



Digital Sub-Wallets and Household Dialogues

Western Uganda | 2017 - 2020



Introduction

Financial literacy, independence, and financial dialogues at a household level change everything.

Improving women's equitable influence over household financial decisions increases their capacity and likelihood to save, reduces their risk of loss of income, and improves their financial stability and resilience to shocks.

In particular, addressing restrictive social norms through household dialogues provide a safe space for women to equitably participate in household planning and decision-making. Through randomized control trials, evidence shows that this:

- **Allows women and men to work together to save for and purchase their own land.**
- **Enables couples to save towards starting a new business as an additional source of income.**
- **Ensures that families work together to pay their children's school fees and access better education, which can break the cycle of poverty.**
- **Ultimately, it changes the lives of women, their families, and communities.**

Women have specific challenges in financial access, financial and digital illiteracy, and lack of control over household finances. Technology access, product design and training are critical to meeting women's needs and priorities and to facilitate their uptake of digital financial services.

That's where CARE's Digital Sub-Wallets project comes in.





Funded by the Bill & Melinda Gates Foundation, the DSW program demonstrated that social norms work needs to be closely aligned with traditional financial inclusion efforts to achieve women's economic empowerment.

The project hypothesized that if women have equitable influence over household financial decisions, and if they are active users of mobile financial products that are designed for the way they plan and use money, then their individual financial autonomy will increase.

It used a randomized control trial (RCT) approach to test two innovations among female VSLA members:

1. A mobile banking service with digital sub-wallet folders labelled for women and;
2. The same service coupled with a course of seven household counselling sessions aimed at equalizing the influence of women and men in the context of family money management.

CARE worked with PostBank Uganda to design a digital sub-wallet financial product specifically tailored for women and geared towards goal-setting. A key component of the design of this platform (known as Women in Progress) was the creation of "sub-wallets" – pockets of savings designated for a particular use to help women achieve their set goals. Based on research about women's goals, the sub-wallets supported women in prioritizing saving, particularly for school fees, medical emergencies, and longer-term purchases such as land.

In addition, CARE implemented financial literacy training for the participants, who learned about financial goals, budgeting, banking, and how to use the sub-wallet platform. Participants were encouraged to open bank accounts and enroll on Women in Progress.

For a subset of participants, CARE also implemented household dialogue sessions. These were designed to improve relationships between men and women, increase their equal decision-making, and boost women's financial autonomy.

The results included: previously unbanked women signing up for bank accounts and increasing their ownership on par with men's, male partner behavior becoming more participatory regarding household budgets, women reporting they are increasingly respected for their financial needs by their husbands, and a significant improvement to women's mental and emotional well-being.

Across the board, the subset which included household dialogues saw more substantive results than those who only used the digital sub-wallets.

The project has supported more than 1400 people in Western Uganda since 2017.



Project Statistics

1,423 Total Participants

1,112 women with male partner

213 women who did not have a male partner

93 Men

Among Digital Sub-Wallets participants:

54% signed up for a bank account

69% reached their financial goals



Among those who had the added benefit of household dialogues:

64% of married women signed up for a bank account

76% reached their financial goals



Prior to the project, **43%** of women hid cash in a secret place at home



75% of the women who signed up for bank accounts used the Digital Sub-Wallets



61% of women said their spouse now shares household financial decision-making with them



38% of unbanked women decided to open bank accounts



75% of women who signed up for bank accounts said it was a better way to keep money private than hiding cash



81% of women saw a positive change in their spouse's behavior after the dialogue sessions, and 96% said this was sustained after the project



Through the Digital Sub-Wallets....

31% of women saved for the future

29% of women provided better for their children

13% of women invested in their business

10% of women saved for emergencies

Grace Nzyabake

Farmer & Shopkeeper

Once every year, Grace Nzyabake, would withdraw her savings from a Village Savings and Loan Association, and happily spend it on herself.

“I used to buy new clothes and hide them away from [my husband]. Whenever he would see me with new clothes – that would be a fight. I would use my money the way I want – to buy fish and eat it along the way, and not bring it home,” she said.

Grace, 35, a farmer, said both her and her husband Robert, a tailor, kept their finances separate and private.

