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Laureate

CATEGORY:
Digital Access

ORGANIZATION:
MobiKash Afrika

ORGANIZATION URL:
http://www.mobikash.com/

PROJECT NAME:
The First Intra-region Mobile Network and Bank Agnostic Mobile Commerce Solution

PROJECT OVERVIEW

For its launch of the first intra-region, mobile network and bank agnostic, mobile commerce solution for sub-Saharan Africa, MobiKash Afrika, sought a technology partner with a mobile commerce platform that would ensure the project's success. MobiKash sought after a partner who has the skills to deploy world-class mobile commerce solutions and an ability to work with all parties in each country required to integrate with the system—including financial institutions, mobile phone operators, bill issuers, merchants via the MobiKash transaction switch and data aggregation systems. MobiKash deployed its mCommerce platform for MobiKash in Kenya as the pilot country with other African countries to follow. This new service allows citizens that have never had access to banking services to now easily conduct all of their banking from their mobile phones, agents and alternative channels, such as ATMs, EPOS and the Internet. Easy access to financial services is a luxury for many citizens of African nations. Due to long distances between bank branches, large geographical areas, and the lack of access to cost effective, rapid and efficient transportation, generally less than 10 percent of Africans currently participate in formal banking. For those that do, they may often face limited opening hours, process inefficiencies and long queues (especially at month end) after having spent a great deal of time and money traveling to a bank branch. In some cases, citizens are forced to dedicate an entire day to conduct banking business, withdraw salaries and pay bills. To address the situation, Kenya-based MobiKash Afrika is deploying a mobile commerce platform that is independent of mobile operators, commercial banks, other financial institutions and bill issuers. The company's services, which represent a major breakthrough for Africa, will make it possible for many citizens to conduct banking activity for the first time. MobiKash hopes to eventually empower all people in Africa with a secure and independent mobile commerce system that is easy to use. To achieve its mission, MobiKash is working with Sybase 365 mCommerce technology to create a simplified process for opening and managing bank accounts via mobile phones and other access channels. Several other factors contributed to the

MobiKash decision- it needed a parter with local African presence and who can demonstrate understanding of how to integrate with various African financial institutions, mobile phone operators, financial switch vendors and mobile data aggregators. Furthermore, MobiKash was interested in mCommerce technology because it does not require high-end mobile phones, so the service is accessible to users with limited handset technology, a common situation among African citizens.

SOCIETAL BENEFITS

MobiKash provides an efficient way for citizens who previously had to travel long distances and wait at bank branches which are typically located in urban areas to perform vital banking services by enabling customers to access and conduct business with any financial institution via any mobile phone service provider.

PROJECT BENEFIT EXAMPLE

MobiKash's production Mobiliser platform is hosted in a PCI-standard data center in Frankfurt, Germany. The overall solution integrates banking with back-office systems so that the MobiKash solution operates in a similar manner to a banking application. All sub-system traffic from the switch and aggregation platform is channeled into the mCommerce platform. The MobiKash service runs independently of financial, network and bill issuing institutions in contrast to most mobile commerce platforms, which are usually run by banks or network operators. Being independent, the service provides a financial portal to consumers performing varying financial functions via multiple delivery channels that links the consumers to their financial accounts and participating service providers. MobiKash adopted a staged approach to satisfy regulation requirements that ensure consumer protection, information security, proper governance, and trustee management of funds. MobiKash is presently establishing follow-on country operations in East, West and Southern Africa as local joint venture initiatives. One of these countries is Zimbabwe for which MobiKash has attracted funding from AECF / AGRA to assist in the service introduction and rural social impact. Likewise, a West African MobiKash project has been awarded donor funding for agent build-out and skills creation. Work is underway to commence intercontinental remittances from North America, Europe and the Middle East to MobiKash operations in Africa. MobiKash is working with a number of remittance partners to achieve this goal. As well as linking MobiKash African country operations together as one virtual African territory, MobiKash has also formed a business alliance with Masary in Egypt, another mCommerce project for the Middle East and North Africa region. By providing an independent service to conduct banking with financial institutions, MobiKash is creating a new industry in Africa and taking banking to a new level by giving customers a financial portal to manage bank accounts and payments through an independent service provider. Other mobile commerce firms have deployed financial services, but the services are delivered by multiple providers that operate in silos so that users on different networks cannot execute transactions with each other. Conversely, MobiKash customers benefit from the ability to manage their money using an independent front-end regardless of which financial institution and mobile phone network they use.

IS THIS PROJECT AN INNOVATION, BEST PRACTICE? Yes

ADDITIONAL PROJECT INFORMATION

MobiKash will soon add Java applications for higher-end mobile phones and access to the service via the Internet, ATMs, EPOS and POS terminals. By

using the Internet MobiKash will provide a "money supermarket" Web site where users have access to many services through one portal. Coupling this with access to banking services, MobiKash is providing the citizens of Africa with the tools they need to pay bills and make investments as well as buying goods and services. "This project represents a significant step forward in delivering the necessary integrated infrastructure required to ensure that African citizens without traditional banking access can execute financial transactions," said Duncan Otieno, CEO of MobiKash Afrika. "Over the long term, we hope that the African continent will become an integrated single mobile commerce ecosystem using the common architecture and product set provided by MobiKash."