

Concept note

## Digital Financial Literacy Campaign in Ethiopia: Applying global best practices to local goals

### The opportunity

**Ethiopia will be releasing its revised National Financial Inclusion Strategy (NFIS) in late 2022.** One of the pillars of the Strategy focuses on advancing financial education and consumer protection by building capabilities and trust, especially for women.

**Collectively, we have the opportunity to ensure best practices, key insights and impactful examples of initiatives that improve women's digital financial literacy reach decision-makers** at the National Bank of Ethiopia and inform the implementation of the strategy.

### What is digital financial literacy?

Digital financial literacy combines the skills needed to navigate financial services with the skills to use digital technologies. This includes:

- Knowledge of the value of digital financial products and services
- Confidence in using digital financial products and services
- Awareness of how to prevent and manage digital financial risks

*Source: Based on Policy Brief [T20 Japan Task Force 7: The Future of Work and Education for the Digital Age](#)*

## Objectives for the digital financial literacy campaign

### Influence

- Put women's digital financial literacy at the forefront of policymaking in Ethiopia and inform the NFIS implementation framework
- Enable key global partners to share lessons learned from their previous and current initiatives on digital financial literacy and bring significant value to support the NFIS in terms of insights, best practices, examples, etc...

### Gender-sensitive implementation of existing policies

- Ensure digital financial literacy aspects of the NFIS are implemented in a way that reaches different groups of women

### Participatory decision-making

- Convene strategic partners, including CSOs and the private sector to help with the implementation of the NFIS in the field of digital financial literacy and to strengthen accountability

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### Proposed messages

- Women's inclusion and full-scale participation in the digital economy starts with digital financial literacy
- Building trust and ensuring consumer protection for excluded segments is a strategic priority to achieve financial health and mitigate financial risks
- In Ethiopia, the NFIS implementation is positioned to leverage women's digital financial literacy initiatives and commitments of the public sector, private stakeholders and civil society organisations

### Proposed Calls-to-Action

#### Policymakers

- Implement digital skills and financial literacy programs targeted at women to promote access to and use of digital financial services

#### Regulators

- Enhance consumers' trust and protect consumers from financial risks by implementing strong financial consumer protection frameworks

#### Private sector

- Include education and trainings tailored to the needs of women as part of the delivery of financial products and services

#### Civil society

- Ensure all women have access to digital financial literacy trainings by leveraging trusted local community and peer networks to deliver them

### Campaign timeline

#### October 2022

- UNCDF to identify and convene like-minded partners
- Interested partners to share resources and ideas for campaign via [survey](#)
- UNCDF to develop new content with local partners in Ethiopia
- UNCDF to draft campaign materials, including social media package

#### November 2022

- UNCDF shares campaign materials for partners
- Official launch of the campaign (November 7)
- End of the campaign (November 30)

#### December 2022

- Share campaign takeaways and recommendations with the National Bank of Ethiopia as well as with partners participating in the campaign

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### UNCDF's role in the campaign

UNCDF is co-leading the global [WDFI Advocacy Hub](#). As part of this initiative, **UNCDF is convening 16 WDFI Ethiopia Coalition members, the WDFI network of champions, and regional and global partners to jointly advocate** for market and policy solutions that drive women's digital financial inclusion.

UNCDF is also well positioned through its [technical work in-country](#) to bring together stakeholders and advocates with the National Bank of Ethiopia (NBE) and to **advise on technical aspects of policy design and implementation.**

As a convener, **UNCDF commits to provide structure and coordinate engagements for this campaign** in line with the priorities and interests of active partners, while considering the challenges that women in Ethiopia face in being included in the digital economy.

Together, we will work with partners to ensure that the implementation of the NFIS in Ethiopia incorporates global best practices, particularly as they relate to women's digital financial literacy.

### Opportunities for partners

For this digital campaign, we encourage partners to participate in at least one of the following ways :

- **Sharing key resources and learnings** from past or ongoing activities, initiatives, campaigns and projects and highlighting how those have proven useful to advance women's digital and financial literacy.
- **Identifying additional potential partners or opportunities** to strengthen the campaign goals
- Standing ready to **engage in November 2022** to join the online campaign in some (or all!) of the following ways:
  - Sharing and resharing campaign content on social media
  - Participating in a Twitter chat
  - Participating in a webinar
  - Drafting written pieces (e.g., blog posts) to be published on UNCDF's website and their own sites
  - Promoting specific Calls to Action by producing short videos that draw connections between the Calls and the work that the organisations are undertaking
  - Other activities based on partner interest and ideas

*Please note: Travel or financial contributions are not required to be a partner in the campaign. This campaign will take place primarily online.*

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### Additional background

#### Key stats

- The gender gap in account ownership in Ethiopia has widened to 12% in 2017 (41% vs. 29%) vs. 2% in 2014 (23% vs. 21%) (Findex data)
- The gender gap varies by region and residence. In rural areas, 26% of men are financially included vs. 10% of women. In urban areas, about 69% of men are included vs. 50% of women. Of the unbanked, women comprise about 58% and men about 42% (Ethiopia Living Standards Measurement Study (LSMS) 2018-2019)
- There is substantial gender inequality in literacy across age groups and regions in Ethiopia. At the national level, 57% of males are literate compared to 43% of females (LSMS 2018-2019)
- 34% of men vs. 19% of women reported saving. The gap is slightly wider in urban areas (19%) than in rural areas (13%) (LSMS 2018-2019)
- Family members (35%) and SACCOs (19%) are the primary sources of loans
  - Women are more likely to depend on relatives for loans than men (44% vs. 33%) but men are more likely to borrow from SACCOs (21% vs. 13%) (LSMS 2018-2019)

### More on the NFIS

The revised National Financial Inclusion Strategy charts a path for deepening programs and actions to boost financial inclusion in Ethiopia.

The Strategy put gender front-and-center. It outlines specific actions for programs to ensure that all products, services, channels and general initiatives are designed with women in mind.

In addition, the Strategy formulates a program to promote financial education and consumer protection, guided by the National Financial Education Strategy (NFES) and the Financial Consumers Protection framework and Directive, which was recently approved by the Board of the National Bank of Ethiopia.



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### Key contacts

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If you are interested in engaging in our financial literacy campaign, please click on [this link](#).