



MEDIA INQUIRIES

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UNCDF AND SINGAPORE-BASED FINTECH “LUCY” JOIN FORCES TO EXPAND FINANCIAL INCLUSION AMONG FOREIGN DOMESTIC WORKERS

Partnership will offer digital remittances and remittance-linked products, digital literacy skills-building to “overlooked, underestimated, and underbanked” women migrants

MONDAY 2 AUGUST 2021 (NEW YORK AND SINGAPORE). [The United Nations Capital Development Fund \(UNCDF\)](#) and Lucy, a Singapore-based fintech, today announced a new partnership to expand digital financial services among the foreign domestic workers, or FDWs, who come from across Asia to work in Singapore.

The UNCDF/Lucy programme, which aims to reach no fewer than 5,000 FDWs by June 2022, will focus on workers from Myanmar, Indonesia, and the Philippines, offering financial services, digital and financial literacy skills-building, and digital remittances. Products and services will be offered in Burmese, Bahasa Indonesia, and Tagalog, and 100 percent of the programme participants—like the vast majority of FDWs both in Singapore and around the world—will be women.

Part of UNCDF’s [migration and remittances global programme](#), the Lucy partnership aligns with that programme’s overarching goal of using remittances as the gateway product to a broader suite of financial services that can build financial resilience, both for migrants themselves and for their loved ones back home. There are currently an estimated 250,000 FDWs in Singapore, who typically live in their employer’s residence and earn between USD 350 and 600 per month for cooking, cleaning, childcare, and other domestic duties.

Although Singapore-based FDWs collectively remitted more than USD 931 million in 2019, an estimated 60 percent of such workers return home each year with no accumulated savings, an unfortunate and avoidable outcome driven by lack of practical access to savings accounts (or other financial products) and by limited financial management and knowledge.

The UNCDF/Lucy partnership will combine financial literacy tools with the Lucy app which will support cheap and convenient digital remittances (via an agreement with the fintech-as-a-service platform Rapyd), as well as savings, debit cards, and other financial products tailored to FDWs’ needs. Crucially, the partnership will also collaborate with the FDWs’ employers to encourage them to pay the FDWs’ salaries and wages digitally via the app, as part of the effort

to eliminate the inconvenience and riskiness of cash entirely from the equation. The goal of the fully digitally integrated Lucy app is to provide the FDW not only with cost-effective and convenient remittances but a suite of financially empowering and resilience-building tools. Ultimately, they will have more control over how and where the money they earn gets sent and will be able to save in a structured way towards their goals.

"All over Asia, foreign domestic workers are not only contributing to the smooth functioning of their employers' households, but they are also in many cases the primary breadwinners for their families back home," said Amil Aneja, UNCDF lead specialist, migration, and remittances. *"Through this partnership with Lucy, we look forward to encouraging thousands of Singapore-based women FDWs to see themselves not only as contributors to the financial lives of others, but as the architects of their own—and building their capacity to plan and achieve their goals."*

The Lucy team, headed by veterans of the finance and tech sectors in Asia, is kicking off the project with detailed market research to ensure that all products, services, training, and marketing respond to user priorities and incorporate human-centred design principles. From there they will pursue customer onboarding and financial literacy training, and roll out the Lucy app. They are also in negotiations with additional partners in the receiving countries so that the FDWs' families can receive and use remittances conveniently and in ways that advance their financial goals and resilience.

"Foreign domestic workers have left home and family behind in search of a better future," said Debbie Watkins, CEO, and co-founder of Lucy. *"They aim to build up savings; support their families; and eventually to return home and establish their own small business. UNCDF's support will be of significant benefit to Lucy in giving these entrepreneurial women more control over their own financial future."*

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ABOUT LUCY

Founded in November 2019, Lucy is a financial services technology company that empowers often overlooked and underbanked women in Singapore and across Asia. Lucy's focus is on adding value to women's lives and businesses through creative use of technology and data, and on providing them with tailored and responsive financial services. Lucy's financial technology platform was built to help women who are overlooked, underestimated, and underbanked become unstoppable by levelling the financial playing field. Lucy brings together a community of women and provides them with the financial services and support they want to find, run, and grow their businesses.

Lucy's multi-dimensional and holistic approach is as much about community support and women inspiring women as it is about access to financial services for female entrepreneurs. The strategy is to keep a laser focus on the customer through on-the-ground experience and data analytics. Lucy combines cutting edge technologies, such as artificial intelligence and alternative source credit scoring, with a clean and intuitive user experience to effectively support women with tailored and easy-to-use services at every stage of their personal and business growth.

ABOUT UNCDF

UNCDF makes public and private finance work for the poor in the world's 46 least developed countries (LDCs). With its capital mandate and instruments, UNCDF offers 'last mile' finance models that unlock public and private resources, especially at the domestic level, to reduce poverty and support local economic development.

UNCDF's financing models work through two channels: financial inclusion that expands the opportunities for individuals, households and small businesses to participate in the local economy, providing them with the tools they need to climb out of poverty and manage their financial lives; and localized investments—fiscal decentralization, innovative municipal finance and structured project finance—that drive the public and private funding that underpins local economic expansion and sustainable development.

By strengthening how finance works for LDCs at the household, small enterprise, and local infrastructure levels, UNCDF contributes to Sustainable Development Goal (SDG) 1 on the eradication of poverty and SDG 17 on the means of implementation. By identifying those market segments in which innovative finance models can have a transformational impact in reaching the last mile while addressing exclusion and access inequalities, UNCDF contributes to a number of different SDGs.