loan 2			O
Loan 3			O
Subtotals	O	O	O

	Projected cost	Actual cost	Difference
Gifts and donations			
Wedding contributions			O
Funeral expenses			O
Other			O
Subtotals	O	O	O

Figure 8

Sample of a communication message poster on mobile money PIN safety tips

Source: Twitter/Uganda Communications Commission

2.3
Who should consider conducting DFL training for consumers?

Mobile money service providers

MMSPs should offer end user training as they have direct access to them. This can be done by training their agents, who, in turn, will provide on-site support and training.

The training programmes can take various forms. However, a thorough market analysis should be conducted before training begins. The analysis will inform the training needs of different target audiences within a market or region. Training by mobile money operators can focus on specific issues, such as:

— How to leverage digital financial services

— How to navigate different mobile money platforms

— Available products and services, their use, and value for consumers

— The benefits of using mobile money services

— Budgeting and financial management tools that consumers can use to track their expenditures

— Transparency on transaction costs

— How to safeguard against fraud attempts

— How to interpret terms and conditions

— Redress mechanisms and procedures

DFL training channels for MMSPs

MMSPs can conduct DFL training through the following channels:

— Embedding DFL training into the DFS service

— SMS campaigns

— Gamified training

— On-ground support staff and agents

— TV campaigns and learning series

— Social media campaigns

— Country-focused or regional-focused campaigns

— Radio ads and interactions

Mobile money agents

Mobile money agents are essential for providing mobile money services and are a vital link when providing DFL training to end users. Once agents have been trained on how to conduct DFL training, they should be able to support end users' training on an ongoing basis while providing customers with service.

End-user training by agents should be conducted on an ad hoc basis and based on a specific consumer challenges. It should be offered progressively with KPIs that MMSPs provide,and changed based on customers' and agents' feedback.

Agents will need training manuals, guidelines, and resources, such as training materials, digital tools, feedback forms, assessment forms, and a way to share responses. MMSPs will need to keep in touch with agents to make sure that the training content is up-to-date, useful, and relevant to the needs of consumers. This will help ensure that the information shared is correct, accurate, consistent, and uniform.

Training sessions by agents should be carried out within 5 to 10 minutes and can focus on the following areas:

— Navigation of mobile money platforms?

— How to change one's PIN

— How to spot fraud attempts

— How to spot fraud attempts

NGOs

NGOs and development agencies are important contributors to end-user training because they are able to offer training on their own or in partnership with MMSPs, regulators, and government agencies.

NGOs can provide more comprehensive training than agents, whose training is mainly done on an ad hoc basis. NGOs can therefore contribute to DFL training in different ways, such as:

— Supporting mobile money operators in developing training manuals

— Working with mobile operators to deliver end-user training

— Conduct DFL training through implementation partners

— Training community groups to support retraining and information dissemination

NGOs should diagnose and understand how consumers manage their finances before embarking on end-user training or developing DFL training programmes. Then, they can create and deliver a programme that includes some or all of the following components:

— Why DFL is important to end users

— How to navigate a DFS platform

— Building digital skills and capacity

— DFS tools that can grow end-users financial capability or capacity

— How to calculate interest

— How to use DFS savings and insurance products

— Responsible use and practices

— How end users can protect themselves from DFS risks

— Rights of end users

NGOs and development agencies should develop a mechanism to document results, use outcome-focused metrics, and report to peer organisations and the wider DFS industry to better understand what works and what does not.

End-user training can be conducted using different methods based on market analysis and demand. Additionally, the training can also be structured in several different ways. We recommend organising it around key thematic areas to ensure that the content is sufficiently comprehensive, easy to deliver, and captures the MMSP's messaging on digital financial literacy.

NGOs should consider leveraging existing engagement opportunities and activities they have with consumers to get more people to sign up for training. They should also consider working with MMSPs and conducting market visits to engage customers on their issues before inviting them for formal DFL training.

2.4
Monitoring and evaluation of DFL programmes

Stakeholders should ensure that DFL training and programmes are monitored and evaluated against a set of KPIs.

Monitoring should begin at the assessment stage and continue during sign-up, training, after training and post-training check-ins. The data collected will be critical in advancing DFL programmes and will enable stakeholders to better understand future areas and themes to focus on, assess the needs gap and foster better collaboration among stakeholders.

