



# Knowledge, Access, and Decision-Making: **Women's Financial Inclusion in Pakistan**

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**How does gender play a role in individuals' adoption of Digital Financial Services (DFS) in Pakistan?**

# Digital Financial Services (DFS)

## Banks



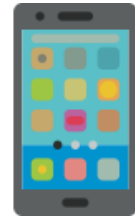
- Operate through physical branches
- Require significant investment

## Mobile Money / Branchless Banking



- Use cellular and MNO distribution services
- Transactions through mobile wallets
- Cash-in/cash-out using retailers or mobile money agents (Over-the-Counter)

## Mobile Wallets



- Reduced barrier of traveling to banks
- Different level of privacy and security
- Reduced transaction costs

## Pakistan – a DFS ready country

NADRA - national identification system covering 90% of the population

Steadily increasing smartphone and internet penetration

Popularity of OTC (Over the Counter) transactions in Pakistan

Mobile money friendly regulations by State Bank of Pakistan



# Gender Gap in Pakistan

- 143rd out of 144 countries in World Bank's 2017 Gender Gap report
- **Literacy rate:** 49.6% Women, 71.6% Men
- **Financial Inclusion:** 6% Women, 11% Men
- **Mobile Money:** 0.3% Women, 2.1% Men



# | Our Work



# Elements of Inquiry

Affordability



Authority



Access





# Qualitative Fieldwork



# Interview Process

- Women interviewed women, men interviewed men
- 40-60 minutes
- Interviews in Urdu or Punjabi
- Location preference of participant
- Two sets of questions
  - Thresholds of affordability, authority, and access
  - Experiences



**Interviews**

**Transcriptions**

**Themes**

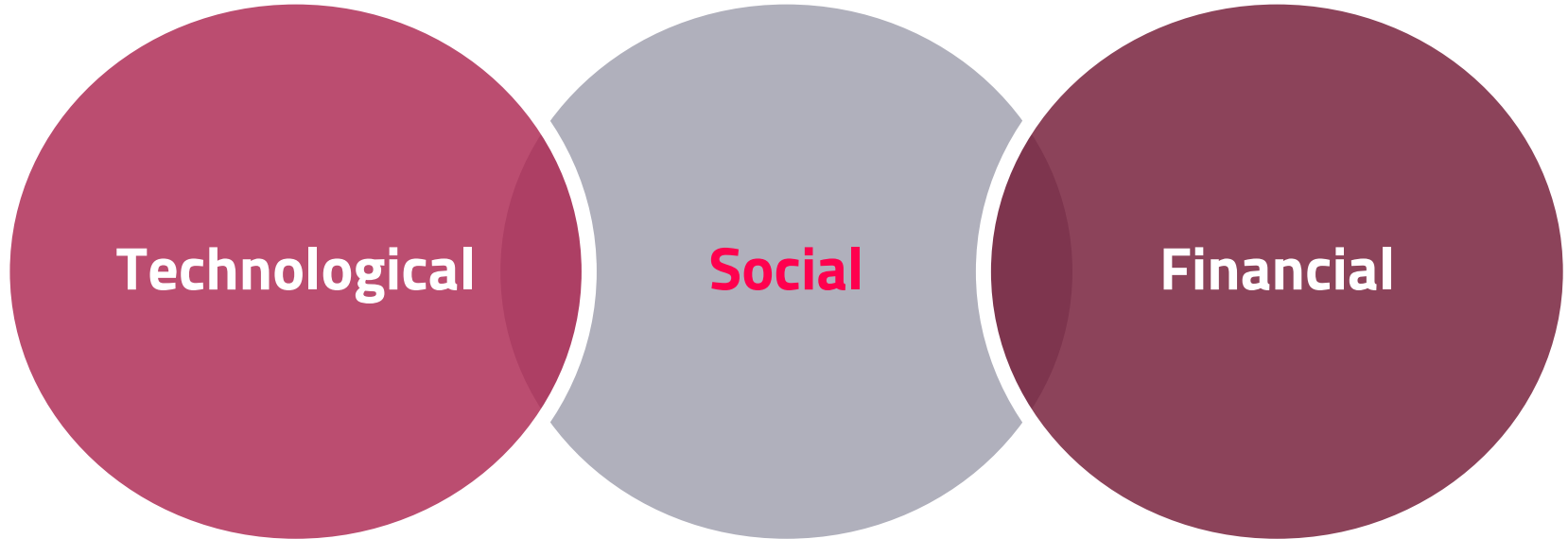
# Participants

- 51 semi-structured interviews (41 women, 10 men)
- Urban, peri-urban, rural areas
- Lahore, Multan, Kasur
- Northern Punjab – 34 interviews, Southern Punjab – 17 interviews
- Purposeful sampling (social contacts, MFI)

