Final Evaluation of
Rural Mobile Money in Kenya:

"Providing rural financial service providers, schools, NGOs & enterprises in Kenya with mobile money account management tools"

Final Report

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To:
Social Impact Lab
Washington D.C. USA

SOCIAL IMPACT LAB

UKaid
from the British people

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Contents:

Annexes

Tables

Acknowledgements

Executive Summary

The *Rural Mobile Money in Kenya Project* did not reach most of its objectives or targets, even allowing for the scaling back and redefinition of targets. Yet, given the level of innovation involved and the challenges confronting it, a significant amount was achieved in terms of outputs and outcomes, especially in terms of learning.

Targets not reached include the number of institutions empowered to use mobile money management and/or SMS communication, the number of intended final beneficiaries, and the immediate scaling effect. Wider objectives not achieved were a perceptible change in the mobile money ecosystem at local level and, at any rate so far, a freely downloadable software suite capable of supporting mobile money transactions linked to SMS communication because at this point the software is not freely available for download.

Outputs and outcomes achieved include a significant number of NGOs and SACCOs actually using either mobile money management (56% of the revised target of 28) and/or SMS communications (86% of the revised target), and reaping significant benefits; about 9,000 partner clients interacting with M-Pesa and benefiting from it; and a sophisticated software suite completed to a professional level capable of, with the right combination of hardware, fully-integrated SMS communications and mobile money management, and the potential (though currently not the means) for wider implementation.

The learning aspect, achieved primarily through overcoming obstacles encountered, is among the most important of the outcomes. The Project was working at the leading edge of mobile money management. Lessons concerning how rural and marginalised institutions can benefit from mobile money, the obstacles involved in switching from cash to mMoney, and the solutions found are invaluable and deserve to be fully explored and disseminated.

Very significant learning has emerged, and has already been documented and disseminated – though more lessons can be obtained – that is likely to be useful to anyone considering extending mobile money and SMS management to rural areas and more marginalised groups, especially other donors and commercial organisations.

A degree of risk is acceptable within the GPAF Innovation Grants framework and guidelines, and overall this Project achieved, in the view of the evaluator, acceptable outcomes. Key questions in this regard are: Was the Project's initial concept flawed to an extent that success was impossible? Was poor management and execution a major cause of any failure? What were the factors that enabled this Project to achieve what it did? What obstacles did it face that led to its failure to achieve all its targets?

Concept and Execution

The basic Project concept is that significant benefits can be achieved for rural and marginalised organisations and beneficiaries if the tools of mobile money management are tailored to their needs. This concept has been borne out. However, the process of tailoring and implementing the tools proved more complex than anticipated, especially given the capacities of the partner institutions, and the benefits derived from the use of these tools depended on flexibility in terms of the configurations that would address real needs. Overall the number and type of organisations that successfully implemented the system, and reaped the benefits, was fewer than had been hoped. Replicating and scaling the solution was also more problematic than anticipated and a strong impetus in that direction did not emerge during the course of the Project. Nevertheless, for many of

the partners the benefits were very significant and concrete, from both the communications component and the mobile money management component.

The shortfalls in outputs and outcomes resulted to a small degree from issues related to the extended pre-launch period, but largely from obstacles that emerged only during the course of the Project. They were not the result, as far as can be ascertained, of poor management. Management was flexible, energetic and creative.

Overall, according to the evidence available, the grant was spent efficiently and effectively.

Positive Aspects: What Helped the Project

- Good initial concept, in terms of a prima facie case for significant benefits to accrue to rural areas, and the potential for scalability.

- The Payments software was developed with the functionality and usability intended for it.

- The training and support provided was, according to partners, of high quality and relevance.

- The Project team responded energetically, flexibly, and creatively to the needs and circumstances as they emerged.

- The Project team was, from about the middle of the Project onwards, documenting and analysing emerging lessons, and narrative reports to TripleLine and DFID were particularly candid and thorough and formed the basis for learning outcomes.

- The team responded to the challenges with a thorough review and change in approach that optimised the Project outcomes, moving from a technology-driven to a user-driven approach, and from viewing the problem as one of software implementation to one of institutional change.

Challenges: What Hindered the Project

Design and Approval

- The implicit theory of change, and the immediate and long-term objectives, were not spelled out entirely clearly in the initial proposal and subsequent alterations.

- The long delay in the Project's approval meant that the basis of the rationale had shifted and the environment had probably become less conducive to success.

- The failure to review and revise the Project rationale, objectives, and interventions in the light of the delay and of major revisions meant the incoming team was not fully clear on objectives.

- Targets were set too high: it was unrealistic to expect all partners to find mobile money management useful and worth the effort, and to have the capacity to implement it.

Implementation

- Although recruitment was successful in terms of numbers, the initial idea of focusing clusters of 10 partners in four rural areas, thereby building a critical mass that would enhance the overall mobile money eco-system, proved in practice to be impossible, most likely because there was an insufficient number of potential partners in such areas.

- The rationale for the participation of schools was weak, as a number of factors were operative that had not been in the initial pilot, but NGOs were brought in to compensate for the numbers.

- The selection process did not maximise the number that could benefit from and implement mobile money management.

- Thus, the level of usage for payments was small for many partners and, especially for those with limited capacity, could not justify the effort needed for staff to retain the necessary skills.

- Many partners, Savings and Credit Cooperative Organisations (SACCOs), and smaller NGOs had a much lower level of computer literacy and institutional capacity than expected, and implementation proved to be a major challenge.

- The PaymentView software was compatible only with FrontlineSMS v1 and not at all with Paybill, while Payments was compatible only with FrontlineSMS v2; as a result partners were working with a poor combination at the start and had to negotiate a transition later. While unavoidable, this negatively affected the user experience of some partners and caused some confusion.

- Some of the hardware components necessary for the system to work were difficult to source, resulting in delays. In a few cases, they did not function as expected.

- Safaricom, the supplier of the payments platform M-Pesa and Paybill, was often unresponsive and highly bureaucratic in providing and supporting services to partners.

Monitoring and Evaluation

- Efforts to monitor progress were hindered by the difficulty for partners to gather and update realistic baseline data.

- The Logframe was useful for monitoring physical progress, but offered little in terms of a substantive description or understanding of outcomes.

Scaling and Replication

- Overall, the Project did not bring about a perceptible change in the mobile money ecosystem that might support a process of replication.

- The final version of the FrontlineSMS with Payments software is not yet readily available online, with supporting material.

- The very specific hardware configurations that are needed for some functions limit the extent to which some aspects of the Project can be replicated.

Concept and Execution

The recommendations seek to ensure that learning from the Project and its potential for replication are maximised, suggesting some actions to SIMLab, FrontlineSMS, and DFID.

For SIMLab, in this final stage of the Project, the priority is to ensure that the maximum amount is learned, documented, and disseminated regarding the relevance of rural mobile money management and communication, the obstacles to implementation among different types of organisations, and how they can be overcome.

The other key step, for FrontlineSMS, is to make the FrontlineSMS with Payments software openly available online, along with supporting documentation. SIMLab and FrontlineSMS together might support that process more explicitly and provide the resources that would enable other organisations to use this product.

DFID, in turn, should consider supporting the above two processes in order to maximise the value-added obtained from the Project. A number of additional process-related lessons also emerge for

DFID, in relation to the Project's delay and related lack of fundamental review, and to supplementing a Logframe with other monitoring and evaluation tools.

1. Introduction

This comprises the final evaluation of the *Rural Mobile Money in Kenya* Project, implemented by FrontlineSMS and (after the two became separate entities) by SIMLab. It has been undertaken by Seán O Siochrú, Research Director with Nexus Research Cooperative, based in Dublin, Ireland.

Contents

This brief introduction is followed in **Section 2** by an exploration of the context and objectives. This is somewhat longer than usual because of the very long preparatory period for this Project and the changes that occurred during that period.

Section 3 examines implementation in some depth, broadly in sequence, referring to issues arising and barriers encountered.

This is followed in **Section 4** by a presentation and analysis of the outcomes. These are considered both against the logframe targets and the wider Project objectives.

Section 5 presents findings, including a brief overview, followed by a response to each of the OECD DAC evaluation questions, and a succinct section offering recommendations.

After this main report, an expanded section describes the nine **partner case studies** undertaken during the course of the evaluation.

A number of **annexes** offer more detail on specific matters and on the evaluation methodology.

Evaluation Objectives

According to the Terms of Reference, the two key objectives of this evaluation are as follows.

1. To independently verify (and supplement where necessary) SIMLab's record of achievement as reported through its Annual Reports and defined in the project logframe;

2. To assess the extent to which the project was good value for money, which includes considering:

   - How well the project met its objectives;
   - How well the project applied value for money principles of effectiveness, economy, efficiency in relation to delivery of its outcome;
   - What has happened because of DFID funding that wouldn't have otherwise happened; and
   - How well the project aligns with DFID's goals of supporting the delivery of the MDGs.

Overview of DFID's GPAF-funded Activities

The DFID GPAF grant funded:

   - The (further) development and completion of the Payments software, building on FrontlineSMS v2 platform, the latter also incorporating SMS communication management;
   - The identification, selection and hands-on local training and support for the implementation of mobile money management, and/or SMS communication management among at least 40 Kenyan organisations working in rural areas and/or with marginalised communities;
   - Documentation and dissemination of learning;
   - The open availability online of basic mobile money transactions and payment tracking software.

Summary of Evaluation Research Methodology

The main components of this evaluation were:

- Analysis of existing documentation, including proposal documentation, annual narrative reports, Logframes, partners assessments, the Case Study, and a variety of other items;

- Preparation of field work;

- Field work visits and interviews, with Project staff and nine partners, between December 6th and 11th 2015;

- Additional Skype calls to project staff;

- Data analysis and verification;

- Draft report production;

- Final report production.

2. Project Context, Objectives and Monitoring

Context

The *Rural Mobile Money Project*[1] in Kenya received a grant from DFID of just over ST£207,000 to implement a two-year activity under its Global Poverty Action Fund (GPAF): Innovation Grants[2].

> "Innovation Grants aim to fund poverty reduction initiatives that are ground-breaking and new..., applications that deliver real benefits for men, women, boys and girls. These may be small scale service delivery grants, but should emphasise learning to allow scaling up. Innovation grants will encourage potentially higher rewards from ground-breaking work."

A degree of risk would thus appear to be acceptable, since seeking higher rewards through innovation inevitably involves risk.

The pre-history of the *Rural Mobile Money Project* is relevant to this evaluation, as its extended duration led to a significant revision of the original proposal. The initial application to DFID's GPAF was submitted by FrontlineSMS[3] in early October 2011[4], and provisionally accepted for funding. However, an extended 'due diligence' process (which overlapped two accounting years) required by DFID led to a long delay, the project eventually getting underway only in January 2014. In the meantime, in early 2013, FrontlineSMS had approached DFID regarding significant alterations to the Project, in both scope and allocation of budget,[5] and this had been approved.

However, DFID (and TripleLine Consulting, the Fund Manager contracted by DFID) did not at that time seek a revised proposal, budget or Logframe, and the contract proceeded based on the initial proposal submitted and the later letter seeking alterations to the Project. During the first months of the Project, the Logframe was modified to reflect the changes and generally to allow a refocusing, in close consultation between SIMLab and TripleLine and its consultants.

Thus, the Project objectives must be drawn from the initial proposal, as modified by the later alterations and taking into account the Logframe submitted in September 2014 and formally accepted in November 2014.

Project Objectives

The original proposal of October 2011 summarised the project as follows:

> "FrontlineSMS will implement simple mobile money management technology with 80 financial institutions, organizations, schools, and SMEs in rural Kenya. Our intervention with enable these organizations to use M-Pesa and other mobile money services at an enterprise scale, empowering them to provide critical services more

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[1] For brevity, this title, or simply "the Project" will be used.

[2] From GPAF: Innovation Grant FAQ.

[3] The original proposal was submitted by Kiwanja UK, a community interest company with a base in the UK that had developed FrontlineSMS. This was renamed as the Social Impact Lab CIC (SIMLab). FrontlineSMS as a project of SIMLab, was initially interacting with DFID and TripleLine. During the course of the Project, FrontlineSMS was spun off from SIMLab and established as a for-profit company. From then on all communications with DFID and TripleLine were in the name of SIMLab as the grant-holding organisation.

[4] As contained in file "1 - GPAF Innovation 2 Proposal - INN-02-CN-0384.doc"

[5] As contained in file "gpaf-inn-2-pl-0384 - revised proposal letter v2.com"

efficiently and effectively to the remote, rural, poor populations they serve." (Section 5.1)

This points to a direct instrumental objective: to enable a given number of institutions in rural Kenya to provide a better service to those they serve. However, the grant application elaborated further. The Project's anticipated impact is that the use of M-Pesa for collecting and disbursing funds will enable these institutions to:

> "...expand their offerings to new people with lower cost structures. We believe that this will increase satisfaction with banking services, cause clients to utilize these services more fully, and enable new clients to be served. ...this will create new opportunities for product and service delivery, particularly to remote communities, so that these organizations can expand to serve new people." (Section 5.4)

The rationale behind this potential expansion is further specified in the context of an ecosystem for mobile money:

> "M-Pesa has experienced difficulty in rural areas because rural recipients of remittances from family members often 'cash-out' immediately, placing great strain on rural M-Pesa agents and preventing these users from experiencing the short-term savings tool that M-Pesa can serve as. By creating local uses for M-Pesa – repaying a microloan, paying for school fees, or paying for agriculture inputs, for example – our project will pioneer mobile money ecosystems in rural communities." (Section 5.6)

It continues:

> "Moreover, the growth of usage and reduced strain on agent cash management will provide an example of how mobile money can work in rural areas, and encourage investment by mobile money providers in rural areas, potentially across Africa and beyond." (Section 5.6)

Scaling up and replicability was to be facilitated by a further expansion of the distribution of the mobile payments management software developed by the Project, on a full cost recovery basis:

> "We also expect that demand for the solution will increase as use of mobile payments continues to expand in rural areas. This project is therefore the first step in reaching a much broader spectrum of rural Kenya.

> "Outside of Kenya, ninety-eight mobile payment systems like M-Pesa have been launched in developing countries, and another 92 are planned. Demonstrating the effective use of mobile money by enterprises in rural areas has the potential to be incorporated into the strategies of these mobile payment platforms worldwide." (Section 5.8)

The Project thus had a specific set of immediate objectives coupled with high long-term aspirations.

Target Group

Initially, the target group was to be a minimum of 80 institutions: 16 rural financial institutions; 24 schools; and 40 rural enterprises and NGOs. These were to be clustered in eight rural areas, each with 10 organisations. Each of the figures was revised downwards by half in the alterations agreed later, resetting the target at 40 institutions in four rural areas. Partner organisations were to be

selected based on factors including: "(a) rates of poverty (b) remoteness of population and benefits afforded by long-distance transfers and (c) availability of M-Pesa agent network." (Section 5.3)

There is also a significant gender and social inclusion objective:

> "Since many microfinance institutions focus on lending to women, decreased costs and increased reliable access to credit will help female borrowers. Eliminating cash from larger financial transactions will improve the safety of women, who often must carry cash for long distances. Mobile payments may also prove more difficult for men to appropriate than cash, giving women a stronger voice in household investment decisions. Increasing agricultural productivity will benefit women, who make up the majority of farmers in Kenya.

> "The funding afforded by this grant will enable us to provide a greater level of support for community organizations seeking to maximize use of M-Pesa for organizational purposes, beyond basic implementation of our software solution. This will enable us to help organizations like local NGO's purposefully target expansion towards vulnerable and marginalized communities." (Section 5.10)

Interventions

The Project interventions, or activities, were to comprise broadly the following: (Section 6.2)

- Select target communities
- Recruit 1-2 anchor organisations in each community
- Recruit 8-9 smaller organisations in each community, including via community events & workshops
- Develop implementation plan with each organisation
- Manage implementation at each partner organisation
- Deliver project report upon completion of pilot period

In addition, the Project includes a learning component and ongoing software improvement:

> "This will enable us to learn from the individual successes of implementing organizations, as well as broadcast new learnings across the full community of users on an ongoing basis.

> "The feedback received from implementing partners regarding software design and features will be incorporated into our software development roadmap on an ongoing basis, with improved versions of the software distributed on an ongoing basis as they are created." (Section 7.3)

Value for Money

A key aspect of value for money, and of replicability, relates to the wider FrontlineSMS approach:

> "First, our approach to software development is grounded in keeping costs low; we are linking an existing and widely used mobile payments platform, M-Pesa, to an existing free and open-source communications hub, FrontlineSMS, not building a system from the ground up...

