



Scale X Design  
Scale X Design  
Accelerator Cohort  
3

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**Initiative and/or Program Name**

“Get connected” Initiative: Finance at your fingertips

**Technical Sector**

- ☐ Water
- ☐ Food Security
- ☐ Humanitarian
- ☐ Health
- ☒ Gender
- ☐ Agriculture
- ☒ Economic Development
- ☐ Capacity Building/Governance
- ☒ Education
- ☐ Dignified Work
- ☐ Social Enterprise
- ☐ Youth and Adolescence

**Check this box if your application should NOT be entered in the Accelerator as a finalist.**

No response

**Check this box if your application is a social enterprise or consulting practice that does NOT fit within the Cohort 3 theme: Women’s Economic Empowerment.** Hidden

No response

**Are you submitting your application in English?**

- ☒ Yes
- ☐ No

## Problem Statement

According to the National Financial Inclusion Strategy (2015), the first persons excluded from the Peruvian financial system are "women with low levels of education who live in rural areas". At the same time, women from rural areas with less education are the first to face structural barriers for access to decent work, and persistent discrimination in the labor market. According to the INEI (2015), 67% of the economically inactive population in Peru are women versus 33% for men, of these 79% have secondary education or less and 15% are in rural areas; 32.3% of women do not generate their own income as against 12.5% of men at the national level, and this proportion increases significantly in rural areas where it affects 47.7% of women as against 13.3% of men. In addition, this 75.9% of working women are in the informal sector as against 71.0% of men, and this proportion is even higher in rural areas with 97.3% of women versus 94.6% of men. Similarly, women are the first to suffer from poverty: in 2015, monetary poverty affects 46.9% of rural women, and extreme poverty 14.6% of rural women. Likewise, illiteracy also has a rural female face with 23.4% of rural women illiterate. The problem is the high economic vulnerability and limited empowerment of women in poverty in rural and urban outlying areas. These women have low financial capacity, reflected both in poor financial education and restricted access to the financial system and control over their economic resources, which prevents the development of their enterprises, as well as their full participation in power structures and in the adoption of decisions. This is reflected in the latest figures from the Global Findex (2014): in terms of access and use of financial services in Peru, only 29% of women have an account in a formal financial institution, 8.7% declare that they have saved in a financial institution and 9.9% declare that they have taken out a loan in a financial institution, compared with rates of 35%, 26% and 10%, respectively, at the Latin American level. In addition, in terms of financial education, Peru is ranked 14th of 15 countries in the PISA 2015 educational evaluation. This result is explained by the fact that 48% of high school students do not reach the most basic level of knowledge in financial education and, among the poorest, this indicator reaches 73%. Ultimately, the financial education deficiencies of women in vulnerable situations are already explained from primary and secondary education.

**a) Explain how your initiative solves the problem. What evidence exists to prove your initiative solves the problem?**

The pilot project "Get Connected: Finance at your fingertips" proposes to connect 2,200 women from poor communities in rural and urban outlying areas of Piura and Junín, 2 priority regions in the current project portfolio of CARE Peru, to the financial system in a period of 14 months. Indirectly, the intervention would reach 8,800 people (average family of 4 people according to the Demographic and Family Health Survey of 2013).

Through an innovative blended mobile financial education program based on the LISTA android application (installable on tablets) accompanied by a virtual platform linked to a call center with a messaging system and support calls, and finally a component for approaching financial institutions through face-to-face workshops with representatives of financial institutions, facilitating the integration of women participants in the financial system, empowering them and improving the well-being of their families. In this way, the project seeks to fulfill an integral cycle by strengthening the financial knowledge of women and then offering them real paths of inclusion in the formal financial system.

The initiative is structured around three axes: the first, LISTA, which is an App specifically designed for women with a low level of education or prior contact with ICTs, presenting highly interactive contents (audio, audiovisual and tactile animation). The application works off-line, comes to the home of the participants through the local facilitators and contains an integrated monitoring system. LISTA works on topics such as promotion of savings, responsible management of debts and risks, and budget planning, in addition to providing practical information on the use of financial services. This application was developed by Fundación Capital in 2011 and since then the initiative has been successfully implemented in Colombia, Brazil, Mexico, Honduras and the Dominican Republic, reaching more than 300,000 users.