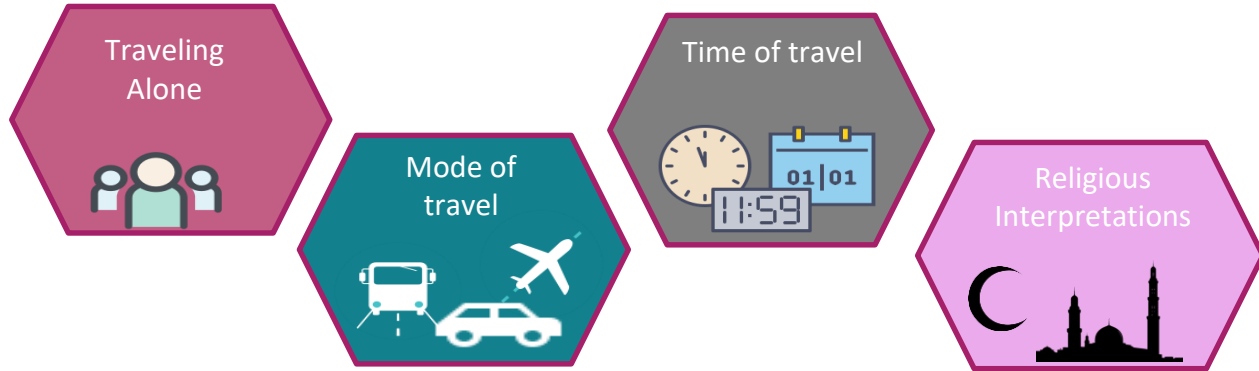


# Findings

# Digital Financial Services and Gender



# Social Access



# Social Access and Gender - Mobility

- Various degrees of mobility
- Preferred days or times dependent on mobility category
- Segregation and mobility
- Harassment
- Avoidance or selective behavior
- Traveling permissions – male relatives
- Traveling with male relatives – safer
- Safety and social perceptions, not purdah

