

A photograph of a woman with dark hair tied back, wearing a blue denim shirt, smiling as she looks at a smartphone. The image is overlaid with a large, semi-transparent geometric pattern of intersecting lines forming a grid-like structure. In the background, a blurred interior scene with a table and chairs is visible.

**Mahindra**  
COMVIVA

**VRITTI**

Edition 11 | October 2018

THE FINANCIAL INCLUSION SERIES

1

## **The Quadrennial Quandary**

Mobile Financial Inclusion is on an  
Upswing but Women Still Face  
Connectivity Challenges

2

## **Global Findex**

Leveraging Mobile Money:  
From Bill to Government Payments

3

## **Financial Inclusion In India**

Crossing The Chasm

4

## **Leading the Pack Financial Inclusion**

In Sub-Saharan Africa  
Continues to Surge

5

## **IN THE MEDIA**

Interviews and Articles  
Awards  
Analyst Mentions  
Press Releases  
Blogs

# Blurb

Dear Readers,

The Global Findex Database 2017 is out! This exhaustive database released by World Bank after every three years gives us a comprehensive picture of how far we have succeeded in extending the access of financial services to all. It gives invaluable insight on how adults in over 140 economies access financial accounts, save, borrow and make payments.

This year's Global Findex reveals that financial inclusion grew by 18 percentage points, from 51 per cent in 2011 to 69 per cent in 2017. On the other hand, however, certain aspects, such as the gender gap in financial access have remained constant at 7 per cent since 2011. It also focuses on the transformative role which digital payments especially mobile money is playing in expanding access and use of account in regions such as Sub-Saharan Africa.

There is lot to explore in the comprehensive Global Findex Database and Report. We choose, instead, to offer our readers the highlights through a series of four articles in this special edition of Vriti – the financial inclusion series. In the first article, we capture the key trends in financial inclusion worldwide. In the second article, we focus on how mobile money is enhancing financial access and usage, ranging from remittances to government payments. The last two articles put the spotlight on regional financial inclusion trends in India and Sub-Saharan Africa.

I hope you like reading these articles, as much as we loved creating them.

Happy Reading!

**Srinivas Nidugondi**

SVP and Head of Mobile Financial Solutions  
at Mahindra Comviva

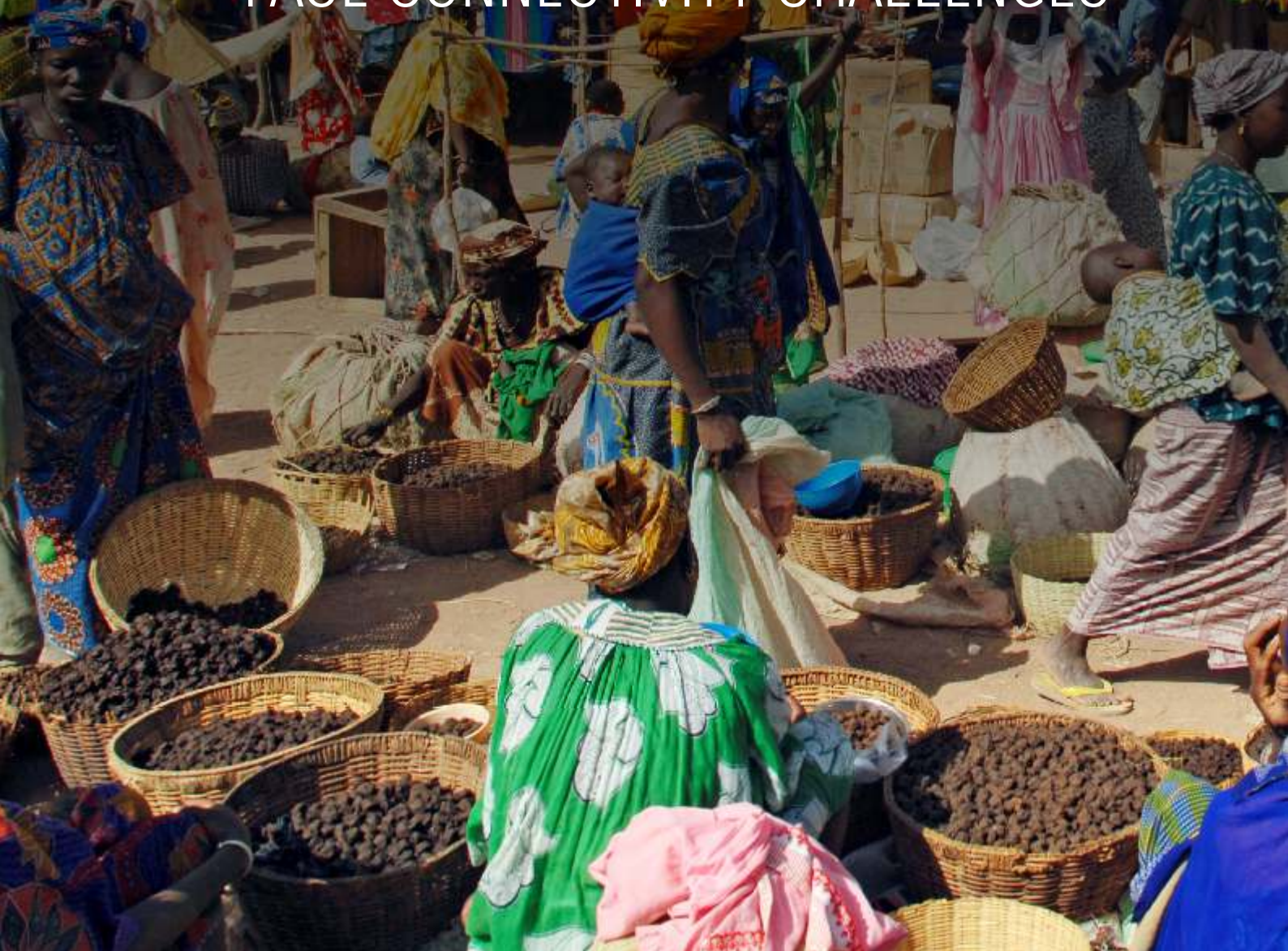
THE FINANCIAL INCLUSION SERIES

ARTICLE 01



# THE QUADRENNIAL QUANDARY

MOBILE FINANCIAL INCLUSION IS  
ON AN UPSWING BUT WOMEN STILL  
FACE CONNECTIVITY CHALLENGES





— Srinivas Nidugondi

The latest edition of the Global Financial Inclusion (Global Findex) database has been jointly released by The World Bank Group and Gallup. Like its predecessors in 2011 and 2014 respectively, the data set offers a multi-faceted view of how far along global efforts to expand access to financial services have come and how they are likely to shape up.

As always, the key findings garnered from this dataset are collated into a comprehensive report, The Global Findex Database 2017: Measuring Financial Inclusion and the Fintech Revolution. In brief, the report outlines how adults in over 140 economies access accounts, make payments, save, borrow and manage risk. Interestingly (and as expected), each economy has its own set of successes, challenges and opportunities when it comes to financial inclusion. Consequently, the report, overall, offers mixed results from the past three years. For example, while, on one hand, the global share of adults owning an account currently stands at 69% (a seven percentage point leap from 2014), women

(as a customer group) still lag behind men in terms of financial inclusion. As per the report, globally, a mere 65% of women have an account, compared to 72% of men. A seven percentage point gap, no doubt, but, unfortunately, one that has remained static since 2011.

Overall, of course, there is no doubt that financial inclusion has made significant inroads globally. Going forward, the report highlights that the continuous involvement of businesses will be vital for unlocking opportunities to enhance financial inclusion.

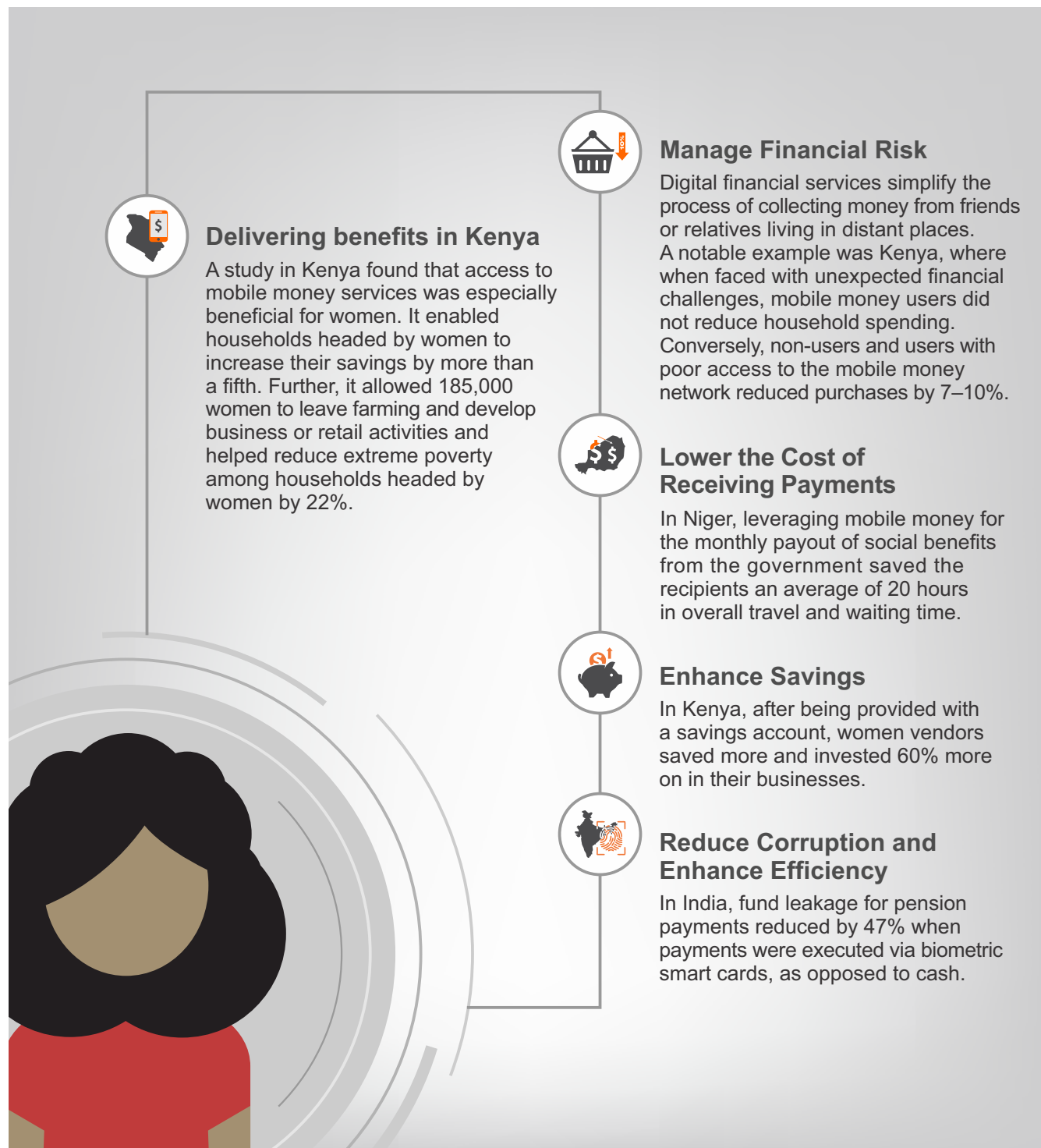
This first article in the Financial inclusion series brings key excerpts from the report.