The second axis proposes linking women to a virtual platform that works by means of an active/passive call center, which makes and receives calls and messages (text and vocal SMS, WhatsApp, Facebook) with the aim of reinforcing the contents of LISTA, resolving doubts of the participants and promoting the interactions between the facilitating leaders, women entrepreneurs, the team of facilitators of CARE Peru, micro-finance institutions, facilitating their inclusion into the financial system and reinforcing their empowerment. Similarly, for the purpose of increasing and improving the use of the communication channels on the virtual platform, face-to-face training sessions and personalized training in ICT will be taught by the peer training method.

At the end of the training and partial face-to-face training programs for women in the LISTA app and in parallel with the virtual platform, financial inclusion campaigns and face-to-face workshops with MFIs will be organized, as well as financial inclusion tools such as BIM (Mobile Wallet), with the objective of promoting the approach of the female beneficiaries to financial services and encouraging them to link effectively with the financial system.

**b) How does the initiative apply the CARE approach? (Increased Resilience, Promoting Inclusive Governance and Gender Equality and Women's Voice – The initiative does not have to apply all four to qualify)**

No response

**b) b) How does the initiative apply the Women's Economic Impact Strategy?**

Within the framework of the CARE International program strategy to 2020, the 4th challenge is to improve access and control of the economic resources of 30 million women worldwide.

CARE Peru, as a member of the CARE International network, is in line with this challenge and, given the current Peruvian context, proposes that 200,000 Peruvian women have access to economic resources and control over the generation and use thereof, meaning that they become active users of financial services.

In this context, the Get Connected initiative is presented as an innovative proposal of financial and digital literacy where the purpose for CARE Peru is to incorporate digital solution tools into our programs of financial inclusion of the axis of economic empowerment of women.

To this end, CARE Peru has partnered with Fundación Capital, a non-profit organization specialized in the design and implementation of scalable strategies for financial inclusion and income generation for the base of the pyramid.

**c) Why is your initiative better than what's been done before or by others?**

In Peru, most financial education programs have implemented traditional methods (face-to-face training with printed booklets), requiring poor women from remote areas with little free time to travel to the training site.

The project overcomes these barriers through a partially face-to-face financial education program incorporating a mobile learning system with highly interactive contents (audio, audiovisual and tactile animation) facilitating the use thereof by people with low educational levels or no prior contact with ICTs. The application works off-line, arrives at the home of the participants through the local facilitators and contains an integrated monitoring system.

Today, despite the connectivity gap in remote rural areas, the vast majority of women use basic mobile phones and among them the youngest use smartphones and make use of social networks (Facebook, WhatsApp, ...) as well as mobile banking applications.

However, other initiatives have not explored these alternative communication channels to promote the financial inclusion of these women. Linking these platforms to a call center will allow interaction between women and facilitate their learning, financial inclusion and empowerment.

Finally, we believe that financial education without the real possibility of accessing financial services will have a limited impact. Similarly, simply linking to the financial system without proper prior training can be risky. Therefore, the project seeks to work in the two areas to increase its impact.

**a) Describe how this initiative could further impact 1million+ people by 2020? How can this be taken to scale, either at the national or international level?**

The "Get Connected" initiative has the mission of becoming CARE Peru's flagship program in financial inclusion, connecting to the 06 programmatic axes of our institution and more specifically the axis of the economic empowerment women. In this line, as part of the program strategy of the axis of women's economic empowerment for 2020, CARE Peru proposes that 200,000 Peruvian women be active users of financial products.

To achieve this goal at the national level, CARE Peru has a long history, present for more than 46 years in the country, as well as transversal approaches to territorial development, governance, accountability and political advocacy that have allowed working in partnership with government entities at all levels, as well as the private and academic sectors.

This institutional framework has resulted in CARE Peru becoming one of the national NGOs with a large presence in the country operating today in 24 of the 25 regions of the country. Just in 2016, the projects implemented through its 06 programmatic axes have impacted 212,524 women directly and 2,231,803 women indirectly.

Also, for the program of economic development and economic empowerment of women, CARE Peru is currently present in 09 regions of the country (Piura, Lambayeque, La Libertad, Junin, Huancavelica, Ica, Arequipa, Cusco, Puno).