Robert, 48, was responsible for paying the school fees and associated costs for the couple’s four school-age children and said this financial pressure contributed to the couple’s marital problems.

After participating in the Digital Sub-Wallets project and household dialogue sessions, Grace and Robert decided to jointly tackle their finances and determine how to earn more money.

One of the first decisions they made was to diversify their income.

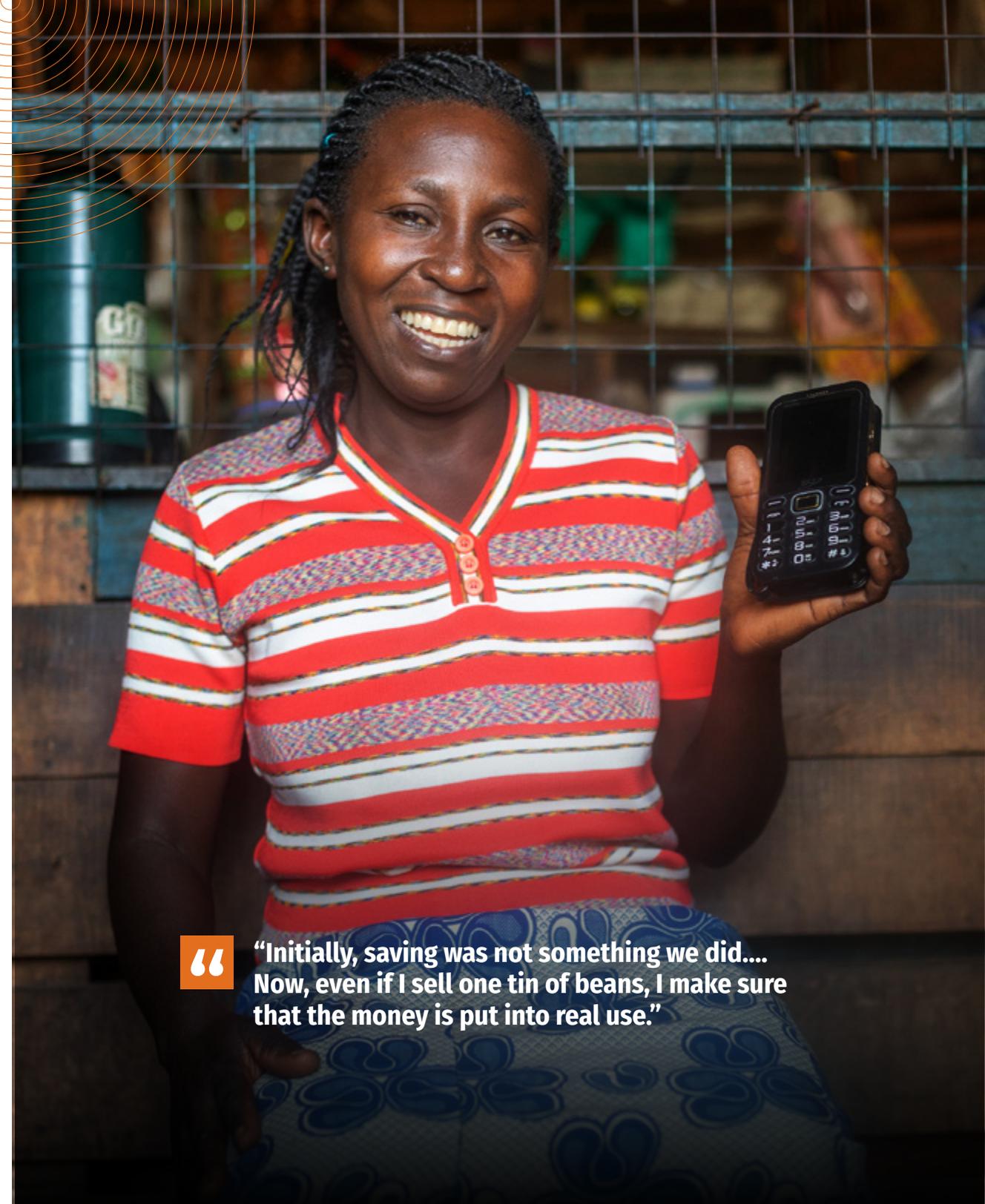
“Initially, farming was my main source of income. But with the dialogues, my husband realized that having one combined source of income was not a good thing,” Grace said.