"Second, the software itself will be free and open, for anyone to download, making replication cheap, easy, and virtually limitless. In Kenya, for organizations that we are not able to serve directly, we will provide software and written materials, and connect them with existing resources to support peer learning. While at first, given the nature of mobile payments systems, the use of the platform will be restricted to Kenya and M-Pesa, we plan on future implementations of the software that will be compatible in other countries and on other platforms." (Section 5.11)

It further notes:

"As would be expected in a project that is creating free, widely available software tools, a larger than average piece of our budget proposal is dedicated to software development resources."

The Delay, and Rationale for Revision

The revisions sought in January 2013, and agreed by DFID, noted that the circumstances and approach of SIMLab generally and in relation to the Project had changed during the intervening 15 months. They had changed further before the Project was eventually launched in January 2014.

The mobile money management software, called PaymentView, was built on the FrontlineSMS Version 1 communications platform before the Project began. By 2012, a new and greatly improved Version 2 had been launched, redesigned based on user feedback. PaymentView, however, remained on Version 1 pending the availability of funding to develop a new version. The Project was now to support the development of this entirely new version, called Payments, with improved stability, functionality, ease of use and speed, and built on Version 2 of FrontlineSMS. In this sense, the delay could lead to strengthened outcomes and a reduction of risk, through the availability of better and more usable software.

"We propose to strengthen the software development portion of the project proposal, such that with the support of one additional partner, we will have $120,000 to build and release a free, open-source beta version of our Payments version of FrontlineSMS Version 2."

However:

"[i]n the event that we do not secure the full amount, we will still be able to build a minimum viable product that supports incoming mobile money transactions and airtime transfers and enables the user to track payments by contact."

At the same time the extended delay also meant that M-Pesa (with support from DFID) in the meantime had greatly expanded its user base in Kenya - including among rural users. The Project target group became in effect more marginal than would have been the case had the Project proceeded on the original timescale. Several new payment services had also been launched[6] that, though they did not directly target rural users, did to some extent weaken PaymentView's 'first to market' advantage. Furthermore, Safaricom's Paybill service had not been launched when PaymentView was designed, and hence they were incompatible. Although the later Payments

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[6] For instance, Safaricom launched Paybill and Lipa Na M-Pesa which were linked to bank accounts. However, they are reportedly difficult to use and – unlike PaymentView – they require access to the internet. Another service, Kopo Kopo, was also launched by a founder of FrontlineSMS:Credit, the precursor to this project.

software overcame this, it meant that those partners using Paybill could not initially integrate with PaymentView.

The revision agreed by DFID included an increase in the software development component of the Project, from ST£20,000 to ST£50,000; and a corresponding virtual elimination of the ST£25,000 software implementation and partner support budget. In order to strengthen the Project Director position, field-based positions were also removed and the number of participating organisations was, as mentioned, reduced from 80 to 40.

> "While the field pilots are still critical, they will focus more on providing test users for Payments and helping us to develop any resources or advice that we think users might need. Our aim is to ensure that Payments can be picked up and used as easily as possible, anywhere in the world, without needing additional support, and the experience of the PaymentView project indicates that users are far more able to adopt such tools in this way than initially planned for." (page 3)

The Project thus placed greater emphasis on the role of partners in field testing and piloting this more advanced software, which it was anticipated would require far less support during implementation, in line with their priority of "designing software that can be rolled out without interventions and support–platforms that are inherently usable and, thus, scalable." (page 3)

> "Payments, built on Version 2, will be part of the larger FrontlineSMS ecosystem, meaning that it will benefit from constant user testing- which is the primary purpose of the user outreach and support funded by this grant, as well as the ongoing development of the core platform. ... This will help us increase the quality and amount of user support that we're able to provide for free to organizations all over the world. Funding the development of Payments strengthens FrontlineSMS as a whole, and is an investment not only for the life of the project, but for years to come, as our product-based revenue model ensures sustained maintenance without future grant-based fundraising.

> "... By working with users, we're not only able to gather input about behavior, but also learn from the impact of the platform's use. As the platform is easier to extend, we'll be able to continue to improve and build on the functionality and range of services integrated with it, far more easily than we could with PaymentView." (page 4)

In Sum…

The Project's original documentation has been quoted at some length above since the objectives and expected outcomes of this Project were not immediately clear to this evaluator, and no succinct summary was available.

Based on the above, the short-term (within the Project life span) objectives can be stated as follows:

1. To enable 40 rural institutions in Kenya to use M-Pesa and other mobile money services at an enterprise scale, directly empowering them to provide critical services more efficiently and effectively to the remote, rural, poor populations they serve. *Indirectly* this would:

    - benefit the organisations' clients[7] through reduced costs, improved services and enhanced access to services;

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[7] According to the Logframe: "an average of 400 households per organisation", a total of up to 64,000 people.

- increase the number of clients each institution could serve;

- contribute to a local ecosystem of mobile payment in rural areas, through creating local uses of M-Pesa beyond the existing practice of family members merely 'cashing-out' remittances.

2. To pilot and field-test the PaymentView and Payments software by these organisations on the FrontlineSMS platform, followed by the release of a free, widely available, version of FrontlineSMS with Payments with at least the minimal functionality required to achieve the above.

3. To identify explore, document and disseminate the learning that emerges from the interventions of the Project, including the barriers and facilitating factors. Though largely implicit in the proposal, this is a key factor in supporting the scalability of Payments, in encouraging others to invest, and in replicating the process in Kenya and further afield.

The medium to long-term objective, extending beyond the Project lifespan, was as follows:

4. The inherent scalability and ease-of-use of FrontlineSMS with Payments, and its integration into the FrontlineSMS ecosystem including free online and peer support, would:

- enable an expansion of the system to other potential mobile money users in rural Kenya;

- combined with evidence of benefits in rural areas, lead to additional investment by others in rural mobile money;

- ultimately, extend beyond Kenya to the numerous other development contexts that offer mobile money.

This objective existed more of an aspiration rather than an objective of the Project, implicit in its theory of change, since the Project Plan and two-year time span permitted only, at best, laying the foundations for this dynamic. Many other factors, well beyond the Project's influence, would have had to come into play to for this objective to become a reality.

A revised Project Logframe (see below) later elaborated a set of indicators to monitor outcomes and outputs relating to some of the above.

3. Implementation

Initial Project documentation characterised the anticipated implementation process as relatively straightforward, moving from the selection of partner organisations, through to software implementation and training, on to ongoing support and sustainable use, and finally the release and distribution of the beta Payments software. The main risks that had been identified were:

- There might be limited uptake of the use of mobile money for new purposes by end-users;
- Partner organisations might not use, or might cease to use, the software;
- The logistics of the modem-based system might provide difficult and frustrating;
- M-Pesa agents might not respond appropriately to greater usage of M-Pesa in a given area;
- It might prove difficult to gather baseline and outcome data through partners.

As is often the case in projects of this nature, implementation in reality proved to be anything but straightforward, and both anticipated and unanticipated challenges were encountered from the earliest stage. All of the identified risks came into play at different points.

Project Team and Set-up Tasks

The first task was to establish the Project team. (In fact, FrontlineSMS had earlier put in place a team in anticipation of implementation, but it could not be retained during the long delay.) Overall direction was to come from the CEO of SIMLab, Laura Walker McDonald. In March 2014, Kelly Church was hired as the :Credit Project Director, already based in Kenya, and devoting 70% of her time to this Project and the rest to other areas (though in practice the *Rural Mobile Money* pProject took considerably more). A Rural Mobile Money Project Manager was recruited locally at the same time, Wilson Bandi, who was replaced by Sasha Githinji in June 2015. The FrontlineSMS software team was already in place and based in Nairobi.

Design of a monitoring and evaluation methodology was initiated, and an external consultant engaged by SIMLab in February 2014. The initial draft methodology was considered to be unsuited to evolving needs, as negotiated with TripleLine, and the latter engaged a further expert to work with SIMLab. In the meantime, an agreed set of baseline figures was gathered from partners as they were recruited and trained, figures that were later reconciled with and entered into the Logframe.

The original 2011 Logframe was revised and agreed between SIMLab and TripleLine in November 2014, incorporating some additional changes. Specifically, the number of partner organisations targeted was revised, based on early experience, to include a minimum of 18 Savings and Credit Cooperative Organisations (SACCOs); 18 NGOs; and just four schools.

The Logframe also established a number of quantitative indicators and targets for the outcomes and outputs sought (See Annex 1).

The Project team continued their own ongoing monitoring and evaluation of partner organisations well into the second year of the Project, part of their effort to respond to the learning about the needs of and barriers faced by partners.

Partner Identification & Recruitment

Originally, the Project had intended to select four distinct geographical areas, working with 'anchor' users accessed through national networks, and based on rates of poverty, remoteness of population and benefits afforded by long-distance transfers, and availability of M-Pesa agent network. The plan,

after selection of the areas and anchor users, was to run local events to promote the Project to other organisations, thereby building a critical mass of users that might evolve into a mobile money ecosystem.

In practice, it did not work out like this. The partner identification process proceeded in a more flexible, informal and less systematic manner, and continued over a longer period of time than originally planned, with the last partners being recruited only in the final months of the Project. A different approach was taken for each of the three partner types.

In relation to SACCOs, a major national programme, *Yes Youth Can* (YYC), was contacted and became central to identifying and attracting micro-credit cooperatives with a focus on young people. Supported by USAID and by the Government of Kenya, *Yes Youth Can* (YYC) was launched in the wake of the 2007 – 2008 elections when violence erupted in many parts of Kenya. It is implemented at County level, and one component was to establish about 40 member-managed SACCOs to provide loans to people between the age of 18 and 35. It is seen both as a means to generate small-scale employment and a vehicle through which youth can cooperate across the communities and build trust. *YYC* implementation support agencies were CLUSA in the eastern Kenyan counties, and World Vision in western counties. The Programme YYC had been underway several years when this Project was launched, and CLUSA and World Vision agreed in April that SIMLab could contact the SACCOs to gauge their interest in participating. In the end, a total of nine SACCOs were recruited through YYC and a further four through on-the-ground recruitment and referral, located in two broad clusters in the western countries and in four eastern counties.

NGOs comprised the largest group of participating partners, varying greatly by size, objectives, types of activities and location. Against an original target of 20, a total of 32 took part[8]. These were recruited by a variety of channels. The first step was to distribute an email describing the *Rural Mobile Money* Project, seeking expressions of interests from about 300 NGOs in Kenya that had downloaded FrontlineSMS software in previous years. Fifteen initial responses were received; five followed up their interest by completing a brief questionnaire to assess their suitability; and four of these were trained over the next year. Further referrals also came from early participants.

Securing the participation of schools proved the most problematic. PaymentView had earlier been piloted in a school in Kenya, and the potential for benefits was, SIMLab felt, firmly established. Parents could pay their fees directly, in increments if needed; school administration was simplified; and communication was greatly improved between schools, teachers and parents. However, a number of issues arose that had not emerged as problematic during the earlier pilot. The first was that a move from cash to mobile money payments in schools would require government approval, and not just that of the school. Gaining agreement from a large and hierarchical bureaucracy was a major challenge, requiring high-level support and significant time. Second, public schools require the use of a Paybill account, which the Project team could not integrate with its PaymentView software available at that time. Third, schools work in an annual cycle and a transition from cash to mobile money would have to be carefully timed to coincide with that. Fees are due at the start of the school year, and training must be provided immediately prior to that and the technical requirements would have to be in place and tested. There was also the normal institutional resistance and reluctance to change among parents, teachers and schools administrations, without clear benefits to the individuals involved.

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[8] The figures in this report regarding participating partners may be inconsistent in minor ways as 'participation' was defined in slightly different ways in different ways by the Project depending on the focus.

After encountering these difficulties early on, the initial target of 12 schools was quickly lowered to four and, though efforts continued during the Project to work with a few schools, in the end none successfully adopted the payment and communication systems. TripleLine was kept informed of efforts here and over a period of time the overall target was maintained by working with additional NGOs.

In practice, recruitment of organisations was driven less by systematically applying the criteria than by happenstance and informal networking. The idea of running local events never gained momentum, and rather than four clear areas emerging for Project implementation, the eventual selection was more scattered, with broad clusters in eastern and western Kenya, and a few elsewhere. The level of interest expressed by an organisation was, quite rightly, a significant consideration, and leads and referrals were followed up consistently to yield a sufficient number of participants.

Although the goal was to focus on rural areas, many of the organisations were difficult to characterise – for instance they may have a head office in a major city but some staff or volunteers in rural areas. However, overall there was a strong rural emphasis, and there is little doubt that all participating organisations work directly with marginalised groups and individuals, whether rural or urban. The ultimate potential beneficiaries of any changes and improvements brought about by the Project, were always marginalised communities and individuals.

Training and Initial Technology Implementation

Although recruitment of participating organisations was ongoing throughout the period, initial training and technology implementation occurred in three tranches.

The Project Director and Project Manager began with a two-day training session in May 2014 of Sadili Oval Sports Academy, an NGO outside Nairobi, (Sadili Oval Sports Academy), and then travelled between east and west Kenya respectively until mid June to train a total of 10 partners, about half of them SACCOs and half NGOs. The second round of training reaching a larger number of partners was implemented during October 2014, each again travelling to east and west Kenya. Aand a third round was completed during February and March 2015. The length of training sessions varied, but usually took two days. Information for the baseline survey was also gathered usually at the start of the session.

Those interviewed for this evaluation expressed strong satisfaction with the quality, relevance and organisation of training received. It was a mutual learning experience, as this was the team's first encounter with the actual needs and capabilities of what was a very diverse set of partners, and the beginning of a learning process that continued throughout the Project.

The training was undertaken in conjunction with the initial implementation of the technology, beginning with the installation of software, and usually involved the partners' managers and those involved in finance. Training was provided on software use, even where the hardware components were not fully available or working. The specific goals varied: SACCOs would be provided with the tools to use M-Pesa for collecting and disbursing funds with clients, while NGOs were to have more tailored technical services depending on their needs. All were to be provided with the basic FrontlineSMS communication package.

The search for usable and effective technologies was one of the most complicated and, at times, frustrating aspects of this Project, for both SIMLab staff and partners. The options and software versions available to partners, the constraints and challenges of using M-Pesa and new Safaricom services such as Paybill, and the limited capacities, resources and institutional processes of partners

themselves all combined to generate complex possibilities and huge challenges. The SIMLab team, during initial configuration but especially during the support activities, worked closely and intensively with partners to develop configurations that could deliver on the latter's needs and that were in practice workable. SIMLab also liaised with the FrontlineSMS technical team to sort out bugs and other problems.

Each technical configuration had different requirements and capabilities, with FrontlineSMS rolling out solutions and successive versions at different times.

Put simply (see more detail in Annex 2), what was on offer from the Project was as follows:

- The FrontlineSMS communication software that enables partners to send a single SMS to multiple recipients in bulk, thus saving the time required to manually send from a phone, individually or in small groups. It also enables the compilation of large databases of mobile phone users into different groups; the scheduling of messages; and it keeps records of everything sent and received. There are two versions: the original Version 1, and Version 2 which is significantly faster and includes more functionality. The minimum hardware requirements are a PC and a SIM-enabled modem or phone, and Version 2 can also be operated using a basic Android phone.

- The basic hardware requirement for this communication system comprised a PC and basic Android phone or a modem equipped with a mobile phone SIM.

The Project's unique contribution is to combine this communication system with the capacity to send, receive and track payments through the M-Pesa mobile money service. Since PaymentView is compatible only with Version 1 of FrontlineSMS, and Payments only with Version 2, partners using PaymentView were equipped at the start with Version 1, leading to the need to transition to Version 2 later on. FrontlineSMS v2 had first been released in 2012, but could not be implemented in this Project until Payments was available. Some additional hardware was also required to operate the money management software options.

There were several levels and possibilities, related to the different software versions. All came with the FrontlineSMS communications option (though with differing levels of efficiency).

- Used with a basic Safaricom modem and an M-Pesa SIM inserted in it, the PaymentView plug-in enabled payments to be received into a personal M-Pesa account and tracked by the organisation. M-Pesa is used almost exclusively to exchange money between individuals[9], and does not require or permit the use of a bank account.

- With PaymentView linked to a Sierra wireless modem (of which seven in total were supplied by the Project to partners), outgoing personal M-Pesa payments, to staff, volunteers, suppliers or others, could also be sent and tracked.

There were some limitations to PaymentView, however. The use of the PaymentView plug-in very considerably slowed down the already relatively slow Version 1 of FrontlineSMS communication system, since the SMS messages were routed by the software through the payments system whether or not a payment was being made or received. Partners sometimes waited hours for bulk SMS messages to be sent. Also, PaymentView could use only M-Pesa - there was no option to route incoming or outgoing payments through a bank account, effectively preventing a direct link to the

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[9] It is possible for a legally registered company or NGO to have an M-Pesa account. However, the process is slow and difficult. In common with a number of other Safaricom services, few people seemed to be aware of it, and even the SIMLab team were not clear on its availability.

main organisational accounting systems. Furthermore, the Sierra Wireless modems were not just difficult to source (they came from the UK), several also failed to work.