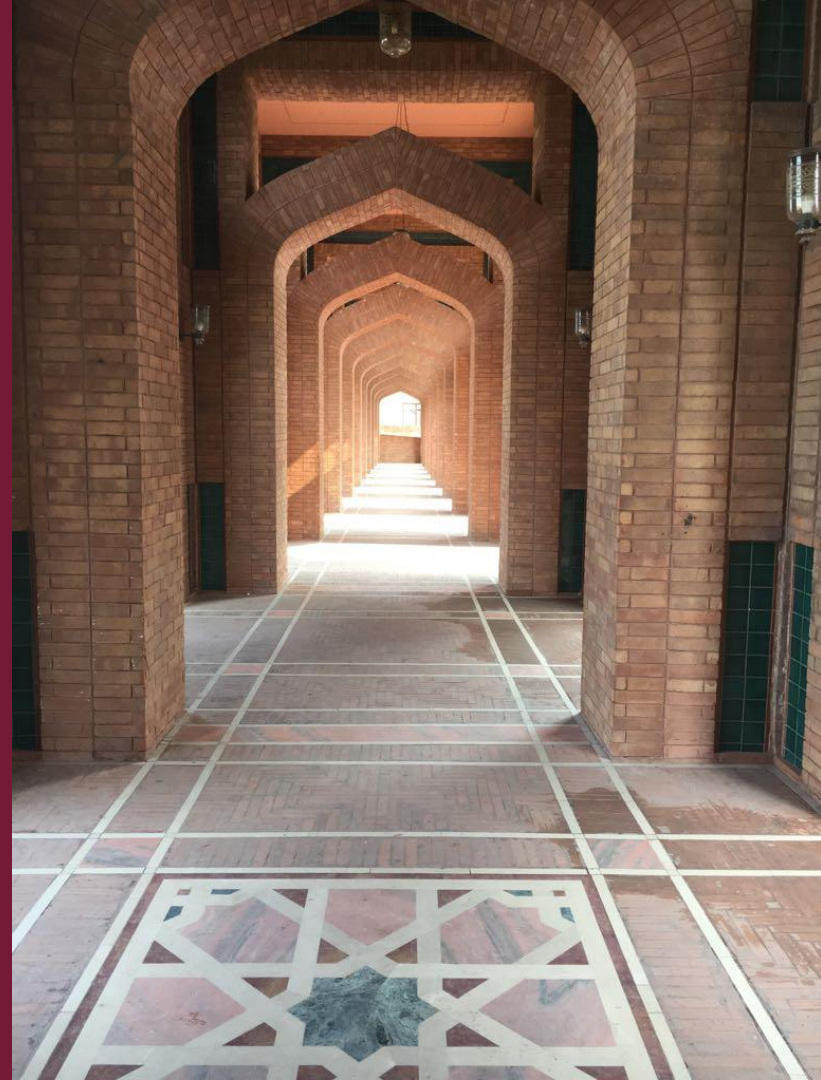
“

*I go with my husband if I need to go out in the evening or at night. It's not safe to go out in the evening and it's also **considered bad in our culture [for women to travel alone].***

(female, rural)

# Religious Interpretations and **Gender**

- Gender responsibilities and Islam
- Interest Rate in financial services and Islam





“

*Fathers are the head of households in all of the families. . . . It's good because **men make good decisions and it's their role**. It is said that the **house where women lead isn't successful.**"*

(female, peri-urban)

# Technology Access

SIM Card  
Ownership



Access and  
Ownership



Identity



# Technology Access – Access & Ownership

- Mobile Ownership
  - **Our Interviews:** 85% Women, 100% Men
  - Smart phone use: 75% Women, 70% Men
  - Sim registered in their name: 71% Women, 100% Men
  - Higher than other surveys
- Permission is a limiting factor
- Phone ownership by unmarried women considered inappropriate



*Women are not allowed to use phones in our family. They just **do not feel the need when men have phones**. . . My father, however, is less restrictive. My brothers are more restrictive "*

(female, peri-urban)

## Technology Access – SIM Card Ownership

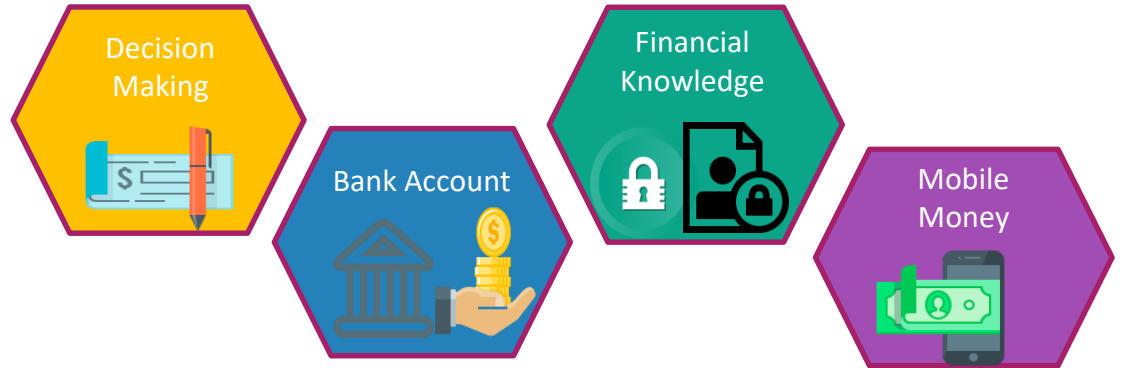
- 90% of population registered
- 83% of women participants had a Computerized National ID Card (CNIC)
- Recording of births by village officer
- Security concerns have increased need for CNIC
- Five SIMs per CNIC has led to women ownership of SIMs

“

*I got a CNIC because my son needed me to have one before he could get his. They demand the CNIC of the father and mother for issuing a child's CNIC. My son has to pass through an army check post while going to work and **they don't let him pass without a CNIC.**"*

(female, rural)

# Financial Access



“

***My father-in-law is the head of the house. He manages all these things like bringing something from the market like vegetables and other things but sometimes he gives money to me for shopping and asks me to go and bring the required things. My husband and his brothers give their salary to their father. But the amount that we earn from embroidery or beauty parlor work is ours and we don't need to give it to our father-in-law.***”

(female, peri-urban)