As a first step, we recommend that MMSPs conduct a comprehensive assessment of the challenges experienced and gaps present, and periodically evaluate the programme to ensure the information is relevant and in line with market changes. The assessment of the DFL programme should be multifaceted and multisectoral.

Sample M&E surveys

Source: USAID Digital Payment Toolkit

USAID FROM THE AMERICAN PEOPLE   NETHOPE

Key Tool: Digital Financial Literacy Pre- and Post-Training Survey

These surveys are intentionally short and simple to help reference the findings during your training session. Keep in mind that not all of your trainees may be literalte, so these surveys may need to be conducted orally. The pre- and post-training surveys are nearly identical, to help compare how trainees' knowledge and awareness has improved.

Pre-training survey

Participant Name:

Gender: Age:

Consent to participation in the survey and sharing of data results: Yes / No

1   What are digital payments?

2   Have you heard of *[insert name of selected digital payment modality]*?

3   List 3 things that you can use digital payments for:
_____

4   List 3 benefits of receiving and using digital payments:
_____

5   List 3 disadvantages of receing and using physical cash:
_____

Post-training survey

Participant Name:

Gender: Age:

Consent to participation in the survey and sharing of data results: Yes / No

1   What are digital payments?

2   Have you heard of *[insert name of selected digital payment modality]*?

3   List 3 things that you can use digital payments for:
_____

4   List 3 benefits of receiving and using digital payments:
_____

5   List 3 disadvantages of receing and using physical cash:
_____

6   Was this training helpful for you?

7   What was the most important thing you learned today?

8   Is there anything you wanted to learn that we did not cover today?

3
Guidelines for governments, policymakers and regulators

Digital financial services are a vital part of global financial inclusion initiatives. They are a powerful driver of economic growth, particularly in LMICs, as they create jobs, promote productivity and entrepreneurship, and support the shift to a formal economy.

DFS platforms have become a primary channel for cashless transactions, including government transfers, which increased significantly during the COVID-19 pandemic and made it more important than ever for citizens to gain access.

A favourable regulatory environments[20] and good supervisory practises have facilitated innovation in the DFS space in different markets, giving rise to an entire ecosystem that offers savings, insurance, local and international money transfers, payments and credit solutions to individual and corporate users.

Despite this success, many MMSPs continue to face barriers to reaching large segments of the population. Financial literacy has been a particular obstacle to financial inclusion. Full financial inclusion cannot be achieved until users have access to a variety of financial services that they use regularly. Digital financial literacy has been recognised as a key driver of financial inclusion and has become integral to the financial inclusion policy agendas of many countries.

With the increased availability of digital financial products, the continued expansion of DFS and the advent of the "gig" workforce, in which individuals, particularly young people, are becoming increasingly responsible for their own financial planning, there is an urgent need for consumers to better understand how to use digital financial products and services effectively and avoid fraud and costly mistakes. In addition, DFL has been identified as a crucial factor in addressing gender usage gaps.

These developments indicate the need for programmes that enhance DFL and focus on the essential skills needed to drive adoption and the use of DFS.

Therefore, DFL could, at least in principle, support many of the objectives of supervisory authorities, including:

— **Consumer protection** – financially literate consumers can make better decisions, recognise the potential risks of some financial products, their rights in relation to these risks and how to seek redress through appropriate channels

— **Security and reliability** – consumers who are financially literate and have access to pertinent information can recognise the significance of using reputable mobile money operators and service providers

— **Public confidence and trust** – consumers who understand the mobile money system are able to make financial decisions with greater confidence

— **Consumer savviness** – consumers who are financially literate have the knowledge, skills, and confidence to look at the risks, costs, and benefits of products that are marketed to them and decide which product to use and which MMSP to use based on that information

— **Secure access and market development** – financially literate consumers can better understand risks and how to manage them, for example, by using savings, credit, and insurance products more effectively.

Research shows that financially literate people are able to demand and use financial services, such as savings, credit and insurance. So, financial inclusion and other efforts to reduce poverty would benefit from DFL.

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20   UNCDF. (2022). *Assess your current market and regulatory landscape*.