# Financial Inclusion is a Vital Facilitator of Global Development

As per multiple research reports, there is an unmissable link between financial inclusion

and global development. More succinctly, the increased use of digital financial services, such as mobile money services, payment cards, et all, offers opportunities to manage financial risk, lower the cost of receiving payments, reduce poverty and enhance savings, especially for women.

## Examples of Financial Inclusion-Fuelled Development



## Account Ownership on an Upswing

69% of adults now hold an account at a financial institution or via a mobile money provider. This is compared to 62% in 2014 and 51% in 2011.

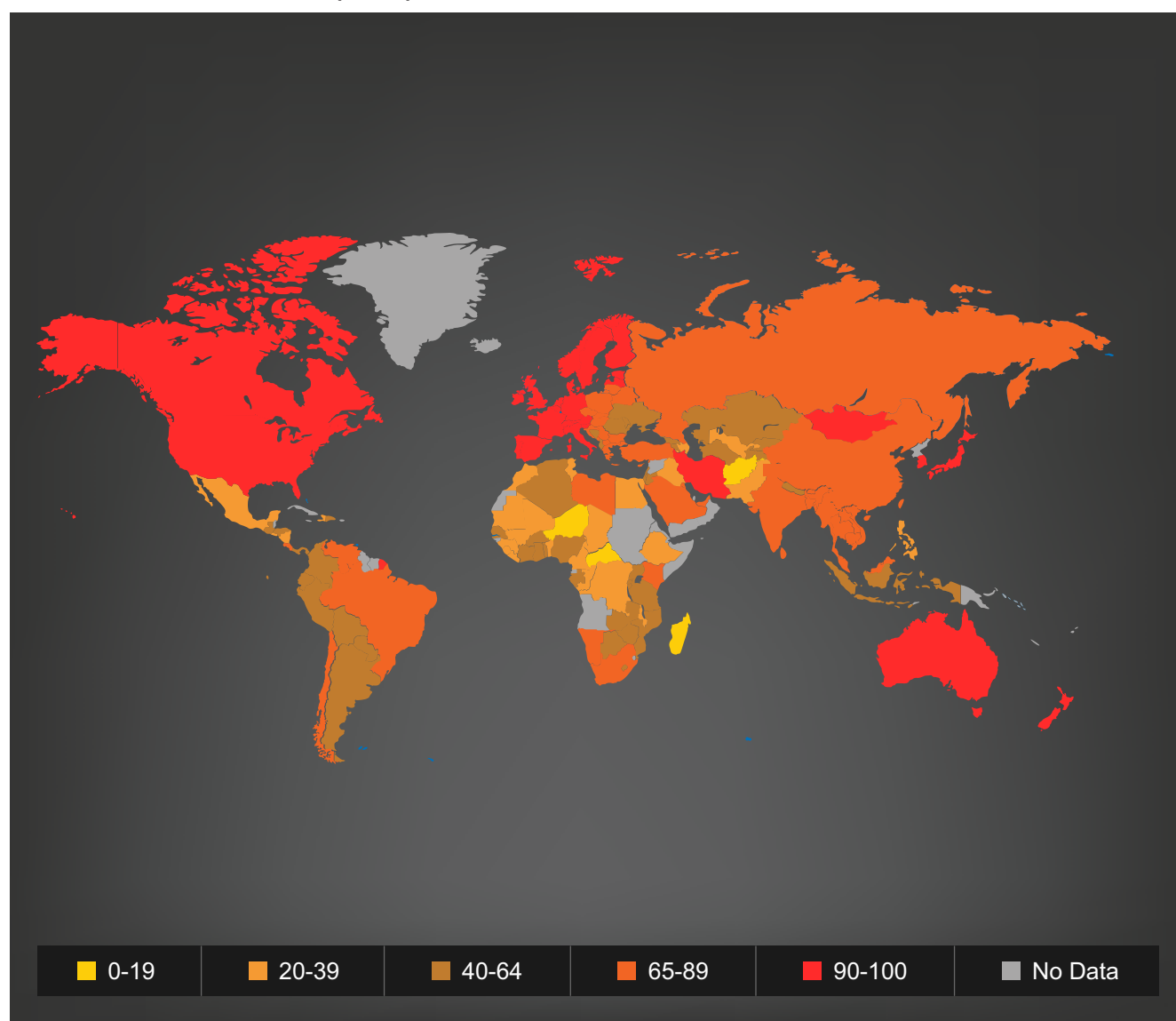
Account ownership is nearly universal in high-income countries, with 94% of adults holding an account. In comparison, 63% of adults hold accounts in developing economies.

Unsurprisingly, Africa continues to be mobile money's biggest success story. 21% of adults hold a mobile money account. Within this

group, nearly half have only a mobile money account, while the other half held an account in a financial institution as well.

An interesting trend witnessed in developing economies is that while account ownership is on the rise, women have, more often than not, been excluded. For example, in Pakistan, account ownership has doubled since 2011 (10% was the initial user base). However, this number has increased only amongst men, while it stagnated amongst women. In Ethiopia, account ownership has increased by 18 percentage points among men since 2014, roughly twice the size of the increase among women.

### Adults with an Account (2017)

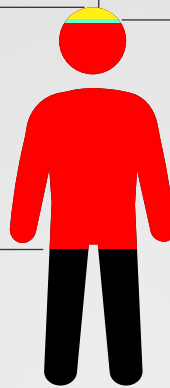


Source: Global Findex database

## Where the accounts are held

A vast majority of customers globally prefer financial institutions to store their money

**64%**



**1%**

uses mobile money only

**3%**

have opted for both, a financial institution as well as a mobile money account

## How Developing Economies Stack Up

Overall, the growth in account ownership has been very uneven in these countries.



India



The share of adults with an account has more than doubled since 2011, to

**80%**



This was driven by a 2014 Government policy to boost account ownership among unbanked adults through biometric identification cards



As a result, between 2014 and 2017, account ownership in India rose by more than

**30%**

among women and as adults in the poorest 40% of households



Among men and among adults in the wealthiest 60% of households, it increased by about

**20%**



Sub-Saharan Africa

Sub-Saharan Africa leads the way in mobile money

Overall, the number of adults with an account at a financial institution increased by

**4%**

The share with a mobile money account has grown approximately twice as fast-by

**9%**

Country-wise, Kenya is atop the pecking order, with a staggering

**73%**

of adults holding an account. This figure is pegged at

**50%**

in Uganda and Zimbabwe

In 10 African economies, the number of mobile money account surpasses the number at financial institutions



Indonesia

Indonesia also saw equitable growth in account ownership among men and women

The overall share of adults with an account increased from 20% in 2011 to

**49%**

in 2017



Turkey

The share has increased to

**16%**

of the population



Chile, the Islamic Republic of Iran, Mongolia

The share of mobile money accounts has increased from single digits to approximately