The couple decided to open a shop in their village, where Grace sells oil, salt, soap, matchboxes, and other household essentials. She takes home 10,000 UGX daily (\$3 USD), which was not possible when she worked on the farm.

“Now, even if I sell one tin of beans, I make sure that the money is put into real use,” Grace said.

With her earnings, Grace now contributes to paying her children’s school fees. The couple has also managed to save to achieve other goals together.

Grace and Robert saved 800,000 UGX (\$226 USD) to buy a piece of land, where they built two rooms, which they rent. This earns them an additional 30,000 UGX (\$8.50 USD) per month.



“Initially, saving was not something we did.... Now, even if I sell one tin of beans, I make sure that the money is put into real use.”



“I am happy about what the dialogues have done for us. As we cooperate, there is even love between me and my husband, and there is development in the home.”

Previously, Robert forbade Grace from having a mobile phone, and she would have to rely on neighbors to deliver messages. Through the dialogue sessions, Robert not only changed his mind — thinking that it would be easier for Grace to operate their shop with a phone — but he also bought her a mobile phone using his savings.

“I am happy about what the dialogues have done for us. As we cooperate, there is even love between me and my husband, and there is development in the home,” Grace said. “I am now living a happy life.”

Robert said that he no longer feels burdened when it comes to the family’s finances, because he and Grace are able to talk through and find solutions to their money issues.

“In Digital Sub-Wallets, we learned that once I get little money and she also gets little money, we can sit together and cooperate, and we might develop. And it’s true, we developed,” he said.

Robert also noted the impact of the household dialogue sessions on the couple’s marriage. Previously, he would leave the house without informing Grace, but now makes an effort to inform her as it’s “a sign of love.”

He also said the couple’s children are happier, as they see their parents’ marriage has improved.

“Even some of our neighbors are wondering how we manage to cooperate and be happy. Some of the neighbors even think I was given some herbs... but they do not know that the trick was from the dialogues,” he said.

Currently, Grace and Robert are saving to build additional rental rooms on their property and to buy another plot of land where they will grow bananas and coffee.



Moreen Nasozi

Tailor, Sewing Instructor & Shopkeeper

Over the last two years, Moreen and her husband Bruno accomplished goals they thought would take them decades to achieve — starting a business, buying land, and building a house.

According to Moreen, 35, a tailor, the couple's relationship was mired with "a lot of misunderstandings and violence." She said Bruno, 38, typically spent his money on alcohol and other women.

"We were the laughing stock for the village and even drunkards," Moreen said. "Whenever they would pass in front of our house, they would say that we shall remain in this state [a house made of straw] — because we would fight day and night."

"We attended the household dialogues together and that's how things started changing for us.... We realized that we were spending a lot of money and resources which we didn't even have."

Bruno agreed that the couple didn't realize the extent of their financial situation until the dialogue sessions.

"We even never knew the importance of savings," he said, although the couple belonged to a VSLA. "We used to save only 10,000 UGX (\$3 USD) each per week and at the end of the year, that would be just 1,000,000 UGX (\$282 USD). And if you deduct rent and other expenses, you are left with nothing. It was timely that the dialogues came to us."

Through the dialogue sessions, the couple learned to combine their money and set shared financial goals.

"The problem was we never had a savings culture. We were not working together," Moreen said. "Whenever he would get his money, I would not know how he spent it and whenever I would get mine, I would not tell him, so we played a hide and seek game."

The couple, which belonged to a savings group, joined another one and multiplied their savings rate by nearly five times. From saving 20,000 UGX (\$6 USD) per week to 100,000 UGX (\$28 USD).

Moreen, who opened a Women in Progress account, created a sub-wallet to help her save to purchase land. In less than a year, she and Bruno saved enough money to open a shop, where they sell household items such as sugar, oil, and snacks. It can earn them up to \$20 USD per day.

The couple used profits from the shop to purchase land and construct a house where they now live. In addition, they invested in two sewing machines, which Moreen now uses to teach sewing classes, and earn an additional income.