3.1
How regulators can be involved in digital financial literacy

The first step in promoting DFL at the policy level should be to develop a DFL strategy. Projects aimed at reducing hurdles to financial inclusion should consider prioritising DFL. NFIs can only be said to have achieved their desired objective once end users can make well-informed decisions about which digital financial products and services meet their needs.

Therefore, governments and other policymakers (including supervisory authorities with a financial inclusion or financial literacy mandate) can contribute to the provision and development of DFL initiatives by:

— **Developing and implementing policy measures and regulations that provide a framework for assessing and addressing financial literacy barriers in their markets.** These measures should ideally be implemented concurrently with appropriate consumer protection measures aimed at raising consumer awareness of digital financial products and services, the risks of using them and available mitigation and protection tools, including redress mechanisms. An example is the Portugal National Plan for Financial Education featured on the next page.

— **Intentionally addressing barriers to women's financial inclusion and digital literacy in regulation and policies.** Governments and the private sector are often not deliberate about hearing from female consumers or female representatives of industry and civil society. To ensure the policymaking process is inclusive, women will need to be supported to advocate for their needs and have their views taken into account.[21]

— **Incorporating requirements for persons with disabilities in financial inclusion and digital literacy regulation and policies.** To ensure the process is holistic, governments need to work with OPDs and their representatives during the development of these policies and regulations.[22]

— **Developing programmes in conjunction with industry players to promote digital financial education.** This includes programmes for women, persons with disabilities and marginalised persons, such as the elderly, displaced persons, the less literate, MSMEs and business owners. These programmes should also consider promoting numeracy to boost DFL. An example of this is the Jordan Digi#ances project featured on page 43.

— **Encourage the use of DFS through financial literacy to drive digital financial inclusion.** This should involve educating consumers on the inherent risks of DFS and implementing suitable protective mechanisms. In countries where DFS is widely available, the strategies developed to address financial inclusion should also include strategies for financial literacy.

— **Adopting a multifaceted strategy to support the development of digital financial education plans and programmes.** This should be developed in tandem with strategies to promote digital financial inclusion with specific reference to DFL, including the creation and implementation of tools to assess DFL and effective communication strategies.

21   UNCDF. (2022). *Gender-intentional policymaking*.
22   GSMA. (2022). *Driving the Digital Inclusion of Persons with Disabilities: Policy considerations for low- and middle-income countries*.

Portugal National Plan for Financial Education (2016–2020) (2021–2025)

The National Council of Supervisors of Portugal developed a national education plan in 2011 geared towards promoting financial literacy among the Portuguese population. The plan was reviewed and revised in 2020, and the focus remains on improving financial literacy by strengthening partnerships and driving digital solutions.

One strategic action area is promoting digital financial education to empower the population to use DFS, adopt behaviours that protect their personal data, prevent fraud and cybercrime and consider the financial decisions and behavioural biases they may be more exposed to in digital channels.

Digital financial literacy awareness campaigns and training in Jordan

The Digi#ances project was jointly implemented by the Central Bank of Jordan and GIZ, which developed a road map to increase the awareness and literacy of potential DFS users. The awareness-raising campaigns are implemented through collaborative action to maximise benefits for this target group.

As of 2020, a group of 20 governmental, non-governmental and private sector organisations with access to target groups and reasons to increase financial literacy and awareness, signed a Memorandum of Understanding (MoU) that committed them to implement the road map.

The objective was to provide individuals who did not currently have access to financial services in Jordan with the knowledge they need to use DFS responsibly. Materials and training were jointly designed and developed for stakeholders to reach their target group with consistent, neutral and credible information on DFS and foster financial inclusion through hands-on training.

Activities under the DFS Awareness and Literacy campaigns targeted low-income Jordanians, Syrian refugees and other non-nationals residing in Jordan who did not have bank accounts. The main emphasis was on women and youth. The target groups learned about DFS opportunities, how they can use DFS for savings and budgeting and their rights and responsibilities.

3.2 Guidelines for cooperating with industry in the implementation of national literacy programmes

Promotion of financial literacy is critical for increasing DFS usage. Implementing national literacy programmes and strategies that take a coordinated approach to digital financial inclusion and financial education is important. Such approaches should include:

— Recognising the importance of financial education and working with industry players to develop national policies and legislation, where appropriate

— Cooperating with key stakeholders and designating a national leader or coordinating body or council. This should involve working with MMSPs and consumer associations.

