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## Mobile Money Snapshot:

### University Research Co., LLC (URC): TB Care II Program

*USAID promotes increased access to and usage of mobile financial services in order to deepen financial inclusion, accelerate broad-based economic growth, and instill transparency into funding flows. These snapshots describe the experiences of USAID- and non-USAID-funded organizations that have begun to replace cash with digital payments so that others can apply their lessons learned to their own transition to digital payments.*

#### Overview

Through USAID's TB Care II program, URC is working in partnership with the government's National Tuberculosis Program (NTP) and local NGOs to reduce the incidence of TB and Multi-Drug Resistant TB (MDR-TB), and to reduce morbidity and mortality due to TB in Bangladesh. The project provides technical support to strengthen NTP's capacity to diagnose and manage TB and MDR-TB. The project also manages a grants program for local NGOs to increase detection and management of TB, as well as to increase community awareness on prevention, transmission, and early diagnosis of and management of TB.

#### Types of Transactions Being Made

URC's TB CARE II project disbursed about BDT 6,691,112 (approximately USD \$89,214) using mobile money to 738 MDR-TB patients and 312 MDR-TB DOT providers from November 2013 to April 2014. Providing financial incentives to TB patients encourages them to continue the 24-month long treatment and buy nutritious food during the treatment period. The MDR-TB DOT providers receive financial incentives to cover mobile phone costs and transportation costs associated with daily visits to patients' homes. Each MDR-TB patient receives BDT 1,500 (approximately USD \$20) per month as an incentive to cover travel costs to continue the treatment. MDR-TB DOT providers each receive BDT 1,800 (approximately USD \$24) per month for travel costs, their mobile bill and as an incentive to ensure that their patients are taking medicines regularly and on time. In most cases, the money received is cashed out from agents, although some beneficiaries also transfer funds to their family and friends.

#### URC's Journey to Mobile Money

The project adopted mobile money in November 2013 in order to speed up their fund disbursement process. Prior to transitioning to mobile money, their fund disbursement process took about a month. This process has now been reduced to a maximum of three days. Before making the transition, URC spoke with bKash and DBBL—Bangladesh's two largest mobile financial service providers—to understand if mobile money would be the best fit for their operations. After conducting an internal cost-benefit analysis, they decided to use DBBL. With the help of DBBL staff, mobile money accounts were opened for all of the TB patients and DOT providers that have mobile phones or a SIM card. Individuals who did not have a SIM card were requested to purchase one to receive payments. To date, all of the individuals who needed to buy their own SIM card in order to receive payment did so without any hesitation, although this may not be the case in all circumstances.

#### Major Challenges Faced by URC with Mobile Money

The project was not able to fully transition all of their operational expenses to mobile money because, in some cases, it is not an accepted form of payment (such as for patient investigation and hospital charges). In those



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instances, they still have to use cash. URC's Finance & Administrative Manager noted that they are trying to change this by advocating with the hospitals and diagnostic points to accept payments through mobile money, although to date they have not been successful. In addition to this, the project initially faced resistance from their field-level staff to use mobile money. Over time, and with the aid of internal trainings conducted by URC's finance team and by DBBL during the opening of mobile money accounts, this resistance faded and staff are more motivated to use mobile money. A few challenges, however, remain on the service provider side. For instance, receiving fund transfer statements from DBBL is irregular, which hinders the efficacy of the documentation process. In addition, the fund transfer notifications sent via SMS are sometimes not received by the beneficiary, which creates confusion for both URC and the beneficiary. URC's finance team is currently working with DBBL to regularize the disbursement of e-statements and ensure that confirmation SMS are sent with the fund transfer.

### Major Benefits of Mobile Money for URC

The key benefit for URC in transitioning to mobile money from cash is the timely disbursement of funds from Standard Chartered Bank (SCB) to DBBL mother account and then to their beneficiaries. A second benefit of adopting mobile money for fund disbursement is that complaints of not receiving funds, misuse of funds, and the existence of ghost patients have significantly reduced. The Finance & Administrative Manager commented “[n]ow we can track which patient is receiving the money and the exact time and if we have any confusion we can easily cross-verify,” underscoring the confidence URC's finance team has in using mobile money.

### Key Takeaways from URC's Experience

URC's experience of moving from cash to mobile payments demonstrates that the process does not need to be extremely complicated if an organization intends and is committed to the transition. Given that mobile money is a relatively new concept in Bangladesh, there will likely be resistance from some staff and beneficiaries; however, as URC's experience demonstrates, awareness raising and training play a key role in making the transition possible. While all of URC's beneficiaries that didn't have mobile phones were willing and able to purchase SIM cards, it is worth noting that this may not always be the case. Prior to transitioning to mobile money, it is imperative to learn whether your beneficiaries already have mobile phones, and if not, if they would be willing and able to buy their own SIM cards. If they are not, you will need to make arrangements to provide SIM cards accordingly, or continue offering cash as an option for some beneficiaries.

#### DISCLAIMER

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