The PaymentView options were offered to partners until October 2014. In February 2015, the new Payments software was launched, enabling further options. All options but the last can be used without access to the internet.

- The Payments plug-in to FrontlineSMS Version 2, when combined with a Safaricom modem and a basic Android phone, allowed partners to receive payments not only through M-Pesa but through Paybill, the Safaricom service that links mobile money to an organisation's Bank Account. Paybill[10] cannot, however, facilitate outgoing payments; nor could this configuration manage or track M-Pesa outgoing payments.

- However, the Payments plug-in, when combined with a very specific Samsung SIII smart-phone[11] model and the Safaricom modem, enables partners to use both Paybill to receive funds and M-Pesa to send funds, and to track them all, and has a number of additional money management automations. A total of 13 Samsung SIIIs were distributed to partners.

- Finally, FrontlineCloud, via the internet, moves the system to an external server, managed by FrontlineSMS. Although available only to Project partners, it comes at an additional cost.

The production of the Payments software had been in the Project plan from the outset. Thus in the first round of training sessions, partners were advised that PaymentView was a temporary solution, and would be improved later alongside the upgrade to FrontlineSMS Version 2. The latter, however, was distributed during the training round of October 2014 to those partners that SIMLab staff believed would not begin the mobile payments aspect for some time. During these sessions the Project team used PaymentView to illustrate how the future Payments system would receive and send M-Pesa – since it was anyhow incompatible with the Version 2 of FrontlineSMS being installed in partners' computers. Some partners requested the PaymentView software in order to similarly demonstrate the possibilities to others and to become more familiar themselves. This ultimately led to confusion among some of these partners. In practice, however, the incompatibility of the two software packages was overlooked, and some partners attempted to use the two together, frustrating partners and causing confusion among the team attempting to troubleshoot remotely.

These successive and overlapping options were complicated enough in themselves, especially when they involved dealing with Safaricom beyond basic personal M-Pesa. Registering for Paybill was particularly bureaucratic and sometimes lengthy process for partners. However problems multiplied when these complexities were combined with the capacity limitations, resource constraints and actual needs of partners.

This is where the role of support became critical, by generating feedback to the SIMLab team and enabling them to adapt the system as much as possible to the needs of partners.

Ongoing Support

Support began at the earliest stages of implementation, and took the form of emails, phone calls, SMS and Whatsapp messages, Skype calls and visits. At times it was highly intensive. When Sasha Githinji took over as Project Manager in June 2015, for instance, she embarked on a tour of partners,

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[10] Paybill comes in two forms: the API (application programming interface) version, which requires the internet, and the SIM Toolkit, which does not. Only the latter is compatible with this system. This caused problems for a number of partners.

[11] Potentially some other smart-phones could also serve this function, but the others tested could not.

assessing their current status and needs, supplied hardware solutions, and implementing additional training. Alongside each of the training sessions, other partners were also visited to tackle specific issues and review progress. The FrontlineSMS team also provided support, though for PaymentView this was limited to fixing bugs rather than making substantial improvements since the development of Payments was already well advanced.

Support was stepped up early on when it became clear that most partners had not, as hoped, proceeded onto PaymentView use after the first round of training. Some had achieved early success: one of the first was the Mombasa SACCO which began immediately with SMS communications and followed shortly by receiving payments. Several others had begun with SMS communications. But the deployment of PaymentView was proving more of a challenge.

SIMLab staff learned, through ongoing support interactions, that a number of factors blocked the smooth progression of the mobile money management component from training through to implementation. In general, most partners lacked the skills needed to manage institutional change, making each and every change a challenge. These are documented in part by the *SIMLab's Experience in Kenya: Implementing Mobile Money management tool and training approach in the mile* case study[12] written by the Project Director (see below). In summary they include the following:

- Even where partner's staff judged that the system potentially offered significant benefits, the provision of training could not adequately tackle some of the institutional obstacles. Implementation of mobile money, in some cases, would require a thoroughgoing reorganisation of fundamental processes, including a wider switch from analogue to digital administration in transaction recording and administration. This in turn pointed to the need to build the capacity of some partners to a level that was not anticipated or possible within the Project.

- A key issue was that of the relevance of the services offered. Some small NGOs made only very few payments, and developing and maintaining the skills and technology demanded too much effort. On the other hand, a few large NGOs could have utilised the system only in a few of their many activities, and the level of training required for these combined with the need to tackle bureaucratic inertia led to the conclusion that the return did not justify the effort.

  There is a wider point here. Whether a specific service is relevant to a partner proved, in practice, to be quite difficult to determine. For instance many initial questionnaires to or contacts with partners received enthusiastic responses, but based not on a critical internal examination of needs but at the prospect of change and of implementing 'innovative technology.' SIMLab realised this after a period and later in the Project put the emphasis on determining the actual needs of partners rather than proposing solutions to presumed needs.

- Initiating outgoing payments sometimes encountered cultural obstacles. For SACCO members, receiving loans in person rather than remotely was often valued as an important part of the relationship.

- Mobile money for incoming payments were particularly difficult for partners to implement, even where the technical challenges were overcome. Unlike outgoing payments, these required greater effort and hence consent from those sending the money, such as SACCO members. The partner was thus obliged to make a strong case for the use of mobile money, and offer incentives, especially where there were transaction costs involved. It became clear that in some cases the benefits might not outweigh the costs.

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[12] Kelly Church 2015. *SIMLab's Experience in Kenya: Implementing Mobile Money management tool and training approach in the mile.*

Overall, SIMLab support moved from an approach driven by technology implementation to one of organisational change management and a focus on the benefits for the end user. It was clear that partners needed the time and resources to experiment with the change and to tailor it to their circumstances and needs.

By late 2014, FrontlineSMS had separated from SIMLab as a for-profit company, and new M-Pesa products had entered the market. These developments encouraged SIMLab to put into practice another significant insight gained from experience: tailoring the technology and tools used to the partners' needs.

While for most partners the use of the communication tools proved to be valuable, implementation of the full Payments and FrontlineSMS system did not always, as suggested above, make sense. For some it offered more than could be usefully applied, and demanded too much effort. For others, a different combination of the available options, for instance combining Paybill with FrontlineSMS, was more suited to their needs. The split with FrontlineSMS freed SIMLab to concentrate on efforts to adopt the approach noted above, and tailor an optimal solution for each partner based on what they would benefit most from and, in practice, what they could adopt. The effect of this was to enhance the outcome for partners, while at the same time saving resources that might otherwise have been invested unwisely, albeit on attempting to achieve goals formally more aligned with the wider original Project objective.

This approach was adopted for the third round of training in February 2015, during which the Payments plug-in was introduced on schedule. It still contained a number of bugs (four updates were subsequently produced), resulting in multiple interactions between the trainers and the software team during the sessions with partners. However, it was considered essential by then to introduce new partners onto the Payments platform, and to move those who wished to from PaymentView onto Payments. The SIMLab team also subsequently retrained all relevant partners in the Payments module.

Support continued, on demand, until well into December 2015, including during the visits made by this evaluator, accompanied by SIMLab staff.

The Learning Focus of Implementation

The focus of learning, in line with the Project proposal (Section 7), dwelt on three areas.

The first related to ongoing monitoring of progress in relation to Project goals. As noted above, initial attempts to produce a monitoring and evaluation framework with an external consultant were shelved in favour of pragmatic cooperation with TripleLine to develop an adequate Logframe including indicators to monitor progress towards targets (see Annex 1). The indicators developed were quantitative in nature, and the leap from output indicators (e.g. the number of partners equipped and trained; the number using the software etc.) to outcome indicators (e.g. percentage of clients using M-Pesa payments; reporting positive outcomes) was often empirically difficult to substantiate or sometimes even to interpret (e.g. number of new downloads of the Payments software). Furthermore, quantitative targets such as these generally offer little or no insight into the reasons targets are not reached or exceeded.

This was perhaps unavoidable given the nature of the partners and clients – many of them rural or marginalised with limited capacity – and the limited resources available for monitoring. Documenting detailed quantitative and especially qualitative indicators relating to the final target group is usually highly resource-intensive. Expecting or requiring local partners to gather such data, unless they do so in the normal course of their work, is usually not realistic given their capacities,

resources and priorities. For an external evaluator to do so would consume resources well beyond what could be justified in a Project of this size.

More insight emerged from the second focus: documenting and disseminating institutional lessons emerging from the process of implementation, for instance as outlined in the previous section. This was briefly referenced in the original proposal and it was not an early priority for SIMLab. However, the Project Director approached the regular Narrative Reports to TripleLine in a conscientious manner, describing in candid detail the nature and extent of problems encountered as well as how they had been, or were to be, overcome. It became clear to her and to the SIMLab CEO that significant lessons were emerging, and it was decided to produce a case study, referenced above, to document that.

This largely qualitative analysis of the Project complements the quantitative and output-oriented Logframe and indicators by exploring the contextual issues that led to Project outcomes, and indeed how the outcome and objectives evolved over time.

The third learning focus of the Project was on software. Feedback from partners on the use of PaymentView would, it was hoped, contribute to improvements in the design of Payments. However, such contributions, for a number of reasons, were less valuable than anticipated. The usage problems associated with PaymentView and ancillary items was one issue. Partners and the SIMLab team struggled to get it to perform optimally, and found it difficult to establish the objective distance needed to explore how it could be improved. To put it another way: had the experience of partners with PaymentView been unproblematic, then potential enhancements would have been more visible. Even when it worked well, the limited capacity of most partners may also have been an issue: simply getting to grips with PaymentView was as much as could be managed, and a much lengthier and more proficient use would have been needed to identify enhancements.

One example of the use of Payments tends to support the view that more capable organisations are best placed to provide useful feedback. The Oxford Water Project not only came to use the system but also sought – and paid additional funds for - a significant enhancement to tailor the system to their specific circumstances. (See Case Study 2)

Project Finalisation Activities

The Project's final set of activities, outlined in the Exit Strategy of September 2015[13], were designed to secure progress to date and to lay foundations for future sustainability.

The first was to carry out further research to assess the partners' needs. To this end, an assessment based on a system of ranking was completed. This also generated further evidence of impact, to which this evaluation also contributes.

Linked to the research was a set of dissemination activities. This included the publication of the case study and, on September 3rd, 2015 a "Brown Bag" event – an informal event taking place over lunch – in Washington D.C. featuring members of the SIMLab and FrontlineSMS teams and representatives from Grameen Foundation and USAID.[14] SIMLab also intends to publish the evaluation report and other Project documentation.

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[13] GRAF INN-022: July 2015 to January 2016.
[14] See http://simlab.org/blog/2015/11/09/Our-Brown-Bag-Lunch-and-podcast:-Mobile-money-in-the-last-mile/ including a complete podcast of the event.

An additional document, intended for use beyond the Project among those involved in inclusive technologies more generally, has also been drafted by the SIMLab CEO based to a significant degree on the experience of the Project. Entitled *Framework for Monitoring and Evaluating Inclusive Technologies in Social Change Project*, an evolving, openly-licensed version is expected to be made freely available over the Internet in the near future.

Sustainability is to be underpinned through offering a set of support options. These were detailed in a communication with all partners in November 2015. Four technology scenarios are identified for partners to continue, depending on the current technical configuration and needs:

1. *To continue using FrontlineSMS with Payments for M-Pesa payments*. To receive mobile payments, a computer and an Android phone (with the FrontlineSync app) would suffice. To receive and send, the SAMSUNG SIII phone (the specific model provided by the Project) would also be needed, and if a replacement is required FrontlineSMS is to work with the partner to obtain a new one.

    A download link to the latest free desktop FrontlineSMS with Payments was provided to partners (currently available to partners only). It was also noted that the most reliable version for those with good internet access is FrontlineCloud with Payments, which is charged (but negotiable) at US$100 a month.

2. *To use FrontlineSMS for SMS only.* Some partners may choose to use FrontlineSMS solely for SMS communication purposes. Again a free offline desktop version is offered (publicly, and not just to Project partners) to be used with a Safaricom modem; and for those with adequate internet access, the online FrontlineCloud is available at US$25 a month (exclusive of SMS and M-Pesa costs).

3. *Paybill and/or another SMS or mobile money tool.* Reflecting the change in approach later in the Project to focus on need and not to promote specifically Payments, those using for instance Paybill (without SMS) were encouraged to continue, and SIMLab offered to be available by email to offer assistance.

4. *Not currently using digital technology*. This was less an option than an acknowledgement that partners proceed at different paces and some are not ready for the use of digital technology.

The two possibilities for ongoing support, relevant primarily to the first two options but open to all, are as follows.

*   FrontlineSMS technical support is offered through Zendesk, Frontline's online support platform, available through online submissions with a commitment to a 24 hour response time. It also offers help documentation.[15] Its use by three partners throughout the Project (though they were not encouraged to do so) does suggest that it is accessible and useful. It is too early to judge post-Project usage levels.

*   A Google Group has been established as a forum to enable sharing and collaboration. Partners are encouraged to post their own discussion topics, and SIMLab is moderating for an unspecific period into the future. A total of 31 partners have joined this, though the level of posting so far is low – understandably, since direct Project support was available until very recently.

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[15] The address is: https://frontlinecloud.zendesk.com/home

With a view to further expansion of users and in line with the original Project proposal (to provide software that is "free and open, for anyone to download"), FrontlineSMS has also indicated that it intends to make the desktop version available free online, hopefully by mid-2016. The cost of producing usable documentation, according to FrontlineSMS, prevented its release before the end of the Project, and it is not clear at present where the additional funding is to be found to enable its online dissemination.

4. Outcomes & Analysis

Outcomes emerging from this Project can be assessed against two sets of claims. First are the quantitative outcomes recorded in the final Logframe, with targets agreed between SIMLab and TripleLine. Second are wider qualitative outcomes that relate to the objectives and aspirations outlined in the original proposal and subsequent revision and take into consideration the Logframe outcomes alongside the results of this evaluation and the Project's own additional research.

Outcomes against Logframe Targets

A point should be noted at the outset concerning the Logframe reporting. The approach adopted by SIMLab in the final Logframe covering the entire Project period, in contrast with the earlier Logframes submitted, is that the revised *original target* (of 40 partners organisations) is the reference point *only for the first indicator of Output 1*: equipping and training partners. All other relevant output and outcome targets have been adjusted downwards to the number of partners that were active at the time of reporting i.e. those partners (in most cases 28) that have succeeded in deploying either mobile money management or SMS communications components or both.[16]

An immediate rationale for this is that many partners never succeeded in implementing and sustaining the system after initial training; to retain these as targets in relation to subsequent outputs, and especially outcomes, would in a specific manner distort the relevant achievements. Put another way, it is more useful to record the outcomes for those partners *who succeeded in implementing the system and found it useful*, than for all partners *including* those who *failed to implement it or simply decided it would not be useful to them*. While this considerably improves the figures that compare actual achievements against targets, it is in the view of this evaluator a reasonable way to present the results. However, what it points to (an issue raised later) is that the *assumption made at the outset that all partners trained would succeed in implementing the system was hugely, even naively, optimistic.* This is especially so since it also includes an implicit assumption that all partners would find both service components sufficiently useful to justify the effort involved.

Outputs are considered first, followed by outcomes. Table 1 below shows the results for Output 1.

Table 1. Output 1: Increased capacity to send, receive & manage mobile payments & SMS communications

Indicators	SACCOs			NGO/CBOs			Total		
Targets & Achievements	Target number	Actual number	% achieved	Target number	Actual number	% achieved	Target number	Actual number	% achieved
1.1: Partners equipped & trained to use mobile money management	18	13	**72%**	18	29	**161%**	40*	43**	**108%**
1.2: Partners using mobile money management software for payments	10	2	**20%**	18	13	**72%**	28	15	**56%**
1.3: Partners using software for SMS communications	10	8	**80%**	18	16	**89%**	28	24	**86%**

***Includes four schools. ** Includes one school trained. (A further three partners trained left immediately and are not included in this figure).**

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[16] The schools component is excluded from the analysis as the results are straightforward. One school took an active part in the Project, compared to the (revised) target of four, and it did not achieve implementation.

The actual number of partners trained and equipped exceeded the original target. In terms of the use of the two Project components, the results – bearing in mind the reduced targets – are mixed: 86% using the SMS communication component, and over half using the mobile money component. Compared against the original targets (i.e. before adjustment to include only active partners), however, the overall achievement in relation to Indicator 1.2 would be 38% and to Indicator 1.3 would be 60%.

Output 2 relates to increased efficiency of partners resulting from Project implementation.