**20%**

or more



Brazil

Malaysia



China

South Africa

Account ownership stands at approximately

**70%**

This figure has, interestingly, remained static since 2014



Paraguay

The share of mobile money accounts is

**29%**



Bangladesh

The share has jumped from 3% in 2014 to

**21%**

in 2017

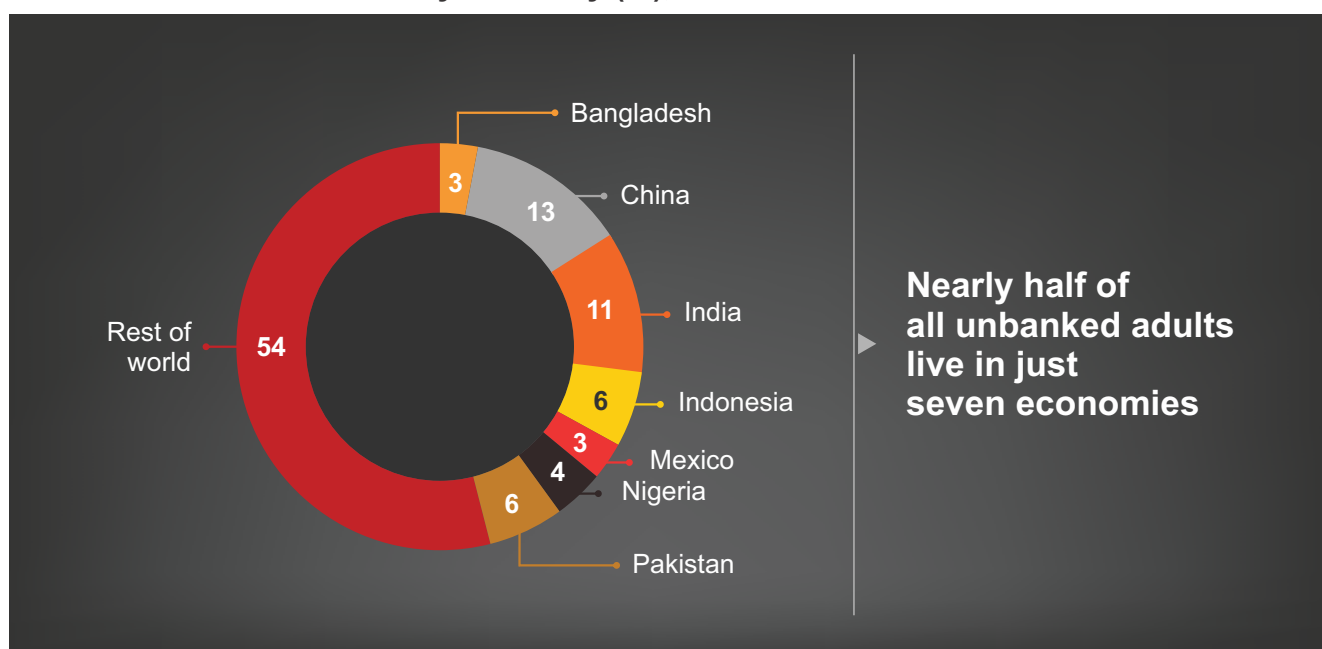
## So, Who Remains Unbanked?

Globally, the figure stands at 1.7 billion adults. This number entails all individuals who neither have an account at a financial institution, nor with a mobile money provider.

The second part of this argument is that since account ownership is almost universal in

high-income economies, the unbanked individuals all hail from developing countries. In fact, nearly half live in just seven developing economies; Bangladesh, China, India, Indonesia, Mexico, Nigeria, and Pakistan. To put it in perspective, while both claim relatively high levels of account ownership, both China and India are atop the pecking order in this context.

### Adults without an account by economy (%), 2017

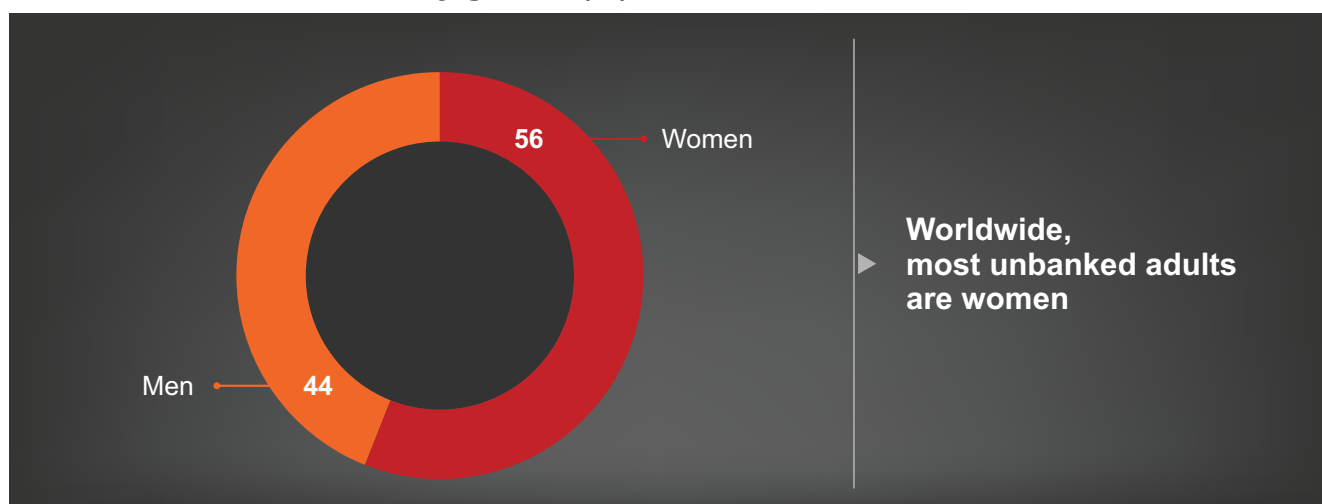


Source: Global Findex database

Also, women constitute a majority of unbanked adults-980 million or 56%. Women are overrepresented amongst the unbanked in economies where only a small share of

adults are unbanked, such as China and India, as well as in those where half or more are, such as Bangladesh and Colombia.

### Adults without an account by gender (%), 2017

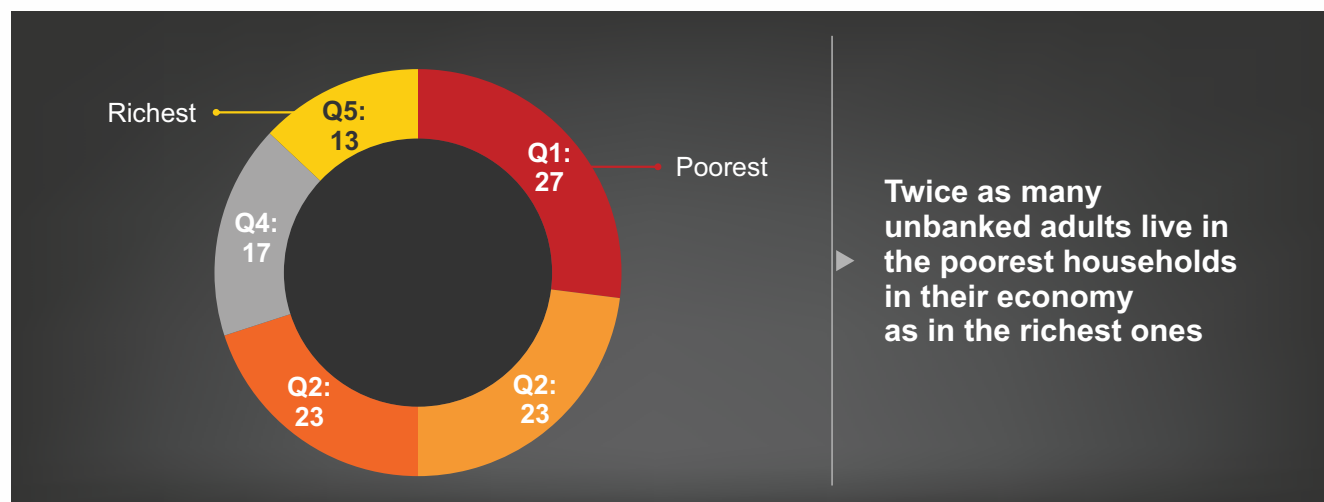


Source: Global Findex database

Lastly, the poorer sections of a country's population also account for a disproportionate share of the unbanked. Globally, half of the world's unbanked adults come from the poorest 40% of households within their economy. The other half hail from the richest 60%. However, even this pattern varies amongst

economies. In those where half or more of adults are unbanked, the unbanked are as likely to come from a poorer household as from a wealthier one. In economies where only about 20–30% of adults are unbanked, however, the unbanked are much more likely to be poor.

### Adults without an account by within-economy income quintile (%), 2017



Source: Global Findex database.

### Adults without an account by within-economy income quintile (%), 2017

#### China

Owing to its size, the country has 225 million unbanked adults.

#### India

The country houses 190 million unbanked adults.

#### Pakistan

The country has over 100 million unbanked individuals.

#### Indonesia

The country has 95 million unbanked individuals.

#### Nigeria, Mexico and Bangladesh

All three countries have a significant chunk of unbanked individuals.

#### Where Women stand

##### Kenya

Two-thirds of the unbanked population constitutes women.

##### Bangladesh

65% of unbanked adults are women.

##### Colombia

56% of unbanked individuals are women.

#### The Economic Divide

##### China

65% of the unbanked population belongs to the poorest 40% of households.

##### Brazil

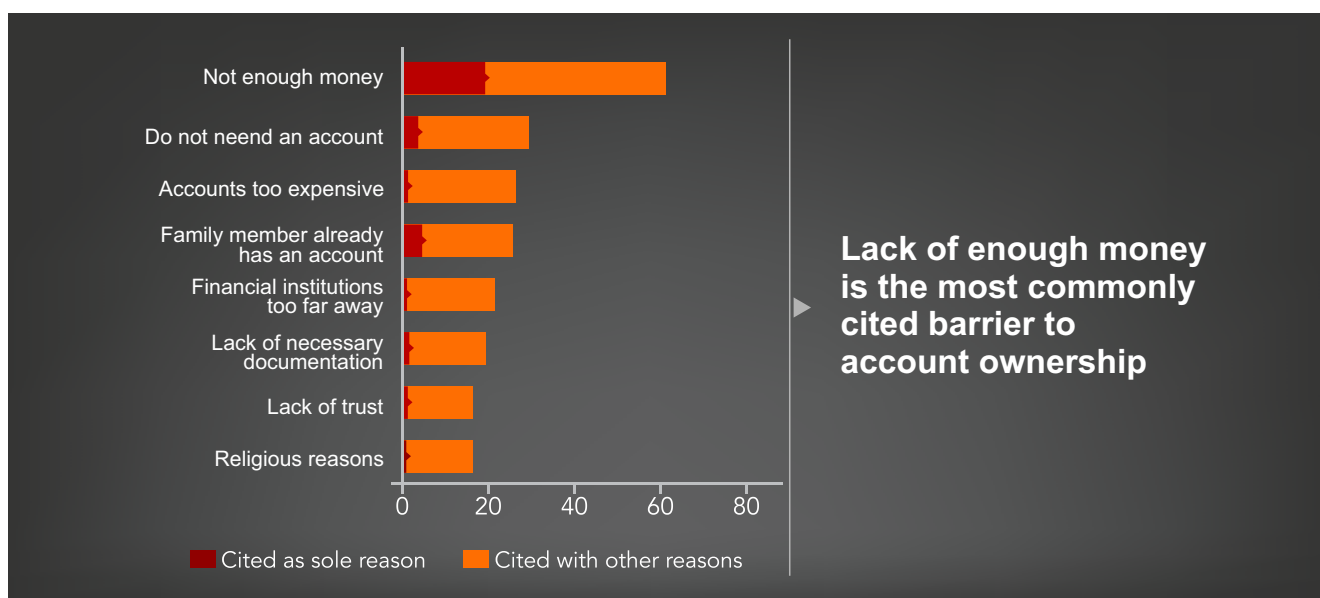
58% of the unbanked belong to the poorest 40% of households.

