## The Kenyan Journey to Digital Financial Inclusion VALUE VOLUME AGENTS **CUSTOMERS** 31% 1.2% 29.3 56m Simone di Castri and Lara Gidvani July 2013 US\$ KShs/month Kenyan GDP transacted accumulated balance of all mobile of mobile money in April 2013 in April 2013 transactions in average value through mobile money per transaction money accounts as a percentage transactions in April 2013 April 2013 of total bank deposits (1.81) in April 2013 services trillion KShs) in April 2013 23,018,5000 mobile money users M-KOPA begins to offer solar-powered lighting and mobile charging to rural Kenyans on a pay-as-you-go basis, with payment via M-PESA Landmark National — Payment System Bill introduces a 10% tax grants CBK power of Kenya Airport Parking on money transfer oversight over the Services allows Airtel services. Safaricom payments systems - Mobile Pay Ltd launches subscribers to pay for raises M-PESA charg 74% of the adult population Tangaza Pesa: the only parking via Airtel Money oroportionally CARE, Equity and Orange mobile money service launch a product operator in Kenya that can Co-op Bank Mobile Money designed for savings Kiva Zip starts -Subscribers can deposit and send cash across networks groups to save and operations, allowing withdraw money directly borrow using their mobile lenders to send funds from their phones using phones through Iko Pesa directly to the M-PESA starts Lipa Karo their Airtel lines service, allowing learning entrepreneurs they yuCash and Cooperative institutions to receive support in Kenya Bank partner to enable school fees via M-PESA using M-PESA · Airtel partners with Postal yuCash users to transfer Corporation of Kenya to offer Airtel Money Agency money to any Orange partners with — I&M Bank customers Cooperative Bank to 473 Posta outlets. Visa and Equity Bank to account through yuCash can transfer money yuCash allows clients to launch IKO PESA from their M-PESA — yuCash customers to use link their yuCash accounts CARD, a Debit Card that accounts into an Postbank branches to Safaricom partners to their Equity Bank savings links bank accounts and international Visa with Kopo Kopo: register, deposit and or current accounts the Orange mobile Card - M-PESA the first M-PESA withdraw funds from their Yu Mobile (Essar Telecom) — money service PrePay Safari Card Buy Goods (C2B yuCash Accounts launches Yu Cash M-PESA's customers to payments) — CBK reviews Safaricom receive money from SMEP, a Kenyan aggregator CBK adopts Equity Bank account holders -M-PESA customers proposal: Legal opinion the U.K through micro-financier, allows Airtel Money Guidelines on can receive international can receive determines that M-PESA Western Union clients to make their Agent Banking remittances through yuCash launched by international money Airtel Money customers is not banking business loan repayments and CBK requests and — (2009) following Airtel Money transfers from 45 Bharti Airtel can now send money savings contributions receives a detailed amendments to th Customers can countries and users can receive free of charge to any through M-PESA Banking Act that risk mitigation territories including short term loans network in Kenya — CBK issues a "Letter of Orange launches – program from permitted third Airtel offers "Payonline" from Faulu services at all the U.S, Canada, Italy No Objection" to new mobile money the world's first virtual Safaricom parties to provide Microfinance PostBank branches. and the U.K through Kilimo Salama ("Safe Safaricom for M-PESA deployment Iko Pesa services on behalf payment card that allows immediately on Western Union Agriculture") insurance M-Shwari accounts -CBK requests further —— M-PESA customers — Airtel Money subscribers their phones nched by CBA riding on \_ M-PESA, Kenya's first can access cardless in Kenya to buy products insure farm inputs against the M-PESA infrastructure. yuCash launches information from ATM withdrawal Safaricom online for the first time. drought and excess rain Allows a customer to save mobile money platform is a card-less ATM Safaricom partners with services at (partnership between using M-PESA money, earn interest and withdrawal PesaPoint ATMs Kenya Power Airtel Africa, MasterCard M-KESHO, a new — Grundfos launched by Safaricom get emergency loans service at Equity (KPLC) to allow International and LIFELINK, allows Equity Bank account ─ M-PESA now Safaricom approaches ———— Bank ATMs Minister of customers to Standard Chartered) that can be easily rural residents to facilitates bulk the Central Bank of country-wide use M-PESA to managed via mobile pay for safe water Kenya (CBK) regarding payments of Safaricom briefs CBK regarding for an audit pay their through M-PESA phone M-PESA salaries M-PESA international Money Transfer electricity bills 2012 2006 2007 2008 2009 2010 2011 2013 FINANCIAL ACCESS IN 2006 MEANS OF MONEY TRANSFER BEFORE M-PESA AND AFTER M-PESA MOBILE MONEY CUSTOMERS SATISFACTION MEANS OF MONEY TRANSFER IN JANUARY 2010 HOW MANY KENYANS USE MOBILE MONEY M-PESA BUSINESS MODEL FinAccess National Survey 2006, Financial Sector Deepening Kenya; Enabling mobile money transfer: The Central Bank of Kenya's treatment of 2008 2009 BEFORE M-PESA (2006) AFTER M-PESA (2008) M-Pesa, AFI Case Study; Mobile Payments Data, Central Bank of Kenya, April 2013; M-PESA M-PESA Timeline, Safaricom; FinAccess National Survey 2009, Financial Sector Deepening Kenya; Measuring Financial Inclusion: The Global Findex Database, World Bank; 26% of users additional data and information from blogs, providers' websites, and the Regulatory engagement saved money on Central Bank of Kenya Post office MO their phone ASCAs & ROSCAs

13.4%

Adults who have

used a mobile

phone to pay bills

Adults who have

used a mobile phone

Adults who have used a

mobile phone to receive

money

One in six, stored money in their phone for use while travelling

Direct deposit

"Cash out was

"I trust my agent"

"If mobile money was no

longer available, that

would largely and negatively impact my life"

M-PESA

0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%

Mobile Money for the Unbanked

Mobile operator activities