Table 2. Output 2: Increased efficiency by partners through using mobile payments & SMS communications

Indicators / Targets & Achievements	SACCOs			NGO/CBOs			Total		
	Target number	Actual number	% achieved	Target number	Actual number	% achieved	Target number	Actual number	% achieved
2.1: Partners reporting at least 30% reduction in money transfer costs	10	4	**40%**	18	9	**50%**	28	13	**46%**
2.1: Partners reporting at least 50% reduction in payment admin. hours	10	7	**70%**	18	14	**78%**	28	21	**75%**
3.1: Partners with majority Project-trained staff report positively on use	10	10	**100%**	18	18	**100%**	28	28	**100%**

These figures are based on interviews with partners by Project staff, and are borne out overall by the evaluator's interviews. They show that almost half of partners have made savings of at least 30% in the overall cost of transferring money; and over 70% benefit in terms of administration hours saved (which would include travel), exceeding the 50% target. Those trained in the system unanimously reported positively overall on its use, a result verified by evaluator interviews.

Three indicators make up the third output.

Table 3. Output 3: Increased use of mobile payments & SMS by partner clients and beneficiaries

Indicators / Targets & Achievements	SACCOs			NGO/CBOs			Total		
	Target number	Actual number	% achieved	Target number	Actual number	% achieved	Target number	Actual number	% achieved
3.1: Partners reporting at least 30% of all clients <u>are sending</u> mobile payments (among partners using this)	10	10	**100%**	2	2	**100%**	12	12	**100%**
3.2: Partners reporting at least 30% of all clients <u>are receiving</u> mobile payments	10	0	**0%**	16	7	**44%**	26	7	**27%**
3.3 Partners report at least 50% of clients sending or receiving SMS via payment software	10	6	**60%**	18	15	**83%**	28	21	**75%**

In relation to Indicator 3.2, it has been noted earlier that SACCO members everywhere prefer to receive loans personally or into bank accounts, rather than via M-Pesa, which why the none is sending payments to 30% or more of clients.

Note that in the case of NGOs the Indicator 3.1 and 3.2 targets have been (further) reduced. The assumption by this evaluator is that these targets have been lowered, like the others, to reflect the number of NGOs that *sought to use and successfully deployed* the mobile money management software for payments, receiving and/or sending. The maximum number would thus be nine (though it could be as low as seven if two NGO are both sending and receiving).

Indicator 3.3 indicates a high level of usage of the FrontlineSMS software for communication.

The Logframe includes a single Project outcome, a composite of four indicators, one of which differentiates between male and female clients/beneficiaries.

Table 4. Outcome: Increased access to and use of M-Pesa payments by partners.

Targets & Achievements / Indicators	SACCOs			NGO/CBOs			Total		
	Target number	Actual number	% achieved	Target number	Actual number	% achieved	Target number	Actual number	% achieved
1. Partners using M-Pesa payments and SMS comms. for over 50% of clients	10	3	**30%**	18	8	**44%**	28	11	**39%**
2. Partner clients using M-Pesa payments	9,934	3,624	**36%**	22,792	5,310	**23%**	32,726	8,934	**27%**
3a. Partner clients reporting positive satisfaction with using M-Pesa (male)	24	21	**86%**	9	7	**77%**	33	30	**91%**
3b. Partner clients reporting positive satisfaction with using M-Pesa (female)	12	8	**75%**	12	12	**100%**	24	20	**83%**
4. New Payments software downloads from FrontlineSMS website	n/a	5	**n/a**	n/a	22	**n/a**	n/a	32*	**n/a**

*Includes five schools

The achievements against targets vary greatly, and some are difficult to interpret and/or confirm.

The most positive (88% of those surveyed), is Indicator 3: the proportion of clients or beneficiaries, male or female, reporting satisfaction with using M-Pesa. The small numbers reported and the absence of clarity concerning the methodology used to gather data preclude firm conclusions. With regard to Indicator 1, that almost 40% of those using M-Pesa and SMS do so with over half their clients is, in the circumstances, a notable achievement.

The overall number of clients using M-Pesa for payments, Indicator 2, is at best a very rough approximation, based in the case of SACCOs on an average size of membership; and it is not clear where the average for NGOs comes from.

The overall number of clients using M-Pesa for payments, Indicator 2, is based not on the original Logframe estimates but on actual figures reported by partners suggesting a high degree of accuracy. Although far short of the targets, almost 9,000 clients have been using M-Pesa in their interaction with partners.

A figure not shown here is the total number of clients or beneficiaries associated with the organisations active in the Project. Figures gathered individually from active partners by the Project team show that the total number of beneficiaries using either or both SMS and Payments among NGOs was 22,292, and among SACCOs was 9,934 i.e. a grand total in excess of 32,000. It is not possible to estimate how many of these actually benefited, or by how much, but it is reasonable to assume that more than a negligible proportion of them did, and continue to do so.

Finally, Indicator 4 shows the number of downloads of the PaymentView software and is intended as a measure of further dissemination. While it is a poor proxy indicator, there are certainly some new users of PaymentView, most likely to receive payments since only a basic modem is required. The Project team receives emails quite often with queries from those having downloaded the software. With regard to FrontlineSMS with Payments, there are no additional uses since the software is not openly available online.

Overall, building an accurate and verifiable picture of several of the outputs and many of the outcomes, based on these figures, is not possible. A clearer picture, at least qualitatively, is obtained if a wider perspective is adopted, by combining of the above with overall Project objectives.

Project Team Partner Ranking

Before proceeding to a review of the outcomes against wider Project objectives, it is worth noting the result of an ongoing exercise by SIMLab that ranks the capacity for implementation of each partner, based on their visits and interactions, and completed a final update on January 2016. Following a systematic documented methodology[17], each Project was rated following a number of weighted criteria, each with a set of sub-criteria, as follows (weighting is in brackets):

1. Current payment processes in use e.g. FrontlineSMS with Payments; PayBill or Lipa na M-Pesa; solely M-Pesa; various including cash/cheque; cash; none: (30%)

2. Organisational fit and drive to use mobile payment: (10%)

3. Capacity and willingness of beneficiaries to transition to mobile payments (20%)

4. Organizational Capacity for uptake (20%)

5. Communication or desired communications between organisation and beneficiaries (20%)

Summary results for 41 organisations that received training are as follows (maximum score is 10):

- 4 partners have a score of 8 or above;
- 13 partners score from 6 to below 8;
- 12 partners score from 4 to below 6;
- 8 partners score from 2 to below 4;
- 4 partners score below 2.

The average score was just over 5. The figures show quite an even distribution over the possible scores (with just a slight skew towards higher scores) which would suggest that the selection process

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[17] Mobile Money Adoption Analysis. GPAF INN-022

was not optimised in terms of those most in need of mobile money management and with the capacity to implement it. A total of 12 of the 41 use FrontlineSMS with Payments (one of which still uses PaymentView), while 28 use mobile money of some nature; and a total of 18 scored just 2.5 (out of 10) or less on the organisational fit and drive to use mobile payments.

The evaluator's experience with partners would suggest that these scores are broadly accurate.

Outcomes against Project Objectives

Section 1 of this report argued that, based on the proposal and agreed pre-launch modifications, this Project had both short-term and long-term objectives, the latter extending beyond the lifetime of the Project. The three short-term objectives are considered first.

1. An immediate objective was for 40 rural organisations in Kenya to use M-Pesa or other mobile money services to improve client services. The goal was to bring benefits to clients, to enable partners to expand their client numbers, and to contribute to the development of a deeper local mobile payments eco-system.

   As detailed in the previous section the number trained and equipped, at 43, exceeds the target, though only about 28 proceeded to effective deployment. Implementation of mobile money management was achieved by over half the partners, and of the communications component by over four in five (both figures based on the reduced target of 28 active partners). Although there are some doubts about the figures, almost half reported at least 30% reduction in the cost of money transfers; and three quarters a 50% reduction in the time needed to administer payments. The total number of clients reached is significant, though far short of targets. Not all participating partners, however, were located in, or even operated primarily in, rural areas.

   Many factors account for shortfalls in outputs and outcomes.

   The first, as noted already, is the Project's initial assumption that all of those trained would in practice implement the system fully. In part this may have been due to a lack of experience of SIMLab/FrontlineSMS in direct implementation of projects of this nature; but if so, it should have been caught at the design stage by TripleLine. Beyond this, however, numerous obstacles were encountered by the SIMLab team and partners in the process of implementation, some of which could not have been anticipated given the innovation nature of the project. They included, as documented in different parts of this report:

   - The incompatibility of and sequenced release of software components;

   - The difficulties of sourcing and configuring some hardware components, and the limited solutions of some;

   - The apparent disorganisation and lack of support from Safaricom in terms of disseminating information concerning, setting up, and offering support for their mobile money management solutions;

   - The very limited technical and administrative capacity of some partners;

   - The initial underestimation by the Project of the complexity of introducing mobile money management, and the need to address wider management change issues and to explore the final user needs in depth

   - The unsuitability of the Project software to some partners' needs – the level of demand for mobile money management was insufficient to justify the investment – which understandably took some time to become evident.

Discussion with partners and the SIMLab team suggests that the latter responded flexibly and creatively to these challenges, learning as they proceeded and applying the lessons. An example was the long delay experienced by some partners in subscribing to Safaricom's Paybill service. The team negotiated directly with Safaricom to improve the situation with some success. More widely, however, the SIMLab team recognised the larger challenges early on – the capacity limitations and institutional barriers, the mismatch of solutions with needs – and extensively revised their strategies for training and support.

Although partners were not all active in rural areas, they all, without exception, work primarily or exclusively with marginalised groups whether urban or rural. The reasoning behind targeting rural areas given in the Proposal was that the potential for benefits was likely to be higher, given the relatively higher financial transaction costs incurred in time and resources. Based on the evaluation evidence, this proved to be the case. The most obvious and extensive benefits identified by the evaluator from the use of mobile money was in the savings associated with the only alternative – having to make cash payments, often demanding significant time and travel by staff and/or clients and some risk. (See Case Study 3) Examples of very significant savings cited by SIMLab in the Narrative Reports were not exaggerations. On the other hand, in urban areas, even the small transaction charge involved in using M-Pesa, anything from about Ksh20 to Ksh50 (€0.18 to €0.45) – enough for a poor family to have a meal – was a disincentive especially for small sums, for the receiver or partner (either could pay), where no real benefits were evident. Thus reaching out to marginalised urban groups was likely to reap fewer benefits for the investment.

At the same time it should be noted that the FrontlineSMS communication component, although not the core objective of the Project, yielded significant benefits – sometimes very significant (See Case study 4) – for most partners and their clients, both urban and rural, often where the mobile money aspect was used only occasionally or not at all. These communication benefits also sustained the interest of some partners in the mobile money management component. During the course of the Project, and in recognition of the obstacles encountered, the SIMLab team devoted considerable effort to maximising the communication benefits for partners, alongside but separate from the mobile money management.

There is some evidence from the evaluation visits that some partners experienced an increase in the number of clients they could serve (See Case Studies 5 and 8), based on a combination of the ease of using the SMS communication facility for clients, the increased volumes possible, and time and money saved. In the case of SACCOs it stands to reason that with reduced costs and more time available, greater effort can be devoted to expanding membership and by NGOs to extending services to additional clients. There is also some evidence that SACCO's could improve repayments, default and savings rates though better and more targeted communications made possible by the Project. (Case Study 8)

Finally, none of the partners visited offered evidence that the local mobile payment eco-system had been enhanced perceptibly through expanding the nature of M-Pesa usage among the local population, through usage generated by Project interventions. The early experience of the Project team was that the prospect of this happening was remote and it was not a subject of enquiry.

Meeting this outcome would have relied on the realisation of the original concept i.e. to select specific rural areas, and, through supported a local champion and up to 10 partners in each, to build a concentration of users and usage sufficient to influence the wider mobile eco-system, and ultimately to attract more interest and investment from mobile money providers. The

relative geographic dispersion of Project partners diluted the impact, and the level of implementation and number of interactions were simply too small to have such an impact in relation to the existing use of personal M-Pesa and the size of the population.

A further factor may have had a prior influence on many of the outcomes above. Though it is impossible to quantify the impact, the time delay in the Project meant that its advantage of being a first-to-market mobile money management system was reduced since at least some of the original target categories – rural organisations - had already adopted other systems. At least one potential SACCO identified during the evaluation had in the intervening period invested in an alternative money management software and financial system, at very significant expense (far beyond the cost associated with the Payments system). This potential partner claimed that had it known of the Project solution– including especially the link to SMS communications – it would have welcomed it as a lower-cost and improved option. This could not be confirmed in the evaluation, but the evidence is reasonable.

Finally, the outcomes in relation to gender should be commented on separately here, although there is in fact little to report. A few partners were directly involved in gender issues, and hence it is to be expected that women would, directly or indirectly, gain disproportionally from any benefits accruing. Beyond this, no Project interventions were specifically designed to address gender issues. Furthermore, it became clear that most Partners lacked the data to report on issues in a gender-differentiated manner. The single gender-differentiated outcome indicator covering client satisfaction is based on a very small sample, and so offers no useful result.

It is difficult to see how much more the Project team could have done in this area. The Project lacked sufficient leverage to bring about changes in practices among partners in relation to gender. The influence of mobile money management for gender relations is not well-researched, and so it would have been difficult to design into the Project's interventions. Nevertheless, some additional effort might have been made at the beginning, and ongoing, to explore and better understand the gender dimension of mobile money management.

2. The second objective was for partners to pilot and field-test the PaymentView and, later, Payments software on the FrontlineSMS platform, with a view to releasing a freely-available, at least minimally functional, version.

The first part was achieved to the extent that the Payments software was successfully completed and tested. Given the modest budget – in software development terms – this was an achievement in itself. There were some shortcomings. Anticipated partner feedback from the use of PaymentView to feed into improvements to the Payments design did not materialise to a significant degree. Nevertheless, the FrontlineSMS software team were not relying heavily on this and their extensive professional experience enabled them (after several iterations) to produce a stable, reliable, user-friendly version of Payments.

More serious were the problems generated by the incompatibility of PaymentView and FrontlineSMS Version 2; and of PaymentView with Paybill, and therefore the fragmented nature of the introduction of the training in software use. However, this was not entirely the fault of FrontlineSMS: the sequencing of software was seriously affected by the delay in the Project. Had it gone ahead as originally planned, the development of FrontlineSMS versions 1 and 2 would have coincided much more closely with the transition from PaymentView to Payments, yielding a much more positive experience for partners.

In retrospect and based on the evidence, this objective might have been achieved more effectively through the recruitment of a number of organisations with higher capacity, paid a small sum to pilot and test the software. Yet the loss is minimal given the quality of the final Payments product.

Finally, the Project has not yet succeeded in offering a freely downloadable FrontlineSMS with Payments software, including support documentation. The early 2013 Project proposal revision included an increase in the budget for software development of 150%. However, the budget is not the only issue. According to the CEO of FrontlineSMS:

> "[t]he things that are holding up Payments release are a defined market where it would be financially viable, as well as the marketing, sales, and customer support infrastructure to bring the product to market. We're planning to release a version of the product in the next quarter - but it's a non-trivial task to build all of the things required to create a successful technology business in a crowded market…. although we're very interested in doing it, to date, it's been too complicated to put in front of most users."[18]

FrontlineSMS is also hoping to build out the interface tools and documentation to bring more people into the platform, as a medium-term goal.

3. The third immediate objective was to identify, document and disseminate learning.

    Given the obstacles encountered in achieving the first objective above, this objective gained heightened importance during the course of the Project.

    Addressing such questions builds directly on the broader core Project rationale, which asserted that unless means can be found to enable more marginalised people to use mobile money effectively, the net impact is likely to increase the disadvantage of those already marginalised.

    SIMLab recognised that some important lessons were emerging, and significantly altered its approach based on identifying specific issues in the course of interacting with partners. This was documented to a significant degree in the regular Narrative Reports to TripleLine. Much of the learning is drawn together in the *Mobile Money in Kenya* Case Study published in September 2015, and its initial dissemination at the Washington event attracted the participation of a number of international actors and in the form of the blog and a recording of the event, generating additional reflection on the experience and its relevance elsewhere. The publication of the present final evaluation and of other Project documentation will also add to that body of experience available to all.

    The role of mobile money management is highly relevant to development not just in Kenya but at the international level, and is likely to be an issue of growing concern and potential: How can rural and marginal communities reap the benefits of mobile money? What are the less obvious institutional obstacles to it? How can they be overcome? Is this approach scalable and how is it possible to instigate or encourage a dynamic of replication? The Project has added to the understanding of these, but, in the view of this evaluator, it has more to offer in this regard.

4. There was also a medium to long-term Project objective that can more aptly be described as an aspiration: It was hoped that an inherent scalability and ease-of-use of FrontlineSMS with Payments, with FrontlineSMS and peer support would lead to: expansion to other mobile money

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[18] In a communication with the Project Director.

users in rural Kenya, and additional investment in rural mobile money by mainstream players; and might ultimately extend mobile money management beyond Kenya to other rural development contexts.