“

*I keep some of my savings in a locker at the vocational training institute where I study embroidery. **I don't tell my brother about this money. Otherwise, he will ask me to give all of the money to him.***

(female, urban)

***"I save money. But one doesn't have to tell men. Today my daughters are young, but tomorrow they will grow up so quickly."***

(female, rural)

# Financial Access – Bank Account Ownership

- Bank account Ownership:
  - **Financial Inclusion Insights (FII) Survey:** 12% men, 6% women
  - **Our Interviews:** 50% men, 34% women
- Making transactions:
  - Interviews:
    - ▶ Women did not go to banks
    - ▶ Urban women sent male family members



*When my husband used to work in Lahore, **he used to leave the checkbook with me.** . . .*

*Sometimes I used to give a check to the kids to go to the bank and cash. **I have never been there [to the bank] by myself.** Only one time, my son took me to pay the bill, because he said that the queue for women is shorter at banks."*

(female, rural)



*My husband has a bank account. **We haven't told anyone at home about this account. My father-in-law asks us to give all of our money to him to manage. But we have kids and we should have our own savings. We keep a balance in the bank account that we get from the savings group but we never tell anyone about this.***

(female, peri-urban)

## Traditional financial products–**Rotating Savings and Credit Associations (ROSCAs)**

- ROSCA (Rotating Savings and Credit Associations)
- ROSCAs knowledge and participation – common among women
- ROSCAs – part of generational knowledge
- Daily, weekly, and monthly ROSCAs
- Ranging from PKR 10 (USD 10 cents) to a few thousand (USD 100-500)
- Women relied on ROSCA administrators

“

*I have saved money through committees since I was a teenager. I like saving money through committees. My mother used to manage committees, but that required large amounts of money, so I used to have a share in one committee with three or four other members."*

(female, urban)

# The Way Forward



## Findings to Recommendations

- Influential women as change agents
- Women entrepreneurs overcome certain norms
- Marital status affects access
- Build on financial services for women (e.g., Microfinance and ROSCAS which are widely used)
- Women can teach future generations





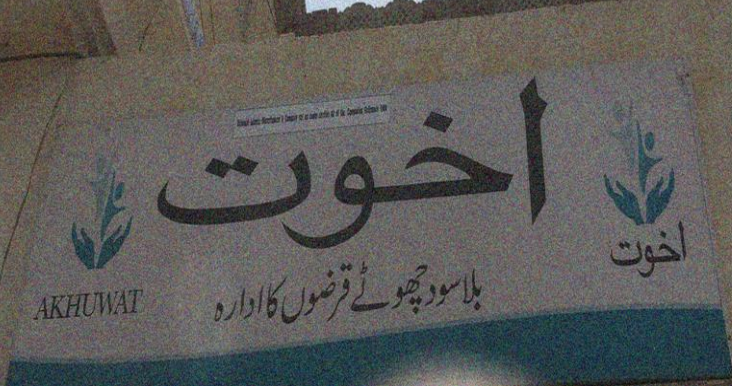
# Conclusion

# Validating our **Assumptions**

- A1 - Financial empowerment and financial income are not correlated.
- A2 - Education is not directly correlated with the financial empowerment of women.

# Summary

- Gender influences financial capability, decision making, technology access, and mobility
- Family structure has a major role: unmarried women and family reputation
- Men play a role in the social, technological, and financial flexibility
- Short-term constraints (privacy of transactions) vs. long term constraints (religious and sociocultural interpretations)



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# Thanks!

Questions?

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# Participant Demographics

<b>Gender</b>	<b>Men</b>	<b>Women</b>
<b>Participants</b>	10	41
<b>Age</b>	15 – 25 years: 5 26 – 45 years: 3 > 46 years: 2	15 – 25 years: 16 26 – 45 years: 25 > 46 years: 0
<b>Locality</b>	Urban: 4 Peri-urban: 3 Rural: 3	Urban: 22 Peri-urban: 7 Rural: 12
<b>Marital-status</b>	Unmarried: 5 Married: 5	Unmarried: 17 Married: 24
<b>Education Level:</b>	Uneducated: 3 Up to 8 <sup>th</sup> grade: 3 Up to 12 <sup>th</sup> grade: 0 College : 4	Uneducated: 11 Up to 8 <sup>th</sup> grade: 5 Up to 12 <sup>th</sup> grade: 9 College : 16