— Providing consumer education through various government departments, regulatory agencies, consumer associations, MMSPs and others (development partners). This can be done through public campaigns using various channels and tools.

— Convening multistakeholder panels that bring together actors from civil society, consumer associations, gender champions and advocates and private and public stakeholders to share best practices and align on how to collaborate to reach the underserved and deliver meaningful financial literacy training.

— Implementing national financial literacy programmes with a clear road map to achieve predetermined and precise goals

— Providing recommendations on individual initiatives to be implemented under the national strategy as part of an efficient and suitable contribution to the overall strategy

— Incorporating M&E methods to analyse the progress of the strategy and programmes and make adjustments as necessary

We recognise that financial literacy is a multigovernment agency issue and mobile money regulators need to consider working with other government agencies to support and drive financial literacy through various measures. This can be done through:

— Incorporation of financial literacy learning modules into the national curriculum by Ministries of Education. Most curricula have yet to be updated to reflect current technological advancements. As a result, most are ill-equipped to deal with digital literacy or DFL.

— Leveraging existing MoUs with Ministries of Information and their equivalents to include targeted mass communication on DFL as part of a national campaign.

3.3
Monitoring and evaluation of digital financial literacy initiatives

Assessing the population's financial literacy is critical to a successful NFIS. It enables policymakers to identify gaps and design appropriate responses.

International comparisons enhance the value of these evaluations by allowing a country to measure itself against others. An essential part of formulating and implementing efficient and effective financial literacy policies and strategies is collecting baseline data on the financial literacy levels of different demographic and socio-economic segments.

Regulators also need to ensure that this data is disseminated back to MMSPs, relevant NGOs and development agencies to guide the development of DFL solutions and programmes by different stakeholders.

Dissemination can be done through a public report by the regulator, workshops and continuous bilateral engagement with stakeholders. This will enable further data analysis and deliberations among stakeholders on collaboration opportunities and efforts needed to address the gaps and challenges identified.

Data needs to be inclusive and representative of different market structures, cultures and communities, as well as gender and economic levels. Key considerations should be in place to ensure that the data is gender disaggregated. This will enable women's awareness and knowledge of DFS to be measured and to monitor behavioural changes, such as confidence with DFS, uptake, usage and risk exposure.

It is also essential to have an M&E framework that integrates targets and indicators for women. This will ensure that gender-disaggregated data is collected and analysed during ongoing performance tracking.

Regulators should also consider including DFL indicators in their financial inclusion indexes. This will ensure progress is tracked over the medium term. The indicators are intended to enable the measurement of specific attributes such as general awareness level, product awareness, security, and consumer rights.