It must be stressed that this was entirely beyond the scope of the Project itself, and was part of what might be described as the Project's implicit theory of change. In the language of theory of change, this was beyond the 'accountability line'. That this has not come about so far is to be expected. What are the prospects of it happening?

There is no evidence that the Project partners, through the volume of impact of the Project itself or to the extent that they might act as visible pioneers of this approach and specifically of the software development, are likely to encourage directly further replication. The numbers involved, and the impact on them, has been too small and insufficiently visible in the wider context.

The learning from the Project, as indicated above, could certainly contribute to others seeking to adopt a similar approach to kick-starting mobile money management in Kenya and also more widely. But it is unlikely to lead to spontaneous replication.

The widespread release of the software, which as mentioned above has not yet happened but may yet, is certainly a tangible asset in this regard. The ready availability of FrontlineSMS with Payments is a prerequisite to this particular avenue towards a more spontaneous and market-driven expansion of mobile money management in rural (or indeed urban) areas.

Also in place is FrontlineSMS itself, as a company ready to promote and support this process on a commercial basis, with the various packages available, beyond the free-software, to potential users.

It is noted that an open-source version of the Payments software will not be made available (though the FrontlineSMS platform for communication use is to remain open source). The wording of the original Project proposal is careful not to explicitly commit to open-source in the Payment software: the commitment is to an "approach to software ... grounded in an existing free and open-source communications hub, FrontlineSMS..." and a further commitment only that the new software produced will be "free and open".

The creation of FrontlineSMS as a for-profit organisation with a new business model may lead them away from their previously held commitment to open source. This will make no difference to the vast majority of Payments users since they lack the skills or incentive to further develop the software. Indeed, it may in the longer term enable a stream of income to FrontlineSMS to improve the current version on an ongoing basis. For wider dissemination, however, it may have implications since other open-source software enterprises, institutions and individuals cannot build on the base code to produce their own enhancements and variations.

Beyond these considerations, the mobile money management context has moved on since the original proposal was developed, and there are other solutions in place and emerging. The Payments software, as developed under the Project, though robust, has certain limitations: it can be fully deployed only with certain specific hardware, and it is fully integrated only with M-Pesa. It would take considerable work to extend it to other mobile money platforms (though less in the Cloud-based version), work that, according to FrontlineSMS, is viable only on a case by case basis, each time considering whether it makes business sense (or indeed might merit a further development grant). The nature of mobile money management platforms such as FrontlineSMS with Payments is that it is very difficult to produce a generic version, capable of

working with any mobile money service, anywhere. This is especially true when the system operates through a modem or smart phone as the interface; an internet-based interface (or API) can reduce complexity considerably and would have greater potential for expansion.

In short, the prospects for the Project to generate a significant scaling of mobile money management in rural areas, either in Kenya or beyond, depends on the availability of significant further investment, whether market-driven or based on development grants. In the meantime, the Project has generated a significant amount of learning for either approach.

5. Findings

This final section presents the findings primarily under the OECD evaluation criteria, and recommendations are added at the end.

Overall Results

The Project design was built on a reasonable rationale, though it was not fully and clearly spelled out in terms of immediate and long term objectives. However, initial and revised targets were unrealistic, specifically in terms of the expectation that all partners given training and equipment would, with ongoing support, be in a position in practice to proceed will full implementation.

There was an unusually long period of time between initial approval in principal of the Project by DFID and project launch. Significant changes to the Project were also approved during this delay. Before final approval, neither the impact of the delay nor of the major revisions were incorporated systematically into a new project proposal or plan. The incoming SIMLab implementation team had no clear blueprint from which to work, including for instance a theory of change and set of interrelated objectives. A Logframe was developed in some depth with TripleLine in the first few months, but (like most Logframes) it tended to emphasise outputs rather than outcomes and objectives, and to dwell on detail rather than on the larger picture. From this uncertain starting point, the Project team did remarkably well in getting the Project going and implementing it with energy, commitment and creativity throughout.

The Project did not fully achieve its objectives, nor did it reach most of its outcome or output targets. In particular the number of partners successfully utilising mobile money managements, and the SMS communications, fell well short of targets, even allowing that the latter were unrealistically high. The communications component took on a greater importance than had been the original intention. It had the advantage of delivering benefits to clients, therefore also incentivising them in their consideration of the payments aspect.

Nevertheless, there is strong evidence that some of those using either or both components did achieve significant benefits in time and cost savings. This 'proves the concept' behind the Project: that rural organisations in Kenya can reap significant benefits if the mobile money management linked to the communication platform, can be adapted to their specific needs.

It is certainly the case that many more community based organisations and NGOs could similarly benefit if they had the resources to implement the system. It has not been proven whether beneficial implementation might be achieved without support from a grant. It is also not clear whether a grant programme to support further deployment of these systems, in the light of and building on the experience gained here, would be a good investment.

The Project did not succeed in initiating widespread adoption of the particular solution here and there is very limited prospect that it will in the future, though such a prospect should still be given the minimal support required now to keep it alive (a matter considered in the recommendations section below).

The deficit in concrete outcomes to some extent has been compensated for by the significant amount of learning achieved. Much has been documented, and more can be, and dissemination has also begun. This learning is invaluable to others considering an approach similar to this Project or indeed a more commercial and market oriented effort.

The OECD DAC Criteria

A specific requirement of this evaluation is to report on the results following the OECD DAC evaluation criteria. This is completed below under the appropriate headings. Much, though not all, of what is below is elaborated on elsewhere in this report following a more narrative structure.

Relevance

To what extent did the grantee support achievement towards the MDGs, specifically off-track MDGs?

It is impossible to quantify the extent to which the Project contributed to the MDGs. The primary MDGs target by the Project relates to poverty.

The evidence shows that certain actions of the project did contribute in a small way to poverty alleviation, though this is indirect. For instance, through reducing the transaction costs of SACCOs and enhancing communication with its members, the provision of loans was facilitated and membership and the availability of loans possibly increased. Since these loans aim to alleviate unemployment and poverty mainly poor young people, then the Project would have contributed to this.

To what extent did the project target and reach the poor and marginalised?

The Project was to target rural organisations and communities in particular. In fact it also targeted marginalised groups in urban areas. All partner organisations involved in the Project work to improve the circumstances of marginalised groups, and most partners more than likely did improve in some way their capacity to do this, directly in their interactions with marginalised groups. The project was thus successful in this regard.

To what extent did the project mainstream gender equality in the design and delivery of activities?

The Project early on encountered difficulties in relation to gender. Project design included references to how gender is relevant to the topic, and made some assumptions concerning how women in particular might benefit from its success but no specific plan to further address these.

There was little specific focus on gender during implementation. Some organisations specifically involved in gender issues were recruited as partners and, to that extent, it was taken into consideration. The interventions undertaken by the Project with partners were insufficient to offer the team any leverage that would affect how the partner as a whole deals with gender issues.

A similar constraint related to information gathered from partners regarding the impact on gender equality. Data was seldom disaggregated in gender terms and hence it was impossible even to determine the gender breakdown of final participants. The SIMLab team did, however, make an effort to ensure that some data was available by gender in relation to client benefits.

The evaluator, having visited many of the partners, can appreciate the challenges involved in mainstream gender issues among them, given the narrow focus of the Project.

How well did the project respond to the needs of target beneficiaries, including how these needs evolved over time?

The Project team responded very well to the needs of target beneficiaries in the form of institutional partner, but also in encouraging and enabling the latter to address final target group needs. The responsiveness of the team towards beneficiaries' needs grew over time, as they learned from the implementation process, and was a positive feature of the management.

Effectiveness

To what extent are the reported results a fair and accurate record of achievement?

Based on the partners interviewed by the evaluator and on analysis of the documentation, the reported results were fair and accurate. The numerical results were sometimes difficult to interpret, but were suitably qualified in the definitions.

The Logframe figures, the final one of which is presented in summary above, are generally in accord with the figures gathered during interview by this evaluator.

The regular Narrative Report, in particular, reportedly fully and candidly on the difficulties encountered and shortcomings of responses, and have been well documented in the Case Study referred to above.

To what extent has the project delivered results that are value for money? To include but not limited to:

- *How well the project applied value for money principles of effectiveness, economy, efficiency in relation to delivery of its outcome;*

  Clearly this evaluation was not intended to carry out an audit of expenditure. However, the manner in which the training and support were organised in terms of travel, staff time and communication methods indicate that these activities were planned and implemented in the most cost-effective manner. There was no indication that excessive overhead and administration costs were incurred; and local staff were employed at local rates where feasible.

  The Project proposal noted that, in relation to value for money, the approach adopted was to build on an existing mobile money platform, M-Pesa, and expand an existing free and open-source communications hub, FrontlineSMS. It is certainly the case that this approach meant that an operational and sophisticated mobile money management was built for a very modest amount in software development terms. From this perspective the Project delivered on its promise.

- *What has happened because of DFID funding that wouldn't have otherwise happened;*

  The activities engaged in with partners were fully funded by DFID. None would have taken place without the funding. Software development, the other main component, was linked directly to the Project requirements from the outset.

  There is one caveat. One part of the Project package delivered, the FrontlineSMS communication software would have been available freely to all partners even had the Project not been implemented. However, the specific partners in the Project would, in all likelihood, have been unaware of this and unable to implement it effectively without the Project support. The communication component has brought significant benefits to the largest number of partners.

- *To what extent has the project used learning to improve delivery?*

  There was a marked and largely successful effort to improve delivery, based on what the SIMLab team learned as they were implementing the Project. This was a key feature of the management of the Project and concerned especially learning concerning the institutional barriers to implementation and relation to final client needs.

What are the key drivers and barriers affecting the delivery of results for the project?

The key drivers were a committed management and implementation team with local knowledge; a readiness among partners to engage positively; and a good concept and solid basis in the software and hardware aspects to build upon.

Key barriers were the capacity limitations of some partners; the unexpectedly high institutional obstacles encountered; difficulties in sourcing appropriate hardware; and software limitations and incompatibilities.

Efficiency

To what extent did the grantee deliver results on time and on budget against agreed plans?

The Project was completed on time (additional time is only to complete reporting) and within budget.

To what extent did the project understand cost drivers and manage these in relation to performance requirements?

The Project team understood these well from the outset. The evaluator is aware of no major overruns and reallocations of budget were completed on a sensible basis as required.

Sustainability

To what extent has the project leveraged additional resources (financial and in-kind) from other sources? What effect has this had on the scale, delivery or sustainability of activities?

The original proposal had indicated that additional resource may be resourced for the software side of the Project, which would have added further value. However, this was no longer available after the delay encountered in Project approval.

Only one instance has been identified of a small additional budget (about $10,000) been sourced, through an NGO partners, though this did not go to the Project but rather to an enhancement of the software which could, in principle, be accessed by all partners. The absence of additional leveraged resources did not affect the anticipated scale, delivery or sustainability. However, it is noted that the final software package, FrontlineSMS with Payments, is not yet freely available due to lack of funding for the finalisation of online supporting documentation. While basic digital documentation and guidelines have been produced, the documentation for the Payments components would, to be useful, have to be highly detailed and interactive and this has not been achieved during the Project. It is not clear to this evaluator whether the production of such detailed digital documentation was specifically included in the original budget; but the commitment to produce a 'minimum viable product' is meaningless unless it is accompanied by the means to use it.

To what extent is there evidence that the benefits delivered by the project will be sustained after the project ends?

There is reasonable evidence that an undetermined number of partners will continue to utilise the resources after completion of the Project. Certainly most are likely to continue to benefit from the use of the communications components. The use of the mobile money component is less certain and the partners with a stronger capacity, that are growing in strength, are more likely to continue and even expand that. Some online external and peer support structures are available, but evidence concerning whether these are adequate will take some time to emerge. Beyond this, the fact that the FrontlineSMS with Payment software is not freely available as yet may constrain further expansion, though other factors would have to be in place for this to happen.

Impact

To what extent and how has the project built the capacity of civil society?

There is no doubt that through the training received and further support to many partners, the capacity of partners in terms of communication and managing mobile money has been significantly

enhanced. A majority of these are in a position to put these capacities into practice, and to gain benefits from them.

How many people are receiving support from the project that otherwise would not have received support?

The Project figures show that 43 partners have received support, and 28 have used it to good effect; and that almost 9,000 people are using the M-Pesa payments and the evidence suggests they benefit from that.

Active partners using either SMS or Payments (or both) have beneficiaries totalling 22,292 among NGOs, and 9,934 among SACCOs i.e. in excess 32,000 altogether. It is not possible to estimate how many of these actually benefited, or by how much, but it is reasonable to assume that more than a negligible proportion of them did.

To what extent and how has the project affected people in ways that were not originally intended?

This evaluation has not revealed any significant ways in which people have been affected, other than those originally intended. Some of the benefits accruing, for instance from the communications component, were somewhat unexpected by the partners themselves, but have been documented elsewhere by FrontlineSMS.

Recommendations

Although the Project is complete, some recommendations are offered for follow-up and extracting the most value from the outcomes.

For **SIMLab** it is recommended that additional efforts be made – if possible supported by DFID or another donor - to identify, document and disseminate the learning from the Project. This evaluator has the strong impression that much more can be learned from the experience than has been documented so far. It has been a unique experiment, in a domain likely to grow in prominence in the future. The fact that the Project was, overall, well executed facilitated the exploration of lessons that derive from the environment and the concept, rather than from management deficits.

A number of questions might help to focus further enquiries:

- What has been learned about the specific needs of the different categories of partners (SACCOs, NGOs of different kinds, CBOs)?

- Can a selection process be developed to target those most likely to benefit from and have the capacity to implement mobile money management?

- From those with limited capacity, what can be learned concerning the challenges to institutional change of this nature, and how can it be supported?

- Are there specific circumstances in which further dissemination of FrontlineSMS with Payments might be triggered or encouraged? What would it take (a question also for Frontline SMS)?

- What were the specific obstacles to developing and mainstreaming a gender dimension, and are there any gender-related lessons emerging from the Project?

In relation to **FrontlineSMS,** it is to be recommended that the FrontlineSMS with Payments software be made available online with appropriate documentation as soon as possible. While this will require additional resources, it was an explicit commitment of the Project to do so. In the context of the above exploration of what is required for further dissemination, it might conceivably lead in the future to additional take up of this solution.

There is a commitment in the finalisation options for FrontlineSMS to provide support in replacing hardware that ceases to work. It would be useful to reaffirm this commitment to relevant partners. Other support option reaching beyond existing partners could also be taken a step further, such as the creation of a consolidated Webpage for new organisations seeking to download and utilise the software; and linking this to existing users for peer support. This would require coordinated effort with SIMLab.

DFID, in the light of its previous experience of supporting the emergence of M-Pesa in Kenya, might also consider funding, as a codicil to the Project and to extract the maximum value-added, a more detailed analysis of the outcomes and the lessons emerging and some support if needed for the consolidation of the above potential dissemination platform.

Other questions emerge for **DFID**:

- There was a very long delay between initial approval and Project launch. This was only partly because the due diligence process had to await a new set of annual accounts which, not unusually, were not available until well into the following year. The full potential for delay was not signalled in advance and there appears to have been little communication with the applicant during the period. What were the full reasons for the delay and can they be avoided in future?

  An option might be to consider whether the full due diligence process should be a requirement for smaller organisations.

- When the proposers sought a major revision, and in the light of the passage of time and change circumstances, why was a fundamental review not undertaken of the proposal, including objectives and interventions?

  A Theory of Change workshop, for instance, might enable a rapid review, and contribute to monitoring and evaluation later on.

The answer to these might suggest avenues where difficulties experienced by the Project could in future be avoided.

Finally, the ultimate value of a Logframe with quantitative targets, in a context in which accurate indicator data would be difficult to gather, and if gathered would often be difficult to interpret, is questionable especially in terms of outcomes and impacts. Whilst it is useful as a means to monitor output progress, beyond this it offers little insight. This is a common problem and there is no simple solution. Other methodologies are available, and the presence of a clear Theory of Change analysis and mapping would, in the view of this evaluator, have been a good starting point for understanding what the Project has, and has not, achieved. DFID might consider such wider approaches to its grant outcome evaluation.

Partner Case Studies: NGOs

The following Case Studies offer some insight into very diverse ways in which the FrontlineSMS and (sometimes) Payments system is used in practice by partners. They were compiled using interviews, two by Skype and the others in person, and based on available documentation.

The Project worked with a variety of different types of NGOs, from local community-based organisations to branches of major international NGOs. Their experience of FrontlineSMS with Payments, inevitably varied hugely and is indicative of diverse ways in which the solution integrates into different environments.