## Why Are Certain Sections Unbanked?

Despite global growth, there still remains a large chunk of the global population which falls through the cracks. This gap is attributed to several factors, ranging from lack of sufficient funds to even religion. For instance, two-thirds of adults without an account at a financial institution cited the absence of adequate funds. Meanwhile, 30% of adults said that there is no requirement for such instruments.

Cost is another important barrier, cited by 26% of unbanked adults. Interestingly, 26% do not have an account as they rely on another family member who does. This, needless to say, has been cited more often by women than men. Distance is another factor for 22% of adults surveyed. Meanwhile, 20% of adults cited the vast documentation required to open an account as a barrier, while 16% don't hold any stock in existing financial systems at all. Interestingly, religion also plays a role, as per 6% of unbanked adults surveyed.

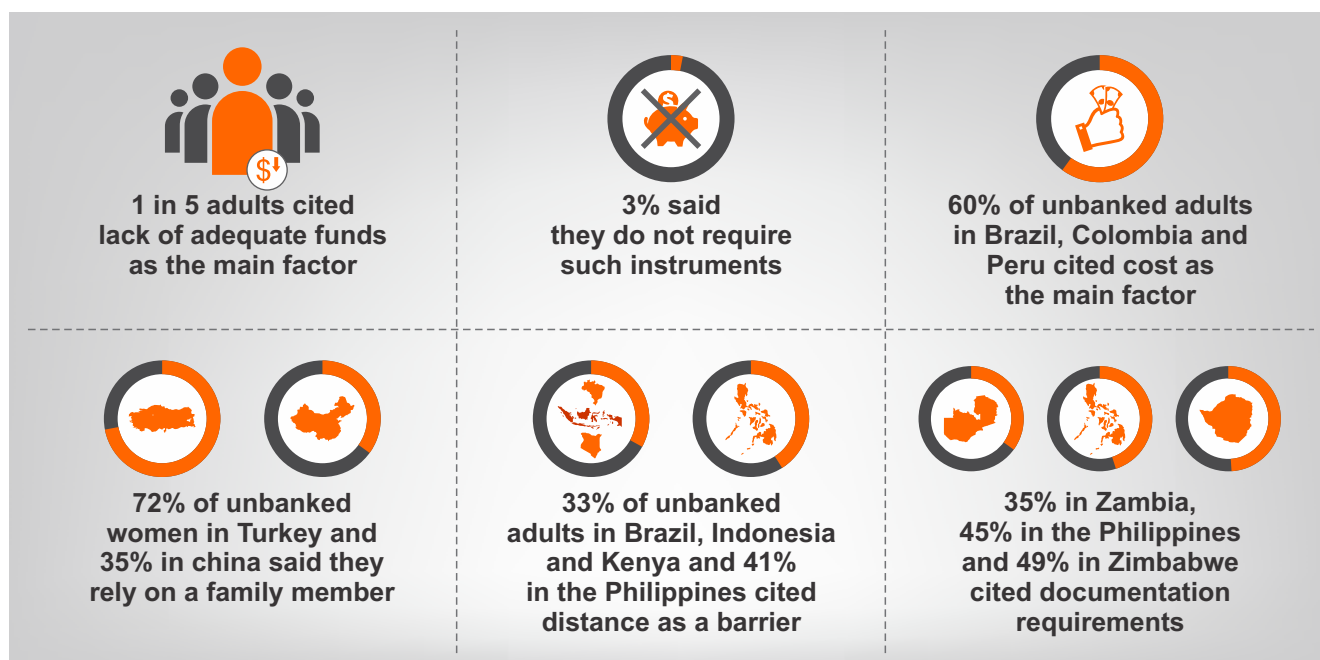
### Adults without an account by within-economy income quintile (%), 2017



Source: Global Findex database

Note: Respondents could choose more than one reason.

### Adults without an account by within-economy income quintile (%), 2017



## Women and Mobile Money

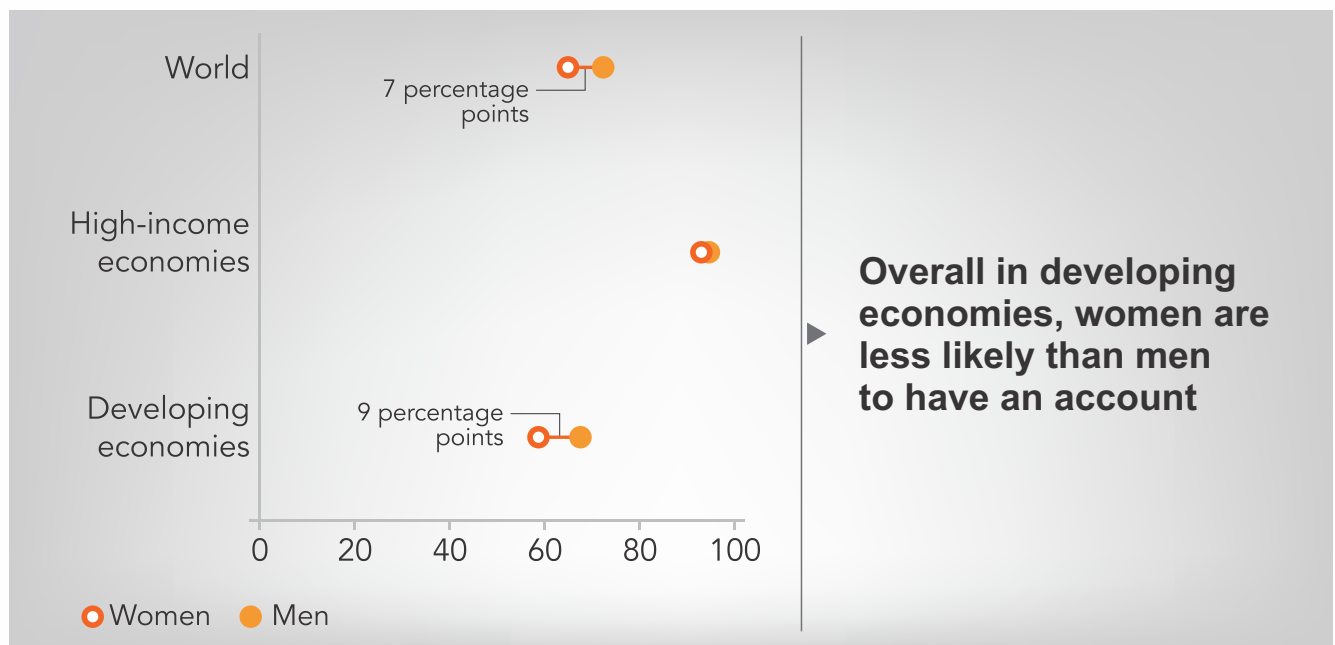
Significant growth notwithstanding, disparity in account ownership still exists. Globally, women are still less likely to have access to an account, compared to men. 72% of men, as against 65% of women have an account, a gender gap of 7 percentage points.

Interestingly, the situation has more or less remained static since between 2011 and 2014, at 7 percentage points. Another notable development is that certain economies that

did not have a gender gap in 2014 still don't (on an average) but, the converse is also true. Here's the catch, though, Burkina Faso and Ethiopia are two exceptions to this rule. While both didn't have a gender gap in 2014, the situation has now changed. This is primarily owing to the increase in the number of accounts in these countries-more amongst men than women, needless to say.

In developing economies, 67% of men have access to an account, compared to 59% of women.