She currently teaches five students and said she is proud that her community members trust her to teach their children.



"I am the happiest village woman simply because I couldn't imagine using my small phone to save to my bank account."

Moreen and Bruno now speak openly regarding money – and have put in place some ground rules to ensure they don't go back to their old ways.

“When we want to withdraw money [from our shared VSLA account] to use for anything, we tell each other about it first,” Moreen said. “We also agreed that we would fine each other if any of us does not declare any money that they have earned. Instead of paying an actual fine, the one who finds the undeclared money uses it. It is like a penalty for hiding money from each other.”

Moreen and Bruno are now saving to purchase both a water tank, car, and additional land where they can expand their shop.

According to Moreen, the couple now has “peace at home” as they are able to discuss financial issues and work towards their goals together.



“I am the happiest village woman simply because I couldn't imagine using my small phone to save to my bank account when I am sitting at home or in my garden digging and not spending transport costs to go to the bank which is very far.”

Moreen, who says she is an expert at mobile banking, now helps other women in her savings group navigate the platform so they can save too.

“I won't stop using the app [Digital Sub-Wallets] because it opened my eyes to know that if I am saving money, I must know what exactly I am saving towards,” she said. “I feel empowered now using my money the way I want.”



“We even never knew the importance of savings... It was timely that the dialogues came to us.”





JUSTINE NUWABINE, 43

Local Beer Brewer

My husband used to go drinking all night and spend his money on women. When the money finished, that is when he would think of coming back home.

During the household dialogues, I sat down with the community based facilitator and told him about all my problems — the ups and downs. He mediated between us and my husband realized that what he was doing was wrong and he had to change.

The most important thing I cannot forget that we were told during the dialogues was

that we should sit on the table and plan for the little money that we have. It is from there that we were able to buy land to expand on what we already have.

These days, my husband gives the money to me. I am the one who keeps the money, which was not the case before. The fact that it is me who is handling the money means it is always in safe hands and he also trusts me.

When I see our children attending school now, I can really say that I am empowered.

EVA NAMARA, 30

Farmer, Fruitseller & Basketweaver

Before the trainings, my husband used to make his own decisions and in fact, he used to decide for the whole family.

They trained us on household dialogues, communications and decision making in the household. We learnt to be open and not keep secrets from one another.

In 2009, we used our savings to construct a house we live in now. Before the construction of this house we used to live in a grass-thatched house, and it's not because we did not have the money, but because we were not planning for our earnings.

Also, because of the project, I am now empowered and I can speak out confidently. I have been able to come up with ideas that are now helping me generate income — I weave baskets, and I grow and sell fruits.

I hope you go and visit the other districts that have not received the trainings so that they can be like me.





AGNES NATUKUNDA, 30

Subsistence Farmer & Firewood Seller

I joined a savings group 9 years ago, but for the past 8 years, I never did anything tangible with my savings because I never used to plan for it. I always kept my finances separate and private from my husband.

During the training, we decided to improve our communication and make decisions together. We began to save. We started a firewood business. I earn about 100,000 UGX (\$28 USD) from the business every week. My

husband also bought a pig and a goat for me to look after.

These days our communication is good. We even make decisions together. For example, we have bought land and when he was going to buy it, he told me and I participated in making the decision. We also save with a specific goal in mind. I am now living a happy life. I am stress-free and we have a healthy relationship.

AIDAH TUSHEMERIRE, 55

Subsistence Farmer & Decor Business Owner

I used to save money but I did not know how to budget. We attended the training as a family with my husband and adult children and learned how to save for a goal.

We received much more than we expected because we were able to learn how to save for a goal. I learnt that we should be planning as a family. So, we get all [the money] we have, we put it on the table and budget for it.

My daughter used the savings to start a piggery, my son started a fish pond, and my other son owns goats and hens. We have all learnt to work together to support each person's business.

There is no specific role for a man, there is no specific role for a woman, and there is no role for children. We all divide the work and



we do it willingly. We help each other. It has created cooperation.

I am empowered because after the training, I can now express myself. I speak freely and my husband and children listen to me. I can even go to [savings group] meetings and chair the meetings. I never used to talk in public, but after the trainings, I managed to speak for myself.