The six NGOs interviewed are presented first, followed by three SACCOs

1. Transparency International: Mombasa Chapter.

Transparency International (TI: http://tikenya.org/) has four chapters in Kenya, the central office based in Nairobi and three in the regions. They agree a National Strategy that includes both national (for instance for central government advocacy) and regional programmes (for instance to combat corruption at county level).Regional chapters may lead national programmes and also have the autonomy to design and implement their own programmes.

At present none of TI Mombasa's main projects involve to any significant degree receiving or sending payments. Procurement and general financial issues are undertaken by the central office in Nairobi. Their main ongoing programme is on civic education, involving the organisation of meetings and events, producing radio programmes, the provision of information and running campaigns. The focus is on disseminating an understanding of rights and entitlements, corruption in local government and services, and mobilising and empowering especially young people to actively demand transparency and good governance from politicians and public institutions.

This programme generates enormous communication requirements among differentiated sub-groups, from a total database approaching 20,000. TI Mombasa staff also rely quite a lot on mediated communication, contacting key people to pass messages on. The manager is committed in his workplan to sending two general SMS messages every week to as many as possible, and then more to sub-lists on specific topics. The advantage, he feels, is that with SMS messages you can be sure that people, especially in rural areas, eventually do receive the messages.

Several years ago they contracted a technology firm, at very considerable expense, to assist them in communicating by SMS. However it never worked as they wished it to for several reasons. First, the system was entirely online, but TI staff undertake extended travel during which they are usually offline. Second, their office in Mombasa has dial-up internet access charged by usage – it is expensive to stay online for long periods. Third, in order to send out large volumes of SMS messages, the technology firm buys bundles of SMS, in bulk, negotiating directly with the telecoms company. Such negotiations could take up to two months, which was acceptable for regular communications but caused problems when priority messages, such as local government consultations meetings or breaking news, had to be sent to a large group. The system never reliably reached large numbers and fell into disuse.

Thus when a partner informed them of the low-cost FrontlineSMS communications system in late 2014 their first reaction was enthusiastic. They met with the Project Manager early in 2015, obtained approval from the Nairobi office to proceed, and training and equipment installation was completed in February. They were very busy at the time, but three core staff received half a day

training and they were very pleased with it. Implementation of the FrontlineSMS with Payments option was offered, but TI felt that had no need for it at that time though they remained open to it. The full software suite was installed.

They have encountered technical problems. The main one was in uploading their database, comprising the name, phone number and a group reference. They had hoped to directly upload the entire Excel spreadsheet but numerous efforts failed. They received email and phone support and the Project Manager called twice and installed updated versions of the software. An attempt at peer support, from another partner, did not receive a response. In the end, the only option left to them was to enter each spreadsheet entry individually and this they have been doing. In a few months they had entered about 500 of the most important contacts, from the total list of about 20,000, and the process is ongoing.

TI Mombasa has an active gender policy, looking at ways to encourage women to participate more in their civic education programme. The manager believes that women tend to respond to SMS messages, whereas men relate more to verbal communication, and so they have a policy to move towards SMS as the mains means of communicating.

Despite effort involved in expanding the database, they feel the effort is well worth it. They can now control their own bulk purchases of SMS messages; it saves significantly on internet costs; and they can send messages out urgently which is a major advantage. Overall they feel far more in control of their communications. They believe strongly in the system: "I am one of their biggest champions" their manager says, and they will continue using it. In relation to the money management component, they anticipate that possibly during 2016, they will have a Project that will involve significant mobile money payment, and if so, they intend to deploy that component.

Other minor technical problems arose, but SIMLab support resolved these quickly.

Source: Skype Interview: Francis Kairu, Transparency International Kenya Manager

2. Smart Handpumps: Oxford University

The *Smith School of Enterprise and the Environment* at the *University of Oxford* began a Project in partnership with county-level government, funded by DFID in 2012. in two parts of Kenya: Kitui County, a poor rural area with dispersed population (UNICEF is also a partner here) and Kwale County, a more densely populated coastal rural area with better water resources. In Kitui 22 handpumps to extract well water have been modified; and about 300 in Kwale. Each serves anything between one and 150 households. These are no ordinary handpumps. Each is equipped with an electronic sensor inside the handle that transmits an SMS signal at regular intervals indicating the number of times the handle has been pumped. The sensor enables remote monitoring of when pumps are not functioning, and it also potentially allows local government to establish an approximate level of water demand and usage and to verify that maintenance contractors have completed their work.

Most are community-owned pumps, with some in institutions such as schools, mosques and churches, but reliable maintenance is a key issue. The initiative therefore established two maintenance businesses, one in each area, and is hoping to bring them to a sustainable level. The implementing partner in Kenya is an engineering company, Rural Focus Ltd. However in both areas a maintenance service provider has been established as a separate company employing technical staff directly and potentially undertaking ongoing maintenance after Project completion in March 2017.

The maintenance of each handpump is paid for by the specific group of households served, formed into a local Committee. The project is in the process of signing up communities who wish to enter into a service contract with the maintenance providers (some have made their own maintenance arrangements). The estimate is that to be viable a maintenance company must sign up between 200 and 250 handpump groups, and this is in progress in Kwale. The fee is collected from households by each Committee, which then makes a monthly payment to the service supplier on behalf of the handpump group.

This is where FrontlineSMS with Payments comes in, in what has the potential to be the most sophisticated and integrated use of the system amongst all partners.

The system was installed and training provided to the Rural Focus team in Nairobi in the summer of 2015. The use to which the initiative seeks to put the system is unusual. Each group of handpump users selects up to ten people with a mobile phone and registers these numbers with the maintenance company as a specific sub-group associated with that handpump. Whenever a payment is made by one person on behalf of the group, all members receive an acknowledgement message, helping to provide financial accountability and avoiding a situation where households make their contributions but the money goes missing.

The hope initially was that the system would also handle the incoming payments, aggregating them according to the appropriate community handpump groups, and automatically sending an SMS to each group. However, they found that the Payments plug-in did not have the facility to issue an aggregate SMS response to individual incoming payments in this manner. While Payments can automatically send an SMS back to each household that makes a payment, the requirement in this case is to send it to a wider group, something the system was not capable of. FrontlineSMS recognised the issue, and felt that resolving it might open additional users to Payments, and so engaged in discussion with the Oxford and Rural Focus Team in a series of four meetings. A contract was agreed, with a payment of USD$10,000, for FrontlineSMS to upgrade the software so that it can satisfy this particular requirement, and in December 2015 this was about to be delivered.

The Smart Handpumps project, unique among partners, also signed up to the FrontlineCloud system in October 2015 to manage the data until project completion, at a cost of US$100 a month, having decided that ensuring reliability is critical to this stage.

The initiative overall is at a critical stage. Free maintenance has been provided in Kwale to December 2015 and the switch to paying for maintenance is ongoing. After March 2017, the transition to the maintenance company is expected to be complete. The continuing use of FrontlineSMS with Payments will face challenges, including the fact that the FrontlineCloud monthly fee is not factored into the maintenance company's business plan and is unlikely to be affordable. In relation to the project in Kitui, which is currently at too small a scale to be viable, the initiative is in discussions with the County authorities and other stakeholders concerning establishing a County level Water Maintenance Fund (in both Kwale and Kitui) to provide results-based payments as a way of supporting the maintenance companies.

Overall, this is a highly innovative scheme combining several components. From the Project's perspective it introduced new possibilities, and for FrontlineSMS enabled its software to develop additional functionality that can be offered to others in the future. Sustainability is not yet assured but in both Kwale and Kitui the prospects are good, including the ongoing and sophisticated use of FrontlineSMS with Payments.

See: http://reachwater.org.uk/blog-can-mobile-monitoring-deliver-drinking-water-security-to-africas-rural-poor/

3.   TRACE Kenya.

TRACE Kenya (http://www.tracekenya.org/) is an NGO working on the issue of human trafficking, forced and child marriages and related issues along the Eastern Kenya regions of Kilifi, Mombasa, Kwale, and in Nairobi. They engage in rescue services, rehabilitation, social enterprise development for victims, information outreach and advocacy with government. They have four staff and eight volunteers, most of them victims of trafficking, and are based in Mtwapa, a town in Mombasa County.

Their work involves a significant amount of communication, although their equipment is basic.

Initially the communication side was of most interest. TRACE runs a large number of information forums about the risks of trafficking, and also sends general informational outreach messages, and organises victim support, volunteer and CBO training meetings. Previously forums were organised in different locations through first contacting community organisations in the area and then sending volunteer mobilisers door-to-door to inform people of it. Their contact lists were comprised of participation lists from previous meetings in the area; and new participants were also sought out. Information messages were sent via email and Facebook – which was quite costly on their dial-up internet.

Having been advised of the Project by another partner, they contacted the Project Manager. He provided training and installed the system in February 2014, and he and the new Manager provided support on several occasions since. TRACE expressed strong satisfaction with both training and ongoing support. Early technical problems prevented installing of the FrontlineSMS with Payment software on their single desktop computer, and instead they installed on a laptop obtained from another NGO. They also have a Safaricom modem for dial-up access, and were provided with the Project's Samsung SIII for Payments.

The first step was to input into the system their paper-based lists of contacts and phone numbers, sorting them into a general and then specific groups. Within three weeks they were sending out their firsts SMS messages, to organise victim group meetings. A couple of examples illustrate the process change.

TRACE works in partnership with local CBOs the members of which help them organise Forums. One such partner is Women's Voice, all volunteers, based in a district of Mombasa. Previously they would go door-to-door in their communities telling people about the event, and provide a space for the Forum to take place. The door-to-door approach was especially time consuming as people were often suspicious and sought additional information; or wished to enter into discussion. Now the CBO provides TRACE with names and phone numbers, leaving volunteers far more time to organise the event itself and to follow up. In addition, meetings are better attended than previously. They find that an SMS message is more efficient and that people tend to accept them on face value. Furthermore, meetings can be organised at a mere day's notice, which is very useful for campaigns and responding to developments. Each Forum in the past would have involved about 20 volunteers, each doing two hours of mobilisation, so the time saving is very significant.

Another example relates to a TRACE volunteer working with schools. A teacher himself, he runs sessions in different schools for children and parents twice or three times a month, sensitising them to the risks of trafficking and how to protect themselves. He covers a school class by class at

different times. His first approach is always to the school administration, which calls a meeting of parents to gain their consent. The schools then provide a database of parents and he would usually email them one by one, informing them of the meeting. Now he uploads the data, which also includes phone numbers, sorting each class into a different sub-group, and TRACE sends out the SMS messages. He calculates it saves him about two hours for each session; and as a result he has increased the number of classes he can do.

The benefits to TRACE of the communication system are:

- It saves the cost of using the dial-up modem for email and Facebook invitation;

- TRACE has greatly increased the number of messages it disseminates, sometimes as many as 500 at one time;

- The TRACE database, now computerised, has grown from about 50 to several hundred and continues to grow rapidly;

- Mobilising meetings is far less time consuming, and can be done on very short notice;

- Some SMS invitations prompt a response, resulting in more efficient organisation;

- The system retains a record of all communications sent and received.

In May 2015, they turned to the mobile money management component, in June receiving additional training from the Manager.

The most significant use here is for the payment of small expenses, of trainees and volunteers.

At training sessions, participants are usually refunded travel and perhaps lunch costs, paid in cash at the end of a meeting, including obtaining receipts from each, and consuming considerable time. TRACE recently switched to using M-Pesa with FrontlineSMS with Payments, setting up the trainees as a sub-group, beginning with a 20 person session. There was initially some uncertainty, as those attending had expected cash before they left, and concerns were expressed about delays. TRACE, however, approved and administered the payment immediately at the end of the event, and participants had received it in their M-Pesa accounts before they reached home. It is now standard practice.

Volunteers also receive a stipend of Ksh2,000 a month and Ksh500 for meetings. Five of the eight volunteers live far from the office and previously had to travel monthly to receive the payment, at a cost for some of from Ksh500 to 1,000Ksh. Now all volunteers are paid directly through M-Pesa.

In all cases TRACE pays the small transactions costs incurred through using the system

The benefits are very significant for those volunteers previously having to travel, but TRACE also highly values the more efficient payment of meeting expenses. Further time is saved for the accountant, as all payments are simply exported as a pdf file, and M-Pesa offers sufficient verification of receipt.

They will certainly continue to use both components of the system.

Source: Group Interview with: Raymond Jembe, Programme Coordinator; Elizabeth m'Kivumbi, Volunteer; Robert Wainaina, Volunteer; Damaris M. Kiambati, Accountant; Bebi Salmini, Volunteer.

4. SAFE

SAFE is an NGO whose goal is to support young people, especially vulnerable youth, around issues of sexual awareness and safety. SAFE currently targets about 1,000 students in three schools; and outside of schools, they run public meetings and other events. The communities they serve have a population of about 70,000. It is by staffed 15 full-time volunteers, and shares an office in Mtwapa, north of Mombasa, with another partner, TRACE. They receive a small amount of donor funding to pursue specific activities, but 80% of their activities are entirely volunteer driven.

Most of their effort goes into organising information-provision Forums, in schools and communities, on the issues they cover. A number of methods were used to organise these: they contacted leaders of local CBO by SMS and would ask them to disseminate the information; they go door-to-door within the community; and they also used their PA system (which they hire out to generate income), on the back of a hired motorbike, driving around the area announcing the event.

They heard of the Project when the Manager first met with TRACE, and were immediately interested. They were trained with TRACE in FrontlineSMS with Payments, the system installed on their PC with a Safaricom modem and sharing the Samsung SIII. They entered their initial database of about 50 contacts; and have received support since. They expressed strong satisfaction with the training and support.

They quickly began using the communications system, expanding their database to 200 so far, in five sub-groups, and gained immediate benefits. They are rapidly building their database, at each event organised and through their key community contacts, and envisage covering key people in their entire community area. The volunteers noted the following benefits.

It saves time and money:

- They no longer need to do door-to-door promotion, saving each volunteer about three hours to organise a single event.
- They have stopped using the PA system to promote events, saving a further hour, and the cost of motorcycle hire and fuel (about Ksh300).

They also believe that using SMS is more efficient and effective as a means of mobilisation.

- Previously local leaders they would contact might not always follow through systematically, as they too had to send SMS messages to each of their contacts or meet in person. Now local leaders provide SAFE with their contact list, and they can be certain the messages are received.
- SAFE can now manage meeting size: they send an initial invitation to one group seeking responses as to whether people can attend, and this gives a good approximation of numbers. If it is insufficient, they target a second group. Overall meetings have roughly doubled in size compared to before.

The Team Leader (like the rest, a volunteer) saves very significant time in making phone calls, and sending messages. He and the other volunteers calculated that they have freed up about 70% of their time for other activities, and additional events, since they began to use the system.

They also use Payments, to pay their office rent, and the volunteers' stipends. Since all the volunteers are local, savings in terms of time and travel costs is not significant, but the administrator finds it much more efficient in terms of processing and making payments, and for accounting purposes. Volunteers are also happy with payments through M-Pesa. Approximately 60% of all their outgoing payments go through the system.

Being in the same office as TRACE has advantages, and each offers the other support. SAFE will certainly continue to use the system.

Source: Group Interview with: Benjamin Katana, Team Leader (Coordinator), Social Worker; Moses Wanje, Peer Educator; Riziki Abdalla, Finance office; Mwisho Matano, Librarian, Community Worker; Ali Ibrahim, Social Worker; Faith Kariuki, Peer Educator; Jackline Waweru, Project Officer.

5. SCOPE (KASH Kilifi)

SCOPE (http://www.scope-kenya.org/) is an NGO working with disadvantaged communities to help them achieve self-sustaining livelihoods. They work in the four eastern Kenyan counties of Kilifi, Mombasa, Tana River and Kwale and are based in the town of Kilifi on the coast north of Mombasa. They employ 14 full-time staff, have six volunteers in the office and up to 1,500 spread throughout the four counties.

The work they do covers a huge range of needs and methods including: Nutritional support; water and sanitation; HIV/AIDS testing and counselling; advocacy against drugs abuse, child labour, and early marriages; community training; and farmer field schools.

SCOPE is one of the few partners that had an earlier experience with FrontlineSMS, the communications module, though they found Version 1 difficult to use and stopped after a while. However, a Board member heard about the new system, and SCOPE contacted the Project manager in mid 2014. The context was specific: a new Project had just launched, called Shiriki, collaborating with two other partners. Shiriki supports a number of measures to promote good governance, and SCOPE is responsible (amongst other tasks) with improving citizen's knowledge and skills on devolved governance in the four counties. The original proposal, based on the prior experience of SCOPE, included specifically an SMS message dissemination component, and this Project was extremely timely from their perspective.