### Adults with an account (%), 2017

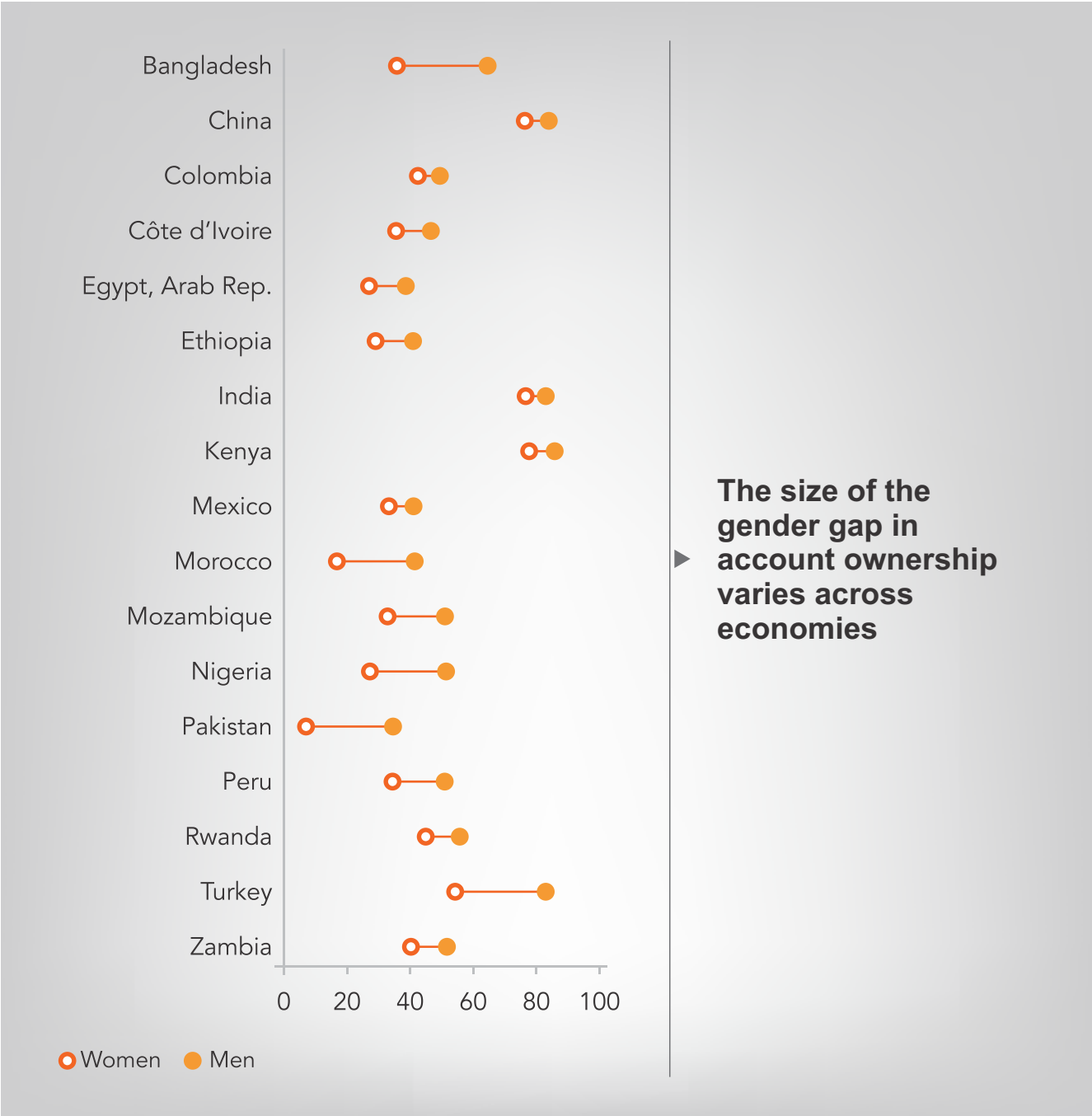


Source: Global Findex database.

On the other hand, there is no discernible difference in high-income economies, on an

average. However, a few economies are an exception to this rule.





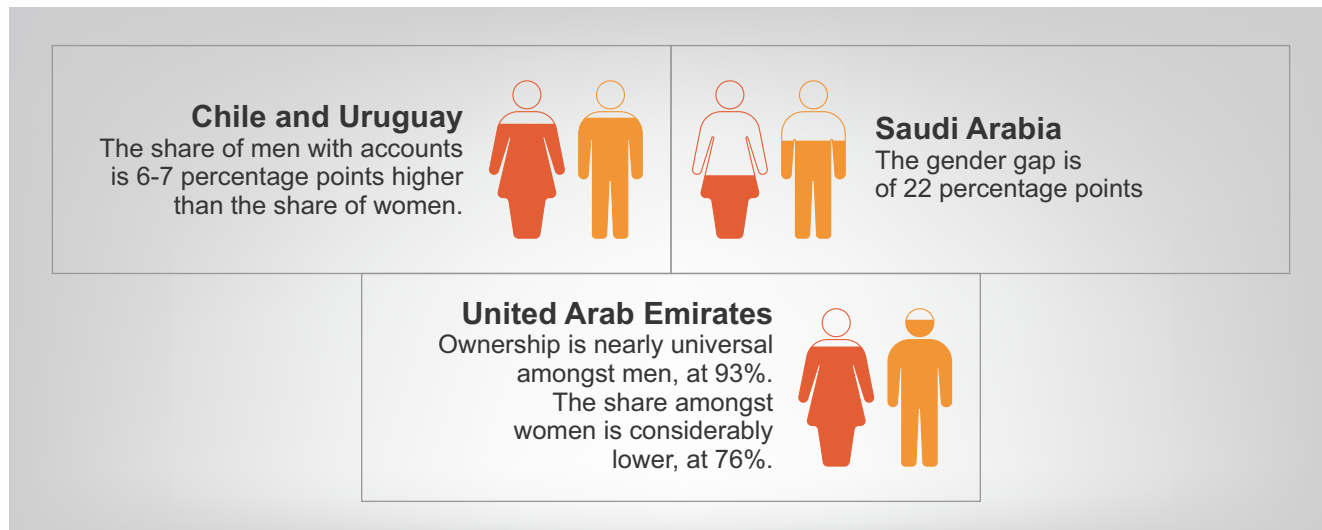
Source: Global Findex database



## The Gender Disparity Score in Developing Economies



## Gender Disparity in High-Income Economies



All in all, while the global digital payments divide is being bridged (albeit slowly), the

gender divide is still a very real challenge. Industry stakeholders, are you listening?

Source: Global Findex Database and Full Report

**About the author: Srinivas Nidugondi** has over 20 years of experience in various industries including financial services, payments and commerce in a variety of business and product related roles and most recently with a specific focus on enabling banking, payments and related services through digital channels. At Mahindra Comviva he heads the Mobile Financial Solutions business unit, which currently has over 130 deployments globally, providing services for more than one billion consumers.



THE FINANCIAL INCLUSION SERIES

ARTICLE 02

# GLOBAL FINDEX

## Leveraging Mobile Money: From Bill to Government Payments





— Vamsi Madhav

The success of mobile money cannot be measured merely by examining service uptake. An equally vital factor is how the service is leveraged and which use cases have come to the fore (or not) and why. The second article in the Financial Inclusion series offers a perspective in this direction.

Key takeaways include...

## How Mobile Money is Utilized

As expected, mobile money is largely being utilized for first generation transactions, such as bill payments, remittances and receiving wages or payments from the government. The latest edition of the Global Financial Inclusion (Global Findex) database has classified these payments into five broad categories namely:

**Payments from government to people**  
(public sector wages, public sector pensions, and government transfers)

**Payments from businesses to people**  
(private sector wages)

**Other payments for work**  
(payments for the sale of agricultural products and payments from self-employment)

**Payments from people to businesses**  
(utility payments)

**Payments between people**  
(domestic remittances, both those sent and those received).

Breaking it down further, across the world, nearly a quarter of adults receive payments from the government. Globally, 28% of adults working in the private sector receive their wages through this medium. In addition, a significant proportion of adults receive payment for the sale of agricultural products through mobile money. Sending or receiving money also remains a priority for customers, especially in Sub-Saharan Africa. Half of the adult population in the region utilizes remittances, which is clearly no mean number.

Utility payments, too, account for a significant share. Globally, 57% of adults have made regular payments for water, electricity, et all.

# The Many Use-Cases of Mobile Money

## 1. Government Payments

**High-income economies:** 23% of adults receive government payments.

**Norway and Sweden:** Up to 25% of adults receive these payments.

**Developing Economies:** The number varies in developing economies, ranging between less than 5% to as high as 64% (in the Islamic Republic of Iran).

**Brazil, Indonesia, the Philippines and South Africa:** 20% of adults reported receiving these payments.

**Europe and Central Asia** have a high proportion of adults receiving government payments.

**Russia:** 12% of adults in Russia avail of these payments.

**Belarus:** 20% have been reported in Belarus.

## Patterns of Government Payments

**Developing Economies:** 4% received government payments over a year. Broken down, this constituted public sector pensions (7%) and government transfers (12%).

**High-Income Economies:** Public sector wages accounted for 11%, public sector pensions made up 18% and government transfers made up 23%.

## 2. Payments for Work

Overall, 28% of adults receive private sector wages through this medium.

**High-Income Economies:** 46% belong to high-income economies. These customers receive the payment in their accounts.

Women were moderately less likely to receive such wages than men. Both are equally likely to receive it in their accounts.

**Developing Economies:** 24% hail from developing ones. Only about half receive the payment in their accounts.

Women are half as likely as men to receive private sector wages, but, equally likely to receive the funds in their accounts.

**Upper-Middle Economies:** Between 60% and 70% of customers in Brazil, China, Russia and South Africa receive the payments in their accounts.

Customers in Mexico, on the other hand, are equally likely to receive these payments in either cash or in their accounts.

**Lower-Middle Income Economies:** In Kenya, a large share of these payments is received in the customer's accounts.

In the Arab Republic of Egypt, India, Indonesia, Ethiopia and Nigeria, most customers reported being paid in cash.

## 3. Payments for Agricultural Products

**Developing Economies:** This applies to 15% of customers in developing economies. Interestingly, 40% hail from in Ghana, Kenya, and Zambia.

Most transactions were cash-based, while one in five reported receiving them in their accounts. A notable exception to this are Ghana, Kenya and Zambia, where 40% of recipients received the money in their accounts, which are largely, mobile money-based.

## 4. Utility Payments

**High-Income Economies:** 77% of customers make such payments directly from their accounts.

**Developing Economies:** 53% of customers paid for utilities, via either cash or directly from an account.

## 5. The focus on Remittances

**Developing Economies:** 27% of adults utilize domestic remittance services.

**The Sub-Saharan Africa Story:** 45% of the population leverages this service. This was especially true of Gabon, Ghana, Kenya, Namibia and Uganda.