At the international level, as a member of the CARE International network, the Get Connected initiative aims to be an innovative model that can be replicated and scaled in other countries, aligning with the CARE International program strategy and impacting the Global Agenda of Sustainable Development Goals by 2030, since CARE International is one of the organizations invited by the United Nations High Level Group to address the economic empowerment of women and contribute to the acceleration thereof.

On the other hand, LISTA has proven its scalability power having reached more than 200,000 users in 5 Latin American countries through its simple tablet rotation methodology.

**b) Who will pay for taking this initiative to scale? (i.e. what is the funding model? Will government adopt the innovation? Will the initiative be scaled through market-based approaches? Will it be supported through traditional philanthropy or replicated by other NGOs?)**

The Get Connected initiative is framed in a favorable national context, since Peru has the National Strategy of Financial Inclusion (2015) and Model Peru (2014), favorable for the development of valuable evidence for the empowerment of women, leading to change in the development of better capacities in terms of access and use of financial services. Within this framework, the Ministry of Social Inclusion and Development (MIDIS) has the responsibility for the creation of alliances with multiple actors in order to implement scalable financial inclusion strategies integrating digital tools for vulnerable populations.

The initiative involves the support of multiple actors (ministries, IFs): first in the adaptation of the contents of LISTA to the Peruvian context. Second, at the level of the virtual platform, in the design of the contents to disseminate information on the most relevant financial services for the participants. Third, at the end of the education/training process, to organize financial inclusion campaigns, with the objective of promoting the access of the beneficiaries to the financial services previously presented.

In other countries, the expansion of LISTA has received technical support and funding from international donors, governments and financial institutions committed to the financial inclusion of vulnerable populations.

**c) Based on your experience so far, what is the major obstacle or challenge you feel CARE faces in taking this initiative to scale?**

Since July 2017, CARE Peru has been developing this initiative together with Fundación Capital, and we have verified that, although there is a national institutional framework favorable to the development of innovative models of financial inclusion, women in vulnerable situations continue to be a population that is not prioritized either at the level of financial policies or of the offer of financial services adapted to their needs and aspirations, promoting their empowerment and leadership.

This is explained by:

- Great risk aversion when it comes to investing in digital tools that initially require a high investment to be able to design and adapt them to this target audience. This, despite the fact that, in the case of the initiative, the LISTA financial education App has been adapted in 05 Latin American countries, reaching 300,000 users, and has a high potential for scalability after the adaptation thereof, reducing implementation costs.
- Great political and social instability in the country, preventing the implementation of a clear action strategy regarding the issue of financial inclusion and vulnerable women.
- The lack of competent experts in the implementation of the gender-based approach both at the level of government entities and financial institutions.

**a) What is evidence or the analysis that proves there is demand or interest for this initiative? (i.e. is there interest from the government? Are stakeholders such as partners or communities interested in scaling? Have donors or investors shown interest?)**

Since June 2017, several institutions, both public and private, have expressed interest in the Get Connected initiative:

- At the level of government institutions, we have approached MIDIS, the Bank and Insurance Supervisory Authority (SBS) and the Ministry of Production (PRODUCE), who are interested in integrating digital tools into their financial inclusion programs for vulnerable entrepreneurs and micro-entrepreneurs.
- At the level of financial institutions, the BBVA Microfinance Foundation, through Financial Confidence, has shown great interest in getting involved in the initiative both at the level of

funding strategy, as well as adapting the LISTA App and design of the virtual platform, as well as face-to-face financial inclusion campaigns.

- The company Pagos Digitales Peruanos, which is in charge of the Mobile Wallet, has also expressed interest in participating in the adaptation of the Lista App, the virtual platform, the training of the CARE Peru facilitators and the financial campaigns.
- Since February 2018, the CARE Peru team and Fundación Capital have been implementing a micro pilot project with 03 associations of women entrepreneurs (60 women) in Piura, connected to the second phase of the project "Escalating Business Development for the Empowerment of Women" with the purpose of generating and systematizing the preliminary evidences. The leaders and women entrepreneurs have expressed great enthusiasm in the initiative and other associations of women entrepreneurs have requested training.