The Project manager provided two days training in October 2014, mainly on the FrontlineSMS component (since the later Payments was not yet available) on a PC and Laptop and using the Safaricom modem. Use in the Shiriki project began soon after, to disseminate news and information, and to issue invitations to specific events and meetings. The initial database of contacts comprised about 900 in the four counties, but over time this has been built up to 4,500 in each county, a total of about 18,000 by October 2015 (approximately 20,000 by December), sorted into numerous subgroups. The target now is 1,000 SMS messages sent to each county each month, which is being well exceeded. The names and numbers, including permission to contact them, are obtained during the training events, meetings and other activities undertaken by all three Shiriki partners.

There were some initial difficulties. For the first few months the responsible staff member had to personally oversee the process of sending all SMS messages which were numerous – in June they sent about 8,000 – and this took some time.(The problem, it transpired during the meeting, could have been resolved through the use of any Android phone to send them automatically.) Later versions, however, improved performance.

SCOPE admits to being unsure as to how it would have fulfilled their obligations in Shiriki had the new FrontlineSMS system not been available. They regard it as indispensible, and are aware of no commercial alternative – which would certainly in any event cost significantly more.

The potential for rapid growth and virtually unlimited capacity of the system is particularly useful. Shiriki runs until 2017, and SCOPE believes the sustainability of the overall governance activity will

depend largely on how many groups and people they can mobilise during the period since these will provide the volunteer base into the future. Thus they are deliberately attempting to greatly exceed the SMS message targets, believing it to be a key factor in future mobilisation. Without FrontlineSMS they simply could not do this.

SCOPE pays Ksh3,000 to Ksh4,000 a month for their bulk SMS bundles, and it comes from a Shiriki communications budget. (Their internet costs Ksh10,000 a month for Safaricom's ISDN internet access, though it is insufficient especially when all staff are in the office.) Running the SMS messages system has a budget heading of Ksh25,000 within Shiriki, and SCOPE has no external costs.

SCOPE began implementing the Payments component more recently for finance and administration. The Samsung SIII was received in July 2015 along with the updated FrontlineSMS with Payments system and further training specifically on the system. Currently about 20 people, mainly volunteers, are sent payments: stipends of Ksh10,000 a month and Ksh250 weekly for transport to meetings. Each payment is followed up by an SMS message indicating precisely what the payment is for.

With the volunteers this makes a big difference. Until the system was put in place, the finance staff member would travel two days each week, often meeting the volunteer half way, to pay travel expenses. His travel costs were Ksh5,000 every week, and volunteers also often incurred similar costs. He no longer undertakes this travel, freeing two days a week for other work; the volunteers are also very happy with the system.

One issue has arisen during implementation. The recipients receive the funding from the personal M-Pesa account of the finance staff person, and more would prefer to receive it from the organisation. It can cause practical problems, and an example was related where the husband of a woman receiving a payment became suspicious leading to the need for lengthy explanations. (In fact, it is most likely possible for an M-account Pesa to be registered by a legally registered organisation, but the process is lengthy and few partners were aware of it.)

Overall, SCOPE has clearly benefited hugely, in several respects, through the implementation of FrontlineSMS with Payments. They intend to continue to use it.

Source: Personal interview with Fred Thuva, Finance and Administrative office.

6. Juhudi

Juhudi was registered as an NGO in 2010, after many years being active as a CBO, and works mainly in human rights and advocacy in Mombasa. Juhudi has five staff, and about 10 volunteers some on attachment from local colleges. A current focus is on public administration in governance, and they act as a bridge between CBOs and local and national government. They run a Secretariat for about 40 NGOs in Mombasa urban area, organising Forums and petitions, lobbying and events such as the then-imminent Human Rights Day demonstration. They are a highly informal group, and have very limited office or technical resources, and staff are usually funded under specific small donor projects.

Their work involves significant communication with group leaders and organisations, with a database of about 1,000 contacts.

Juhudi expressed an interest in the communication component of the Project, and the Project Manager introduced the Project to them along with four other NGOs in October 2014 (three had been introduced by Juhudi to the Project). This was followed by a day's training individually for the

Juhudi CEO, which he felt was of good quality. FrontlineSMS was installed, alongside an existing Safaricom modem (the modem brought by the Manager did not work correctly).

However, problems were encountered immediately with uploading the contact list from the CEOs mobile phone to the system, resolved only with a second visit of the Project manager in February 2015. A Samsung SIII phone was supplied for Payment, but a technical problem prevented it from recharging, and it was returned. (The phone, which had taken SIMLab some time to source, turned out to have a fault that could not be rectified.) After all these difficulties, and given the very low level of technical infrastructure available (currently it does not have it own office or internet access, for instance), Juhudi decided not to utilise the system.

His experience has, ironically, been put to some use, as he has advised several other partners on resolving issues arising. He continues to believe that it is a very good product and to promote it with others.

Source: Interview: Simon Githingi, Chief Executive Officer.

Partner Case Studies: SACCOs

Savings and Credit Cooperatives were by far the most numerous type of organisation in the Project – NGOs were a highly diverse group – and three were visited in the eastern region. All three had been founded as part of the Yes Youth Can (YYC) Programme, funded by USAID in partnership with the Kenya government, under which over 40 SACCOs were established, about one per County in which the Programme was active. They each received management training and support and some initial funding.

The purpose of SACCOs is to provide personal and enterprise-related loans to people between 18 and 35 years old, and to act as a platform in which young people from different communities can cooperate and learn to work with each other. As with all credit unions, members are expected to save a small amount regularly and can then obtain a loan. Many of the SACCOs also work with saving groups, rather than individuals, and the group takes responsibility for collecting the savings from each member and repaying the loan, and often draws down a common loan for a cooperative enterprise.

7. Mombasa Youth SACCO

Mombasa Youth SACCO is based in the city, was founded in 2012 and has just 700 members, about 160 of them groups. Like the others, it emerged from the network of youth organisations set up under YYC. It has an elected Management Committee.

Mombasa SACCO was informed about the Project by the YYC implementation agency CLUSA, and was one of the first SACCOs to become involved. They were trained in June 2014, using FrontlineSMS version 1 and PaymentView. Until then they had been using a standard mobile phone to send messages to members, the Committee and others, requiring several hours every month; and within weeks they began using the SMS communications component. They use the new system to remind members of payments and savings due, to organise member meetings and generally to communicate within the Committee. They regard it as extremely useful, and believe their membership numbers have increased due to the system because of improved communication and satisfaction with members. At first, however, they found it to be very slow to cue and send SMS messages. Their system was upgraded in July 2015 to FrontlineSMS and Payments, and with further

training the transition was successfully completed. This greatly increased the speed at which SMS messages were sent.

On the mobile money side, a discussion among membership prior to the start of Project saw the rejection of the use of M-Pesa to repay loans and make savings, since the M-Pesa account would necessarily, they believed, be registered in the name of an individual. On the advice of the Project they opted instead for Safaricom's Paybill, and the SACCO pays transaction fees which start at about Ksh20. The SACCO manager then manually integrates this data with FrontlineSMS to send message back to members, as follows: When a payment is received through Paybill into the SACCO account, an SMS message is also sent to that effect from Paybill. This is then written into a receipt book by the manager and also into the accounting software where the member's savings or loan total is updated accordingly. Then the member's entry is found in the FrontlineSMS system and an SMS acknowledgement sent, the system retaining a record. The FrontlineSMS system is useful since Paybill cannot send any messages back to those who make the payment, only to those who receive one.

After the evaluator interview, discussion between the SACCO and SIMLab team focused on how, with the purchase of a standard Android phone, the software could be configured to gather the incoming SMS payment from Paybill, export them directly into the FrontlineSMS with Payment software, and automatically send receipts by SMS. The SACCO is now considering this, although as their external funding has ended, they operate on very tight budgets.

Mombasa SACCO will certainly continue to use the system and to explore how it can become more efficient for them. They believe further time and costs benefits can be obtained from the further development of the system.

Source: Group and personal interviews: Christopher O. Juma, Manager; Elizabeth Ambayi, Secretary Board Member; Mohammed Hassan, Mwalimu Salim, Yusuf B. Kea, all Board Members.

8. Taita Taveta SACCO

Taita Taveta SACCO was established in September 2012 with about 50 members and a (gender balanced) Management Committee of 12.As in the other SACCOs the Committee was elected from community-level groups organised under the programme; and each of which also elected a member to a Delegate Committee of 32. The SACCO has since grown to over 650 members and employs an accountant. It has a sustainability plan, and runs ancillary activities such as a partnership with a motorcycle dealer to enable members to buy a bike at low cost for employment purposes.

The Committee's initial interest, when they heard about the Project from another SACCO, was in the communication component. At the time they communicated by SMS with members using a standard phone, laboriously copying and sending 10 messages at a time, twice a month to all members to motivate them to continue saving (the minimum expected was Ksh2,000) and to repay loans. It was taking several hours a month, and growing in proportion to membership.

They met with the Project Manager in July 2015, installed the software and received training. They already had a Safaricom modem. The SMS messaging worked immediately on tests with the management team. They attempted to upload the relevant fields from their 400 member spreadsheet into FrontlineSMS, but without success. Eventually they entered them individually by hand. They were using it with members by July and began to expand the number and type of messages sent. They set up a second database of potential members, from people who visited their Facebook page or contacted them, and began to send promotional and marketing messages. By July,

they were using it to send the bimonthly messages. By December they were sending up to 3,000 SMS messages per month. The cost – about Ksh20 for 500 in bundles – is affordable for them.

In part they credit the system with having reduced the default rate (i.e. those in arrears by three months or more) from 30% to 20%, by enabling them to send far more loan repayment reminders. They also believe more frequent and targeted communication has led to members saving more efficiently, increasing the frequency of deposits. It has also, they believe, contributed to the growth in membership.

With regard the financial transactions, Taita Taveta SACCO had separately applied for and were approved in August for Paybill, Safaricom's platform linked to their bank account. They also registered an M-Pesa account for the SACCO itself (the only partner met during the evaluation that had obtained an institutional M-Pesa account), after completing and submitting numerous forms and use it autonomously from the system to make some payments.

The Committee favours migration to the Payments system, integrating the SMS communications with the payments sent and received. They believe it would save them time, and offer better money management and improved and more integrated record keeping. At the time of the interview they still had practical concerns. For instance they were not sure whether it might be possible to obtain a receipt to authenticate a payment being made. With Paybill, payments show in the bank account records, including where it has gone to. They were also considering how transaction fees might be paid, whether by them or members, or a mixture. And they were unclear about the hardware combination that might be required to partly or fully integrate the system. (The Project Manager who accompanied the evaluator later discussed possible solutions to these and other issues.)

Taita Taveta SACCO is very satisfied with the communication components and is more than willing to make an effort to enable FrontlineSMS with Payments to become operational. They envisage benefits, but must yet overcome some of the technical obstacles and complexities. As one of the most successful and organised of the SACCOs, this is indicative of the challenges facing organisations implementing the full system.

Source: Interview with Peter Mndwadu, Secretary.

9. Lamu Youth SACCO

Lamu Youth Sacco is based in the far north of coastal Kenya, bordering Somalia. It emerged from a county-wide youth network in 2011, with 11 elected Management Team members and 15 local delegates. It came relatively late to the Project, due to travel advisories that prevented SIMLab staff from travelling to Lamu County, and they received training in August 2015 in Mombasa, and returned to Lamu to install the system.Lamu SACCO had 927 members in December, and rising.

An early problem emerged with the SIM card that had been purchased for the FrontlineSMS system, indicative of a much larger problem faced by the SACCO over the past 12 months. In June 2014 a group of terrorists claimed by Al-Shabaab, entered Lamu County, burned government and other buildings and brutally murdered about 60 people. However, central government's response included a 10 month County dawn-to-dusk curfew and travel restrictions seriously affecting all commerce.

One impact was that all recent SIM cards had to be reissued. Safaricom has no office in Lamu County to enable this, the nearest being Mombasa, a distance of 240 Km. Lamu SACCO's accountant was using the occasion of the interview to register the SIM in Mombasa – indicative of the problems that

remote communities have in dealing with Safaricom. Thus no component of the FrontlineSMS system is currently operational.

SMS messages are currently sent to remind savers and defaulters, about 500 a month. This takes, the accountant calculates, about 14 hours using the basic personal mobile phone of the Chairperson. Paybill had been installed in the office before the current accountant began employment in June 2015, but was discontinued as it was seldom used. (It was the API version, which is not compatible with FrontlineSMS Payments. Other Paybill users have the SIM card version, which works with FrontlineSMS.) Most savings and payments are currently made in cash, through M-Pesa to the Chair's personal account and transferred, or in a few cases directly into the account.

A second and far more serious impact of the terrorist attacks and the government response for the SACCO is that 65 of 71 loans are currently defaulting, including loans to a majority of the Committee members. This is due largely to the serious downturn in all commercial activity in the County.

This example underlines the multiple challenges facing SACCOs in more remote areas, especially those with security threats. It is difficult to see how this SACCO can overcome its current set of challenges to become sustainable. In the context, the most it might hope to do is implement the FrontlineSMS communications component, using the support options now available to it.

Annex 1: Logframe Outcome, Output Indicators, and 'Theory of Change'

Outcome: Increased access to and use of M-Pesa payments by target rural organisations:

Indicator 1: Number of target organisations using M-Pesa payments and SMS communications for over 50% of their clients: **Targets**: 15 of 18 SACCO; 15 of 18 NGOs; and 3 of 4 schools.

Indicator 2: Number of clients of target organisations using M-Pesa payments: **Targets**: 440 of 540 SACCO clients; 440 of 540 NGO clients; and 80 of the 120 schools parents.

Indicator 3: Number and percentage of clients of target organisations reporting positive satisfaction with using M-Pesa payments. **Targets**: 70% SACCO clients; 66% NGO clients; and 50% of schools parents.

Indicator 4: Number of new downloads of the Payments software from the FrontlineSMS website during the target period. **Targets**: 12 SACCOs; 15 NGOs and 4 schools.

Three Project outputs in turn were intended to bring about this outcome.

Output 1: Increased capacity of target organisations to send, receive and manage mobile payments and SMS communications.

Indicator 1.1: Number of target organisations equipped and trained to use the mobile money management software **Targets**: 18 SACCO; 18 NGOs; and 4 schools.

Indicator 1.2: Number of target organisations using the mobile money management software for payments. **Targets**: 18 SACCO; 18 NGOs; and 3 of 4 schools.

Indicator 1.3: Number of target organisations using the mobile money management software for SMS communications. **Targets**: 18 SACCO; 18 NGOs; and 4 schools.

***Output 2: Increased efficiency by target organisations through using mobile payments and SMS communications***

Indicator 2.1: Number and percentage of target organisations reporting at least a 30% reduction in cost of transferring money. **Targets**: 61% of SACCO; 78% of NGOs; and 75% of schools.

Indicator 2.2: Number and percentage of target organisations reporting at least a 50% reduction in administrative hours spent reporting payments. **Targets:** 100% of SACCOs and NGOs; 75% of schools.

Indicator 2.3: Number and percentage of target organisations with a majority of staff trained in the software report positively on use. **Targets:** 100% of SACCOs and NGOs; 75% of schools.

Output 3: Increased use of mobile payments and SMS by target organisations' beneficiaries

Indicator 3.1: Number and percentage of target organisations who report at least 30% of total clientele are sending mobile payments. **Targets**: 66% of SACCO; 16% of NGOs; and 50% of schools.

Indicator 3.2 Number & percentage of target organisations who report at least 30% of total clientele are sending mobile payments. **Targets**: 6% of SACCO; 80% of NGOs; and 0% of schools.

Indicator 3.3 Number and percentage of target organisations who report at least 50% of total clientele either sending or receiving SMS via the payments software. 100% of SACCOs and NGOs; 75% of schools.

The diagram below compiles these into a crude Theory of Change map. It should be noted, however, that the original Proposal contained a significantly more elaborate analysis of change, but did not explicitly map it out, verbally or figuratively. Had it done so, the Project team would have been better informed as to the overall rationale and thinking behind it.