The Dominican Republic, Mongolia, the Philippines and Thailand

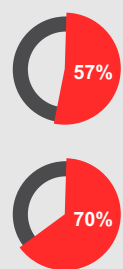
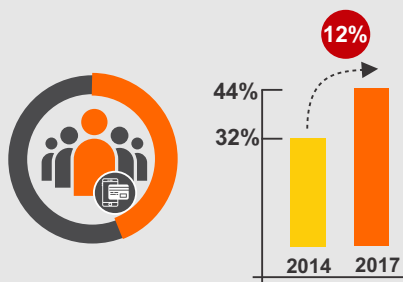
The share of domestic remittances exceeds 40%.

# How Accounts are utilized for Digital Payments

Digital payments are, without a doubt, on the rise. Between 2014 and 2017, the number of adults making or receiving digital payments increased by **11% points**, from **41%** to **52%**

## The Digital Payments Story

### Developing Economies



**44%** of adults make digital payments.

Between 2014 and 2017, the share of digital payments **increased by 12% points**, from **32%** to **44%** among all adults.

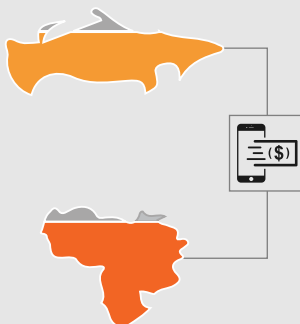
The share increased from **57%** to **70%** amongst account holders.

### Kenya



The use of digital payments is nearly universal amongst account holders at **97%**

### Russia and Venezuela



**Russian Federation** and **República Bolivariana de Venezuela**. The share of account owners using digital payments is similarly high.

### China



The figure stands at **85%**

### Ethiopia and India



Only about **a third** of account owners reported making or receiving at least one digital payment in the past **12 months**.



### High-Income Economies

**91%** of adults leverage digital payments. Overall, the use of digital payments has remained universal since 2014.



### Women and Digital Payments

In developing economies, men, on an average are **5% points** more likely to than women to make digital payments. **72%** of male account owners leverage digital payments, compared to **67%** of female account holders.

While there is little doubt that mobile money usage has witnessed several changes, there are still many miles to go. The report states that this can be achieved in two key ways, namely continued involvement of businesses and active participation by the private sector,

developmental organizations and the government. While this certainly has its own share of challenges, the opportunities, too are numerous. The catch is to hone in on the right opportunity at the right time.

---

Source: Global Findex Database and Full Report



**About the author: Vamsi Madhav** is a seasoned professional in software product management with keen interest in mobile financial solutions. He has over 19 years of work experience spanning over complete innovation lifecycle, from ideation to launch, for complex enterprise-wide software. At Mahindra Comviva he is a Vice President heading Product Management and Product Marketing for Mobile Financial Solutions. He has been instrumental in extending the reach of company's flagship products mobiquity® and establishing its as the largest mobile money platform in the world.



THE FINANCIAL INCLUSION SERIES

ARTICLE 03

# FINANCIAL INCLUSION IN INDIA CROSSING THE CHASM

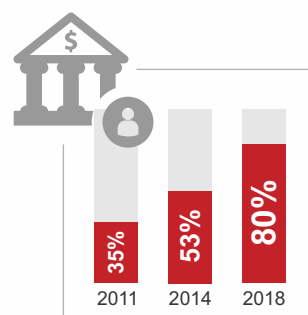




— Mohit Bhargava

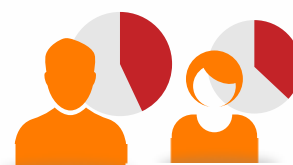
Over the last few years, India has made significant strides in terms of financial inclusion. As per the World Bank's Global Findex Database, that is. However, there remain multiple areas of concern, including high rates of account inactivity and negligible use of digital payments. This article analyzes the recently released Global Findex data to chart the progress India has made in financial inclusion and the challenges to be addressed in the future.

The last few years India has witnessed significant progress on the financial inclusion front. According to the World Bank's Global Findex database, **80%** adults in India have a financial account now, up from **53%** in 2014 and **35%** in 2011.



The most impressive part of this growth is that an increasing number of women and the economically vulnerable have opened account at financial institutions. **77%** female adults have an account, compared to **43%** in 2014 and **26%** in 2011.

The gender gap in account ownership has reduced drastically. In 2014, men were **20 percentage** points more likely than women to have a financial account. That gap has now shrunk to **6 percentage** points, which is less than the global gap of 7 percentage points.



Similarly, account ownership amongst the economically vulnerable has also shown good growth. Account ownership amongst **40%** of the poorest households increased from **27%** in 2011 to **44%** in 2014 and finally to **77%** in 2017. The gap in account ownership between **40%** of the poorest households and the richest **60%** households have decreased significantly from **16 percentage** points in 2014 to **5 percentage** points in 2017. An important factor driving this growth is the **Pradhan Mantri Jan Dhan Yojana (PMJDY)** which has added 316 million financial accounts since its inception in 2014. Indian government's push to increase account ownership through biometric identification cards helped narrow the financial inclusion gap between males and females as well as between the rich and poor.

Of course, there are still challenges to be surmounted. 190 million Indians are still unbanked, second only to China. Reaching this last but a big and important financially excluded segment will take more than just the government programs. Another significant challenge is the high inactivity rates. In end-2016, approximately **25%** of accounts created under the PMJDY initiative had zero balances. As per the Global Findex database, **48%** of Indian adults who hold accounts have not executed any transactions pertaining to deposits or withdrawals over the past one year. More efforts are needed to educate customers about using their accounts for transactions.

Another area of concern is high cash usage. Despite significant growth in the number of bank accounts, people still prefer to send or receive money, pay bills and purchase at merchants using cash. Digital payments are yet to cross the chasm and reach a majority. According to Global Findex database in 2017 a mere **29%** of Indian adults have made or received payments digitally. In addition, only **5%** of Indian adults have used their mobile phone or the internet to access an account. The bad news is that this is lower than African and South Asian countries like Kenya, Tanzania, Zimbabwe and Bangladesh. There is a silver lining, though, with the government aggressively pushing digital payments. Mobile-enabled payments are, of course, an important part. BHIM, UPI and Bharat QR have laid the ground for the growth of mobile payments in the country and the results are positive. For example, the leakage of funds for pension payments have dropped by **47%** (2.8 percentage points) due to payments being made using biometric smart cards rather than being handed out in cash.

The government is taking steps to enhance usage of digital payments. For instance, all government offices are encouraged to accept payments via UPI and QR codes, a QR code is required on each utility bill and an increasing number of merchants are being encouraged to adopt BHIM and UPI. The growth of mobile payments is on the right trajectory, and consumer education about its usage and benefits can accelerate its growth.

---

Source: Global Findex Database and Full Report

**About the author: Mohit Bhargava** has ten years of work experience in product marketing and research in the telecom domain. At Mahindra Comviva, he is serving as Manager in product marketing for the mobile financial solutions portfolio. His areas of function primarily include evangelizing Mahindra Comviva's mobile financial products and their impact on transforming the financial landscape globally.