4
Conclusion
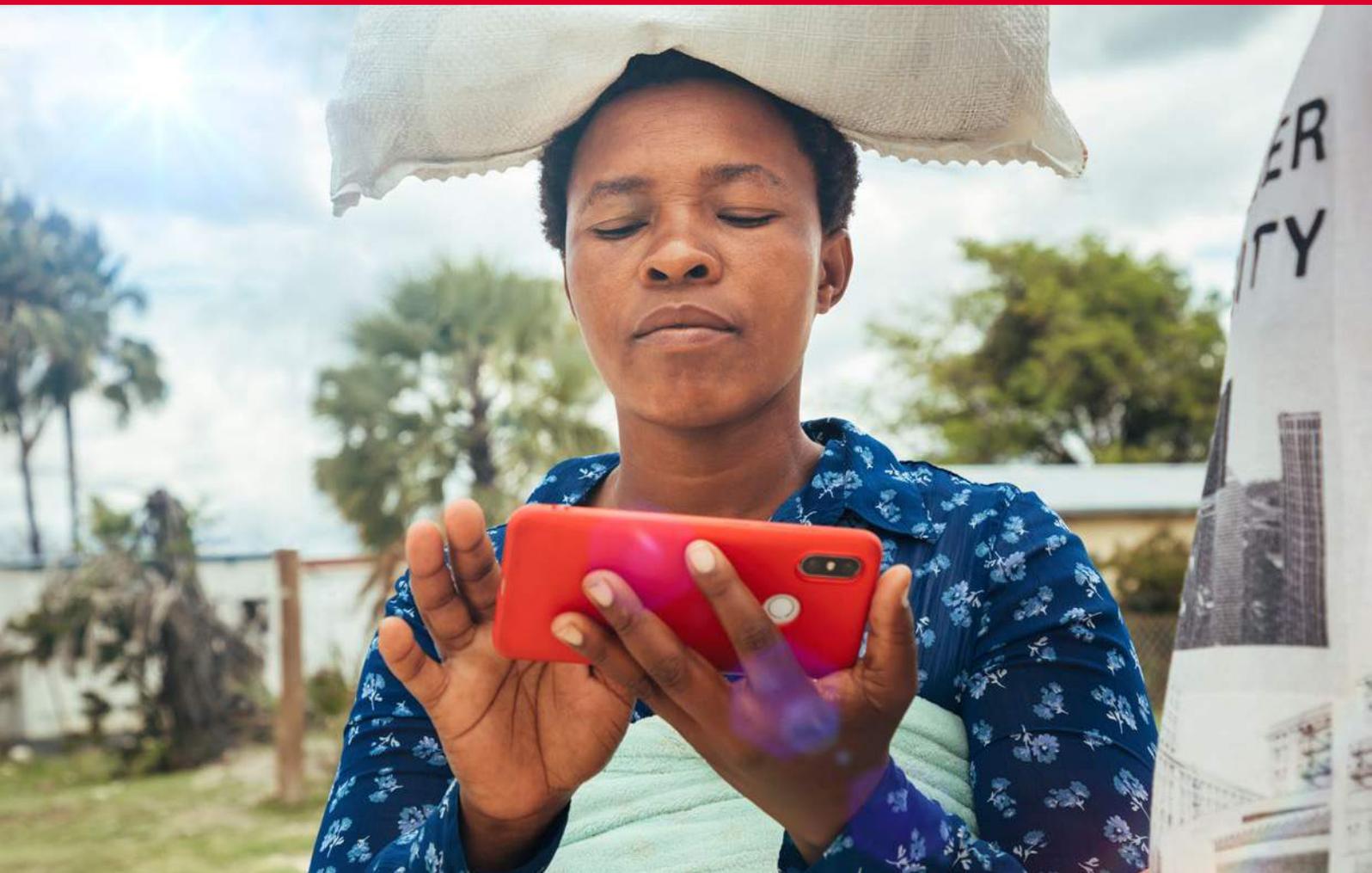
Digital financial literacy is a crucial element that influences consumers' adoption and usage of DFS. Therefore, addressing the DFL gap should be a multistakeholder effort to improve consumers' financial health and ensure inclusive financial inclusion.

It's not enough to think of DFL as a policy agenda. There is an opportunity for all the stakeholders to interact and work together to address this challenge while promoting consumers' digital skills.

Based on the research conducted during the development of this toolkit, we found that there is a need for the development of training content, manuals, and resources that can be easily adopted by various stakeholders and provide support for MMSPs in carrying out DFL training.

As the industry association, we aim to support the industry in addressing these challenges by highlighting the gaps and opportunities available to all the relevant stakeholders. Our main goal with this toolkit is to highlight the significance of collaboration as well as the role that needs to be played by some key stakeholders, furnish stakeholders with direction and essential tools for the development of DFL programmes and elaborate on how stakeholders can work together to address digital financial illiteracy, starting with the policymaking process and informing what kinds of DFL initiatives need to be undertaken.

We acknowledge the efforts to collaborate and work together to address DFL. However, for these efforts to generate any benefit, more work must be done to achieve the desired impact. There is also a need to make sure that these efforts are tracked and measured against set KPIs. This can only be informed by an unbiased and thorough market analysis that includes all the actors. DFL initiatives should be industry-led and supported by policy and regulatory interventions, NGOs and government agencies to collaborate.

As the market is continuously evolving, it is important to have a toolkit that will provide an overview of current trends and best practices as well as specific recommendations for industry players to ensure the successful development of DFL initiatives. This toolkit forms part of the GSMA's efforts to guide the development and use of DFL. It will be kept up to date in order to effectively monitor the market and capture any new trends or developments in DFL.