Draft 'Theory of Change' Map based on the Logframe.
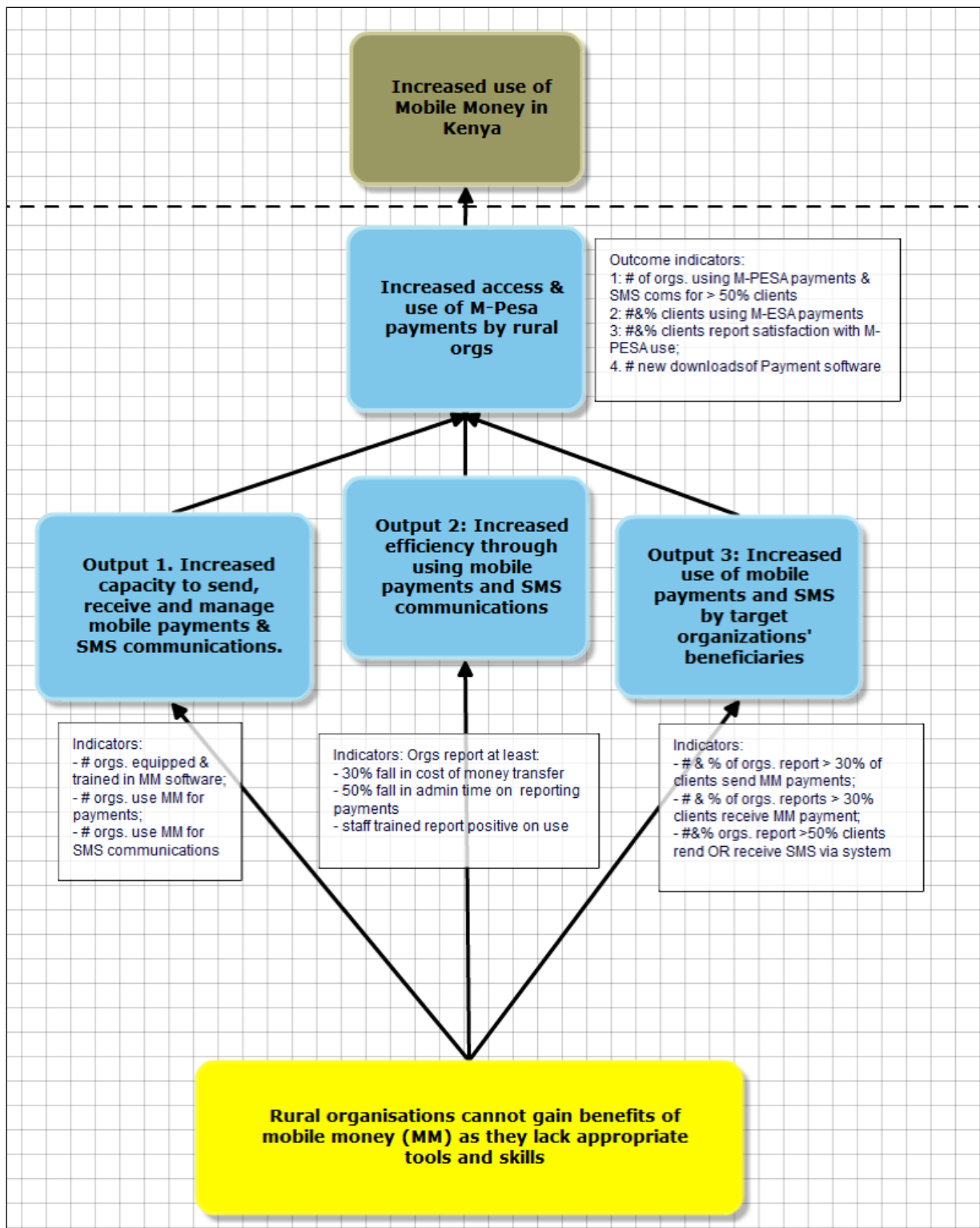
Annex 2: Software and Hardware Characteristics and Configurations

Software distributed	Hardware Needed	Hardware supplied	Functions	Advantages	Disadvantages	Distribution period
PaymentView (version 1 FLSMS + PV plug-in)	M-Pesa enabled SIM. Desktop/laptop computer running Linux or Windows. Free and Open-Source	Sierra wireless modem	Send, receive SMS, send receive mobile money. Instalment tracking	Available from the start of the project	Slow SMS, unknown status of outgoing payments. Does not work with Paybill. Limited functionality. Some Sierra wireless modems failed to work and had to be replaced/tested significantly. Difficult to use system.	2012 to October 2014
PaymentView without Sierra wireless (version 1FLSMS + PV plug-in)	Safaricom modem, Safaricom SIM. Desktop/laptop computer running Linux or Windows. Free and Open-Source		Send, receive SMS, receive Payments. Instalment tracking		Does not work with Paybill. Slow SMS and limited functionality	2012 to October 2014
FrontlineSMS Version 2	Basic modem or basic Android phone (+ free FrontlineSync Google app), desktop/laptop computer running Linux, Windows or Mac. Free and Open-Source. Any SIM card (Safaricom/Airtel)		Sophisticated SMS management and automations	Organisations were able to begin using the system and become acquainted. Time to import contacts, collect mobile numbers, understand how to use bulk SMS on Frontline. Works worldwide	Was used as a stepping stone to anticipate the arrival of Payments, though certain partner organisations were confused that it did NOT have Payment functionality.	August-December 2014
FrontlineSMS with Payments (only for receiving payments)	Safaricom modem AND basic Android phone+ free FrontlineSync Google app. (Paybill SIM - not Paybill API)		Send receive manage SMS and receive Payments (M-Pesa/Paybill). Sophisticated SMS and mobile money management and automation		Works only with Safaricom M-Pesa. Much of the interface revolves around sending out payments, and for those who are not possible	February-Dec 2015
FrontlineSMS with Payments with Samsung Phone (for receiving and sending mobile payments)	Samsung SIII phone, M-Pesa enabled SIM (Paybill SIM - not API)/M-Pesa) +Safaricom modem and extra SIM for sending SMS. Free FrontlineSync Google App	Samsung SIII phone and USB cord	Send receive and manage SMS and mobile payments (mpe. Sophisticated SMS and mobile money management and automations/Paybill)		Samsung phones are selectively sourced and not accessible outside the project. Works only with Safaricom's M-Pesa	Feb-October 2015
FrontlineCloud with Payments for receiving payments	desktop/laptop computer + basic android phone + Paybill/M-Pesa enabled SIM. Is not yet available as an option to organisations outside of DFID program		Cloud based. Sophisticated SMS and mobile money management and automation	Cloud based, can be remotely operated by multiple workstations, extra Frontline technical support	Paid for service. For payments will work only with Safaricom's M-Pesa but SMS is global	ongoing - FrontlineSMS controlled

Note: Compiled by the Project Director for this evaluation.

Annex 3: Evaluation Methodology Framework

The following comprises the framework for the evaluation, developed at the beginning, which was followed in all major respects.

Overall focus

1. Analysis of Existing Documentation:

    This extracts as much as possible from extensive existing Project documentation, comprising:

    a. Annual reports including the log-frames and the correspondence with TripleLine

    b. Final assessments of each partner (using the scale developed)

    c. The Case Study on the experience in Kenya

    d. Sundry selection of other documents and spreadsheets.

    This involves detailed analysis of documentation through extensive discussions with the team to enable full interpretation of the data available.

2. Verification and Updating.

    This looks specifically at what can be *further verifiedand updated* regarding output and outcome data, as contained especially in the Log-Frame.

    The verification will come primarily from Partners and Beneficiary interviews. It would thus not be statistically comprehensive, but will nevertheless offer further persuasive evidence for instances of the cost savings made by partners; of the increase in SACCO membership numbers; and of the benefits to final clients in terms of their nature and amount.

    Updates on outputs and outcomes will be available from staff by December 18th in aggregate form.

3. Deepening the lessons emerging.

    The lessons are contained mainly in the Case Study and Annual Reports. Beginning from what is already there, what has been learned would be explored in more depth with staff, partners and beneficiaries; and any new areas for learning will be identified.

Field Work

The field work, from December 5th to 11th, will comprise:

Interviews with SIMLab staff and providers: Kelly; Sasha; Laura; Patrick Wanje former programme manager of CLUSA, and Sean McDonald, CEO of FrontlineSMS.

Interviews with Partners: Safe Community CBO; Mombasa SACCO; Transparency International; CWID; Lamu SACCO+Taveta SACCO; Scope/Kash Kilifi and others if possible.

Interviews/ Focus Group Discussions (FGD) with Beneficiaries: Gender balanced group from each partner

The partner and beneficiary FDGs will run back to back, as follows:

- Key Partner staff (1.5 – 2 hours)
- Additional staff interviews as required (1-2 hours)
- FGD with beneficiaries:(max 1 hour)

Stakeholders Questions for Interviews

The following comprise preliminary questions for each of the stakeholder groups.

Questions for Staff & Support

Hardware, Software and Support

1. Was the Project really ready to go in 2014, with PaymentView, or should it have waited for the more stable Payments? Or was part of the Project goal to have trial 'guinea pigs' for PaymentView? How many partners were actually lost over this i.e. gave up implementation?

2. In relation to hardware, the solutions available still seem somewhat ad hoc, and standardised hardware/software combinations that work reliably are not available, either with generically produced standardised components, or as produced by proprietary M-Pesa products. Is this not a severe hurdle to success even now? Does it not suggest that the project is premature and, in retrospect, could never have succeeded in bringing about scalability? How close is that now?

3. Has FrontlineSMS come to a hardware arrangement with Fairphone, as anticipated?

4. Was the software development budget too small, in retrospect? If so, why?

5. Did the spinoff of FrontlineSMS affect the extent and duration of support that you would have hoped to get for this project?

Organisation change management

6. You shifted from a technical/technology approach to organisational change management, but encountered challenges about staff capability, motivation and turnover. In practice how did this change the way you operated? Did you need new skill-sets to do this? More time? Did it involve different/more partner staff?

7. In practice, how much peer communication among partners has resulted from the switch to group training?

8. Has the need to pay out of pocket money (e.g. for M-Pesa, SMS communications etc.), in the hope of long-term benefits, put off many organisations from mobile money?

9. The issue of incentives for partner client's to use M-Pesa instead of cash was big for those who receive incoming payments from clients. What transaction costs for clients were associated with using M-Pesa? Were these addressed? What other incentives were found?

10. How well has the transition gone from M-Pesa to FrontlineSMS with Payments?

11. Were there documented plans in each partner for the transition to mobile money? Did partners prepare these with you?

12. In what ways did trainings and engagement go beyond the initially assumed scope of the project? What type of support was necessary to enable change?

Outputs/ Outcomes

13. *Can we do a full update on in indicators of Outcomes 1-4 and associated outputs*

14. Have you specific evidence for

> a. the membership increase in SACCOs and link to the project?
>
> b. time and cost savings in SACCOs and NGOs?
>
> c. improved financial management?
>
> d. Other specific outcomes for organisations?

15. For which types of organisation have benefits (or difficulties) been greatest, and why? (Mid-sized organisations with direct oversight of both communications and financial operations.)

16. Have you specific evidence of positive outcomes for clients? (Did you do the Focus Group?)

17. In what ways were gender related issues included in the Project?

18. What was the impact in relation to gender, among partners, and especially among clients? What is the evidence?

19. What difficulties has the project come across in collecting data from partners? Were there processes in place at the organisations to track this information? Are there processes in place now?

Value for Money

20. What were the cost-drivers of this project and how did you deal with them?

21. Have you looked at alternative ways to deliver some of your actions, that might saved money?

22. What efforts did you make to keep costs down?

23. For an investment of over ST£200,000 what do you think was delivered of most value? Where is the value-added here?

Learning

24. Overall, do you think that 'organic scalability' of MM is possible for small organisations? If so would it require a high level of ongoing support? Or does it depend on a just few factors (such as the right hardware/software, mix) to be put in place, once off? Or a combination?

25. What about readiness of final users to accept mobile money? What factors influence that? Can the most marginalised use it?

26. If you were to do it again, starting at the same time, what would you do differently?

27. If you to start again in the current circumstances – but entirely different organisations - what would you do?

28. Have you done "assessment benchmarks about potential partners" that would pre-select those likely to succeed?

Sustainability

29. In practice the support for sustainability comprises:

> a. For FrontlineSMS Payment or SMS: Pay for Cloud support US$100 or $25 a month)
> b. Zen Desk run by FrontlineSMS: Is it free and for how long?
> c. Google Info group: Where is this at? How long will SIMLab moderate it? How likely are 'Champions' likely to sustain interest in sharing with others?

30. How are you building the peer support, using Champions or 'Super-Users'?

31. What about hardware issues? Is a 'technology agnostic' software likely to come available?

Schools

32. When you narrowed the schools from 10 to 4, were they all private schools? Are private schools usually used by the better off?

33. Main lessons seem to be about timing (short window), staff and parent resistance turnover and the need for government approval. Where did it work before, and how were these issues overcome (or not operative)? How significant were the documented benefits?

Questions for Partners

Basics:

1. Type of organisation
2. Number of locations
3. Number of staff in each (and gender)
4. Where does financial management takes place (if more than one site)
5. Computer literacy levels among staff
6. Types of financial transactions of the organisation overall
7. Type of client groups: Do they include most marginalised? What is the gender make up?

What were the issues in your organisation participating in the project?

8. What were your first impressions of the system?
9. What did you think of the training? Was it group training?
10. What about the support? Was it adequate? Best thing; worst thing?
11. What were the most difficult challenges implementing the system?
12. If you have a problem could you contact a peer/champion? Have peers contacted you?
13. How essential would you say making payments play in your organisation? Has this had an effect on your motivation to implement a new payment system?
14. Was your training and follow-up visits conducted in English or Swahili? Do you think this had an effect on your level of comfort with the changes?
15. Prior to being introduced to SIMLab, had your organisation ever tried to use mobile money? If so, what products did you use? How was your experience? Did SIMlab's involvement make any of the previous poor experiences easier to manage or less of a burden?

Current level of implementation

16. Which combination of MM services are currently in use (FrontlineSMS with Payments, M-Pesa services: Lipa na M-Pesa; Pay Bill hardware/software; etc.), and for what (e.g. include if you use SAMSUNG SIII for other things)?
17. Have you had difficulty in making a transition from Payment View to Payments?
18. Do you use FrontlineSMS (for SMS alone) and for what?
19. Which financial transactions do not use Mobile Money, and why?
20. How many clients (give gender) use MM with you, for what, and how do you estimate this?
21. Do these clients include the most disadvantaged groups, or are they among the better ones?
22. If you are not using mobile money, or FrontlineSMS, why not?

What has been the impact on your organisation of participation in the project?

23. What have been the specific direct outcomes of MM and of SMS service use, positive and negative? Specific evidence of (amongst others):
    a. time and cost savings in SACCOs and NGOs.

    b. improved financial management?

    c. wider rejuvenation through new practices, skills and perspectives?

    d. membership increase in SACCOs and link to the project.

24. Which users/beneficiaries/members of yours are particularly keen to use mobile money, and why? Which are less likely, and why? At what cost?

25. How difficult was it to get them to use it, and how did you communicate with them about this?

26. What was impact in relation to gender, among partners, and especially among clients? What is the evidence?

27. Why and how did your organisation initially get involved in the project?

28. What have you done to make the use of mobile payments succeed? Has this forced you to go beyond your normal job description?

29. Who in your organisation is most excited by the tools presented by SIMLab (FrontlineSMS and FrontlineSMS with Payments)? What role do they play in your organisation?

30. What has been the most significant change brought upon by your involvement with SIMLab?

Sustainability and Usability

31. Do you intend to keep using this system? Do you intend to improve it?

32. How much support do you think you will need? Where will you get it?

33. Do you feel the system is easy to use? Have you trained others in your organisation on its use?

34. Does the tool work as you expected?

35. Does it decrease human error?

36. Would you be willing to pay for ongoing support (if a Frontline SMS system)?If so, how much?

37. What allowances have you made for staff turnover in this area? Have you the resources to train new people?

38. How would you deal with a hardware problem (e.g. if working with Samsung SIII phones)?

Questions for Clients/Non-partner users

1. How were you first approached about this?

2. What were your first responses and feelings? Did you have concerns and what were they?

3. How was the initial contact followed up? By you? By the organisation?

4. Did you have a choice in move to mobile money? Do you feel your ideas were sought, heard, listened to and acted upon?

5. Have you had, or are you aware of, any benefits since the use of mobile money began?

6. Have there been any negative aspects of mobile money, including ongoing concerns?

7. [As relevant] What transaction costs are associated with using M-Pesa for you as clients? Were these addressed? What other incentives were you given? What communication did you receive about this?

8. [As relevant] Do you feel you have learned any new skills or capabilities as a result of this?

9. Overall, has the introduction of mobile money improved the situation compared to before? How?

Annex 4: List of People Consulted

Details of those consulted in each Case Study partner are provided at the end of each.

SIMLab: Kelly Church, Sasha Githinji, Laura Walker McDonald

FrontlineSMS: Sean McDonald.

Partners: Francis Kairu. Susie Goodall, Christopher O. Juma, Elizabeth Ambayi, Mohammed Hassan, Mwalimu Salim, Yusuf B. Kea, Raymond Jembe, Elizabeth m'Kivumbi, Robert Wainaina, Damaris M. Kiambati, Bebi Salmini, Benjamin Katana, Moses Wanje, Riziki Abdalla, Mwisho Matano, Ali Ibrahim, Faith Kariuki, Jackline Waweru, Fred Thuva, Simon Githingi, Peter Mndwadu, Joseph Mwangi, Masha Kahindi.