THE FINANCIAL INCLUSION SERIES

ARTICLE 04

# LEADING THE PACK FINANCIAL INCLUSION

In Sub-Saharan Africa  
Continues to Surge

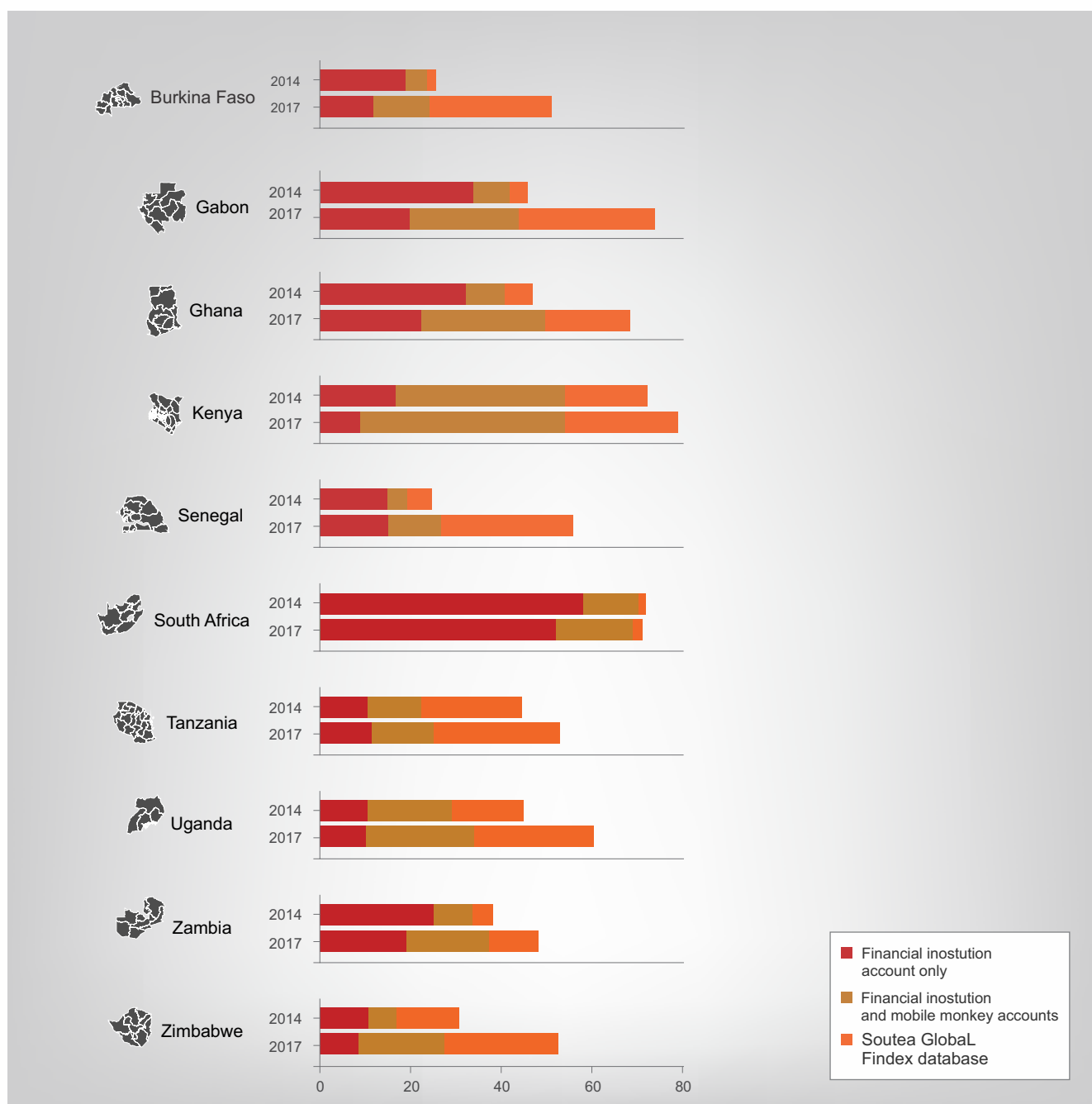




— Jyotika Oberoi

When examining the global uptake of mobile money, Sub-Saharan Africa readily springs to mind as a noteworthy case. Here's why—the region has (and will continue to) witnessed significant uptake of the service. To illustrate, as per the World Bank's Global Findex Database, in 2014, 12 per cent of adults in the region had a mobile money account, as against the global level of 2 per cent. Unsurprisingly, a sea change has been witnessed since, with 21 per cent of adults in the region holding a mobile money account. Amongst the mobile money account holders, approximately half reported to have only mobile money account, while the other half have both mobile money and financial institution account. Country-wise, 73 per cent of adults in Kenya hold mobile money accounts, followed by Uganda and Zimbabwe, at 50 per cent.





## From East to West

Breaking it down further, in 2014, mobile money accounts were largely concentrated in East Africa. Currently, this includes countries in West Africa and beyond. Interestingly, the region houses 10 global economies where more adults have a mobile money account than one at a financial institution. This category

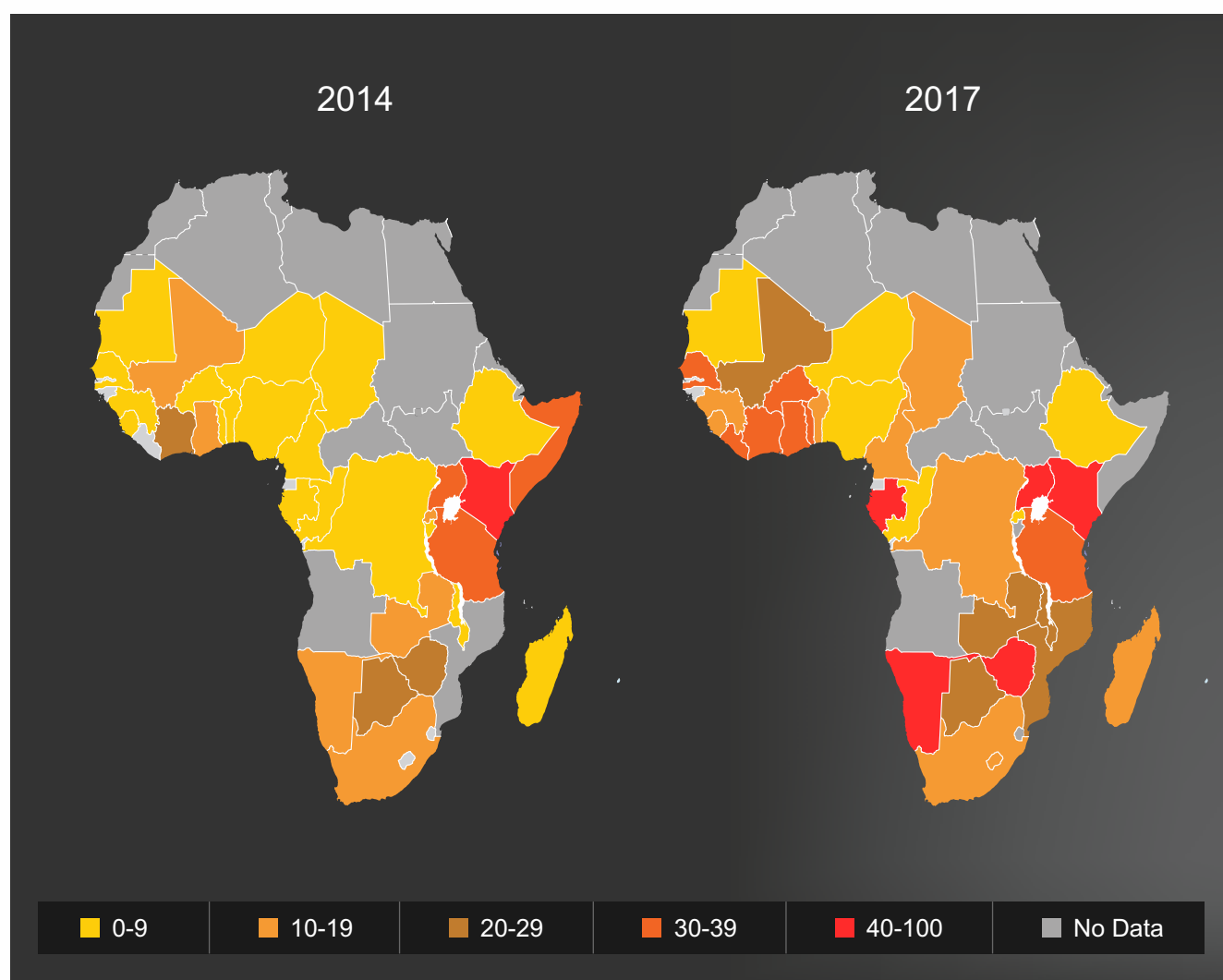
includes Burkina Faso, Chad, Côte d'Ivoire, Gabon, Kenya, Mali, Senegal, Tanzania, Uganda, and Zimbabwe. In fact, in West Africa, the share of adults holding a mobile money account has increased to about 33 per cent in Burkina Faso, Côte d'Ivoire, and Senegal; 39 per cent in Ghana and nearly 45 per cent in both Gabon and Namibia.

By and large, the trend in this region is clearly inclined towards mobile money. To illustrate, the report states that the share of adults with an account at a financial institution has increased by a mere 4 percentage points since 2014. In comparison, the share of adults with a mobile money account has witnessed a twofold increase-9 percentage points. Of course, the level of uptake within the various economies themselves is chequered. To illustrate, in Côte d'Ivoire, the share of adults

with only a mobile money account increased by 8 percentage points, while the share with both types of accounts or only a financial institution account stagnated. In Burkina Faso, Gabon, Ghana, and Senegal, there were significant increases in the share of adults with only mobile money accounts, as well as in the share with both account types. Meanwhile, in Kenya, Zambia, and Zimbabwe, notable growth was registered in the share with both types of accounts.

### Mobile money accounts have spread more widely in Sub-Saharan Africa since 2014

Adults with a mobile money account (%)



Source: Global Findex database.

Note: Data are displayed only for economies in Sub-Saharan Africa

## Strained Ties: Gender and Account Ownership

This has remained largely unchanged since 2014. Economies that had no gender gap earlier are, by and large, continuing in the same vein, while the converse holds true as well. There are, of course, exceptions to this rule. For instance, no gender gap existed earlier in Burkina Faso and Ethiopia. So, while account ownership has grown by leaps and bounds in these two economies, this has also led to a double-digit gender gap in this context.

An interesting question thus is; is mobile money helping women obtain equal access to accounts? The early signs are certainly positive. Consider the eight economies where 20 per cent or more of adults have a mobile money account only: Burkina Faso, Côte d'Ivoire, Gabon, Kenya, Senegal, Tanzania, Uganda, and Zimbabwe. These economies all have a statistically significant gap between the sexes in the overall share with an account as well as in the share with both a financial institution account and a mobile money account.

However, Burkina Faso and Tanzania have a gender gap in the share owning a mobile money account only. This doesn't hold true for the others. In Côte d'Ivoire, for example, men are twice as likely as women to have a financial institution account. Yet, women are just as likely as men to have a mobile money account only. In Kenya men are 18 percentage points more likely to have a financial institution account; they are also 18 percentage points more likely to have both types of accounts. But women are 11 percentage points more likely than men to have a mobile money account only.

So, while it seems as though the trend is heading in that direction, it is just too soon to tell for sure.

## Use Cases and Impact

In Africa, mobile money has become an integral part of people's lives. It is being used for different kinds of payments, ranging from remittances to payment for work. Mobile money is slowly replacing cash and, of course, benefiting people. A few key use cases include:

### Domestic Remittances

In Sub-Saharan Africa, domestic remittances are of vital significance. On an average, 45 per cent have reported sending or receiving such payments. Gabon, Ghana, Kenya, Namibia, and Uganda have the highest shares of adults using domestic remittances, about 60–70 per cent. In many Sub-Saharan African economies, the most common method of sending and receiving remittances is through the mobile handset. This, too, is executed mostly via mobile money accounts. In fact, amongst those sending or receiving at least one domestic remittance payment in Sub-Saharan Africa, most reportedly did it using a mobile phone— through either a mobile money account or an OTC service. Kenya leads the pack with 89 per cent adults sending or receiving domestic remittances in the past year using an account, in most cases a mobile money account. This is evident from the fact that most popular mobile money service across Africa like M-pesa, EcoCash, Airtel Money and Orange Money launched with domestic remittance as its primary use case. Mobile money-based remittances witnessed widespread adoption, as this medium is quick, affordable, secure and convenient, compared to cash.

### Agricultural Payments

Many developing economies are agrarian societies. A significant part of population is typically dependent on producing and selling crops and livestock. According to the Global Findex, approximately 15 per cent of adults

in developing economies receive payments for the sale of agricultural products. Most of these payments are in cash. However, in some African economies, digital payments have replaced cash payments, largely benefiting farmers. In Ghana, Kenya, and Zambia about 40 per cent and in Uganda 32 per cent of recipients reported receiving agricultural payments into an account, in most cases a mobile money account. Providing money directly into farmer's account reduces time and costs associated with long distance travel to receive payments. Farmers receive their money on time and are able to properly invest for their next produce, thereby increasing productivity. According to the Better than Cash Alliance, in Malawi, farmers who received digital direct deposits for cash crops invested 13 per cent more in their business, compared to those who received the proceeds from the sale of crops in cash.

## Financial Aid Payments

Use of digital financial service for disbursing cash aid can benefit both the recipients and the donor (an NGO or the government). For recipients, digital payments services can lower the cost of receiving payments. For example, in Niger, receiving monthly social payments on the mobile handset saved the recipients 20 hours in overall travel and wait time. For governments, changing from cash to digital payments can improve efficiency and reduce corruption. In Niger, distribution of social transfers through mobile phones instead of cash reduced the variable cost of administering benefits by 20 per cent.

Net, net, it wouldn't be an understatement to say that mobile money has clearly carved a niche for itself in Sub-Saharan Africa. This is, of course, merely the beginning.

---

Source: Global Findex Full Report, Better Than Cash Alliance Website



**About the author:** Jyotika Oberoi brings to the table over 14 years of work experience. At Mahindra Comviva, she is a part of the marketing function. Her primary area of purview is content marketing.

# Interviews and Articles

## Enabling Frictionless Digital Banking

- Srinivas Nidugondi's article  
Mint

[Click to read...](#)

## Serving 100m Mobile Financial Solutions Customers

- Srinivas Nidugondi's interview  
Total telecom TV

[Click to view...](#)

## Digital Payments Trends will Take Centre Stage in 2018

- Srinivas Nidugondi's article  
Irish Tech News

[Click to read...](#)

## Mahindra Comviva Targets the Financial Market with a Comprehensive Strategy

- Srinivas Nidugondi's interview  
CommsMEA

[Click to view...](#)

## Mobile Technology's Transformative Impact on the Global Financial Space

- Srinivas Nidugondi's article  
Silicon India Magazine

[Click to read...](#)

## Digitally Viable Payments

- Srinivas Nidugondi's article  
Khaleej Times

[Click to read...](#)

**Mahindra Comviva  
selló alianza de  
servicios con Telefónica y  
BanAgrario**

- Rafael Olivares' interview  
La Republica

[Click to read...](#)

**What to Expect in  
Digital Payments in 2018**

- Srinivas Nidugondi's article  
Communications Today

[Click to read...](#)

**Una avalancha de  
empresas de tecnología  
está facturando en el país**

- Rafael Olivares' interview  
Dinerio

[Click to read...](#)

**Digital Payments  
Come to the  
Forefront In 2018**

- Srinivas Nidugondi's article  
CommsMEA

[Click to read...](#)

**Highlights from  
the Mobile Money  
Hackathon in Kigali**

- Mahindra Comviva mentioned  
in the article  
GSMA

[Click to read...](#)

**Digital  
Professionals  
work Towards  
Improving Mobile Money**

-Ritvik Sinha's interview  
Ighie

[Click to read...](#)

**From Conversation  
Commerce to Less Cash:  
India's Smartphone Revolution**

- Suresh Khosla's article  
Connect-World

[Click to read...](#)

# Awards

**Comviva wins  
Digital Impact Awards  
Africa 2018 for  
mobiquity® platform**

[Click to read...](#)

**Cassava Fintech  
and Comviva win  
the East Africa Com Award**

[Click to read...](#)

**Comviva's  
payPLUS  
Unified Payment  
Acceptance solution  
wins Asia Communication  
Award 2018**

[Click to read...](#)

**Cassava Fintech  
and Comviva win  
Emerging Payments  
Award for EcoCash**

[Click to read...](#)

**Orange Mali  
and Comviva  
bag the Telecoms  
World Award 2018 for  
Orange Money Rapido**

[Click to read...](#)

**Airtel Tanzania and  
Comviva jointly win  
The RemTECH Award 2018**

[Click to read...](#)

# Analyst Mentions

## **Gartner - Hype Cycle for Communications Service Provider Strategy, 2018**

Mahindra Comviva mentioned in the report

[Click to read...](#)

## **Gartner - Hype Cycle for ICT in India, 2018**

Mahindra Comviva mentioned in the report

[Click to read...](#)

## **Gartner - Hype Cycle for the Future of CSP Network and Business Operations, 2018**

Mahindra Comviva mentioned in the report

[Click to read...](#)

## **Gartner - Hype Cycle for Personal Technologies, 2018**

Mahindra Comviva mentioned in the report

[Click to read...](#)

## **Gartner - Hype Cycle for Digital Banking Transformation, 2018**

Mahindra Comviva mentioned in the report

[Click to read...](#)

## **Gartner - Hype Cycle for ICT in Africa, 2018**

Mahindra Comviva mentioned in the report

[Click to read...](#)

**Gartner - Hype Cycle  
for Digital Commerce, 2018**

Mahindra Comviva  
mentioned in the report

[Click to read...](#)

**Juniper Research -  
Contactless Payments**

Mahindra Comviva  
mentioned in the report

[Click to read...](#)

**Ovum - Telco  
Services Innovation  
Radar: 1Q18**

Mahindra Comviva  
mentioned in the report

[Click to read...](#)

**QYREPORTS -  
Global Mobile Money  
Market Report, Trends,  
Size, Share, Analysis,  
Estimations and Forecasts to 2023**

Mahindra Comviva  
mentioned in the report

[Click to read...](#)

**Juniper  
Research -  
Mobile Wallets:  
Service Provider Analysis,  
Market Opportunities and  
Forecasts 2018-2022**

Mahindra Comviva  
mentioned in the report

[Click to read...](#)

**QYREPORTS -  
Global Digital  
money transfer service  
Market Growth, Trends,  
and Forecast 2018 - 2023**

Mahindra Comviva  
mentioned in the report

[Click to read...](#)

**Infinium Global  
Research - Mobile  
Payment Technologies  
Market: Global Industry  
Analysis, Trends, Market Size  
and Forecasts up to 2024**

Mahindra Comviva  
mentioned in the report

[Click to read...](#)

**Wise Guy Reports -  
Global Mobile Money  
Market Report 2018**

Mahindra Comviva  
mentioned in the report

[Click to read...](#)

# Press Releases

# Blogs

**Comviva's  
mobiquity® Money  
powers Colombia's first  
100 per cent digital financial  
service MOVii**

[Click to read...](#)

**What to Expect  
in Digital Payments  
in 2018 - By  
Srinivas Nidugondi**

[Click to read...](#)

**Banco  
Agrario, Telefonica  
Colombia and Comviva  
collaborate to launch  
electronic money solution  
for farmers and rural  
population in Colombia**

[Click to read...](#)

**Mobile Money  
Interoperability -  
By Mohit Bhargava**

[Click to read...](#)

**Comviva's  
payPLUS  
Unified Payment  
Acceptance solution  
nominated for GSMA Asia  
Mobile Awards 2018**

[Click to read...](#)

## About Mahindra Comviva

Mahindra Comviva is the global leader of mobility solutions catering to The Business of Tomorrows. The company is a subsidiary of Tech Mahindra and a part of the \$17.8 billion Mahindra Group. Its extensive portfolio of solutions spans mobile finance, content, infotainment, customer value management, messaging, mobile data and managed VAS services. It enables service providers to enhance customer experience, rationalize costs and accelerate revenue growth. Mahindra Comviva's solutions are deployed by over 130 mobile service providers and financial institutions in over 90 countries and enrich the lives of over a billion people to deliver a better future. In January 2016, the company acquired a controlling stake in Advanced Technology Solutions (ATS), a leading provider of mobility solutions to the telecom industry in Latin America to strengthen its in-region presence.

---

### Disclaimer

Copyright © 2018: Comviva Technologies Ltd, Registered Office at A-26, Info City, Sector 34, Gurgaon-122001, Haryana, India.

All rights about this document are reserved and shall not be, in whole or in part, copied, photocopied, reproduced, translated, or reduced to any manner including but not limited to electronic, mechanical, machine readable, photographic, optic recording or otherwise without prior consent, in writing, of Comviva Technologies Ltd (the Company).

The information in this document is subject to changes without notice. This describes only the product defined in the introduction of this documentation. This document is intended for the use of prospective customers of the Company Products Solutions and or Services for the sole purpose of the transaction for which the document is submitted. No part of it may be reproduced or transmitted in any form or manner whatsoever without the prior written permission of the company. The Customer, who/which assumes full responsibility for using the document appropriately. The Company welcomes customer comments as part of the process of continuous development and improvement.

The Company, has made all reasonable efforts to ensure that the information contained in the document are adequate, sufficient and free of material errors and omissions. The Company will, if necessary, explain issues, which may not be covered by the document. However, the Company does not assume any liability of whatsoever nature, for any errors in the document except the responsibility to provide correct information when any such error is brought to company's knowledge. The Company will not be responsible, in any event, for errors in this document or for any damages, incidental or consequential, including monetary losses that might arise from the use of this document or of the information contained in it.

This document and the Products, Solutions and Services it describes are intellectual property of the Company and/or of the respective owners thereof, whether such IPR is registered, registrable, pending for registration, applied for registration or not.

The only warranties for the Company Products, Solutions and Services are set forth in the express warranty statements accompanying its products and services. Nothing herein should be construed as constituting an additional warranty. The Company shall not be liable for technical or editorial errors or omissions contained herein. The Company logo is a trademark of the Company. Other products, names, logos mentioned in this document, if any, may be trademarks of their respective owners.