



**International  
Finance Corporation**  
World Bank Group

# IFC Mobile Money Scoping Country Report: Cote d'Ivoire

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In the first half of 2012, IFC undertook a series of six mobile financial services (MFS) market scoping studies across Sub-Saharan Africa to identify two countries in which it will provide broad and deep support to accelerate the uptake of branchless banking services. The countries included in this analysis were Rwanda, South Sudan, Liberia, Sierra Leone, Nigeria, and Cote d'Ivoire. These countries were chosen for the study because MFS were nascent, markets were difficult to reach, or other factors presented unique challenges. The Cote d'Ivoire mission was undertaken from August 27<sup>th</sup> to August 31<sup>st</sup>, 2012.

This deck summarizes the non-confidential findings that were obtained by IFC during the scoping mission. It provides a brief perspective on regulations, financial market, telecom market, and mobile financial service implementations.

# About The MasterCard Foundation Program

IFC and The MasterCard Foundation (MCF) entered into a partnership in January 2012 focused on accelerating the growth and outreach of microfinance and mobile financial services in Sub-Saharan Africa. The partnership aims to leverage IFC's expanding microfinance client network in the region and its emerging expertise in mobile financial services to catalyze innovative and low-cost approaches to expanding financial services to low-income populations.

## The Partnership has three Primary Components

### Microfinance

Through the partnership, IFC will implement a scaling program for microfinance in Africa. The primary purpose of the Program is to accelerate delivery of financial services in sub-Saharan Africa (SSA) through the significant scaling up of between eight and ten of IFC's strongest microfinance partners in the region. Interventions will include product and channel diversification into underserved areas.

### Mobile Financial Service

IFC and The MasterCard Foundation see tremendous opportunity to use agent and mobile banking strategies to accelerate the delivery of financial services to the poor. The partnership will (i) work in two nascent markets to accelerate the uptake of branchless banking services, (ii) work with existing providers to build deployments to scale and improve customer usage rates and (iii) identify factors that lead to robust business models that can be replicated elsewhere to profitably deliver financial services to the poor.

### Knowledge & Learning

The partnership will include a major knowledge sharing component to ensure broad dissemination of results, impacts and lessons learned from both the microfinance and mobile financial services programs. These knowledge products will include topical research, rigorous monitoring of project outputs and outcomes and evaluations that attempt to establish the development impact of the intervention.

# Acronyms

- AML Anti-Money Laundering
- B2P Business-to-Person (transfer)
- BCEAO Central Bank of West African States
- CDD Customer Due Diligence
- FATF Financial Action Task Force
- FCFA Francs African Financial Community
- FI Financial Institutions
- FIU Financial Intelligence Unit
- G2P Government-to-Person (transfer)
- GDP Gross Domestic Product
- IMF International Monetary Fund
- KYC Know Your Customer
- ATCI Ivory Coast Telecom Authority
- MCW MasterCard Worldwide
- MFI Microfinance Institution
- MFS Mobile Financial Services
- MFSP Mobile Financial Services Provider
- MNO Mobile Network Operator
- P2P Person-to-Person (transfer)
- POS Point of Sale Terminal
- WAEMU W. African Economic and Monetary Union
- WAMI West Africa Monetary Institute



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# Cote d'Ivoire Summary

Overall Mobile Money Readiness	4 (Excellent)
Current Mobile Money Solutions	2
Population	22 million
Mobile Penetration	92%
Banked Population	Approx 2m or 10% of total population
Remittance % of GDP:	0.78% of GDP
Economically Active population:	96% - ages 18 to 44
Adult Literacy:	49%
Main Banks	Societe Generale, BICICI, Ecobank
Mobile Network Operators:	MTN, Orange, Moov, Comium, Green

## Additional Comments

The Ivorian market has a developing payments infrastructure. Mobile money regulations are available and clearly define the roles of various entities, enabling MNOs to fully participate. However, the market need for more inclusive financial service channels is palpable. This suggests an opportunity for mobile money and branchless banking.



# Macro-Economic Overview

## Key Country Statistics

- Population: 22 million
- Age distribution:
  - 41% 18 - 29 years
  - 55% 30 - 44 years
  - 4% 45 years and older
- Urban/rural split:
  - 49.9% rural
  - 50.1% urban
- GDP (PPP): \$36.34 billion
- GDP per capita (PPP): \$1,803
- Literacy rate: 49%
- Banking penetration: 10.7%
- Mobile phone penetration: 92%
- Remittance (% of GDP): 0.78%

## Insights

- The post-election violence of 2010 depressed GDP growth significantly in 2011 (-7.9%) but as things return to normal, GDP growth is projected to increase by 6% in 2012 and 5.9% in 2013
- FIs plan to expand their branch network in the next couple of years, but not too aggressively as there are still concerns about insecurity.
- Agricultural production is very important economically and could also play a major role in terms of boosting mobile payments throughout the value chains.
- With a 92% mobile penetration rate and a relatively higher GDP per capita, there is significant scope for broad distribution of mobile financial services

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# Regulatory Bodies

**BCEAO**  
(Central Bank of  
West African  
State)

## Roles & Responsibilities

- The BCEAO is in charge of regulating and supervising MFSPs in 8 countries in West Africa (Cote d'Ivoire, Benin, Togo, Senegal, Burkina Faso, Mali, Guinea Bissau, Niger)
- Two reference documents are regulating the Mobile Money framework
  1. The bill # 15/2002/CM/UEMOA related to payment systems in the WAEMU space, issued on September 2002
  2. The instruction # 01/SP related to the issuance of electronic money, issued on July 2006
- BCEAO is responsible for providing a licence to all Mobile Money issuers

**ATCI**  
(Telecommuni-  
cation Agency of  
Cote d'Ivoire)

- ATCI is responsible for regulating the telecommunication infrastructure and supervising the quality of service provided by MNOs
- ATCI is not involved in the regulation or the supervision of Mobile Money

## Implications

- Regulatory Framework for Mobile Payments that applies to Cote d'Ivoire applies to the 8 members of the WAEMU space.
- There is some uncertainty in the industry regarding some components of the payment regulations. For instance, the regulation does not restrict agency banking but many banks believe that agency banking is not allowed.
- Limited coordination between BCEAO and ATCI could result in duplication. For instance, both have launched separate customer identification efforts.

# Regulatory Framework - Mobile Money Models

## Definition

## Implications

### Electronic Money Issuer

- An electronic money issuer is a bank or a financial institution that has been allowed to issue electronic money under the current banking regulation

### Electronic Money Distributor

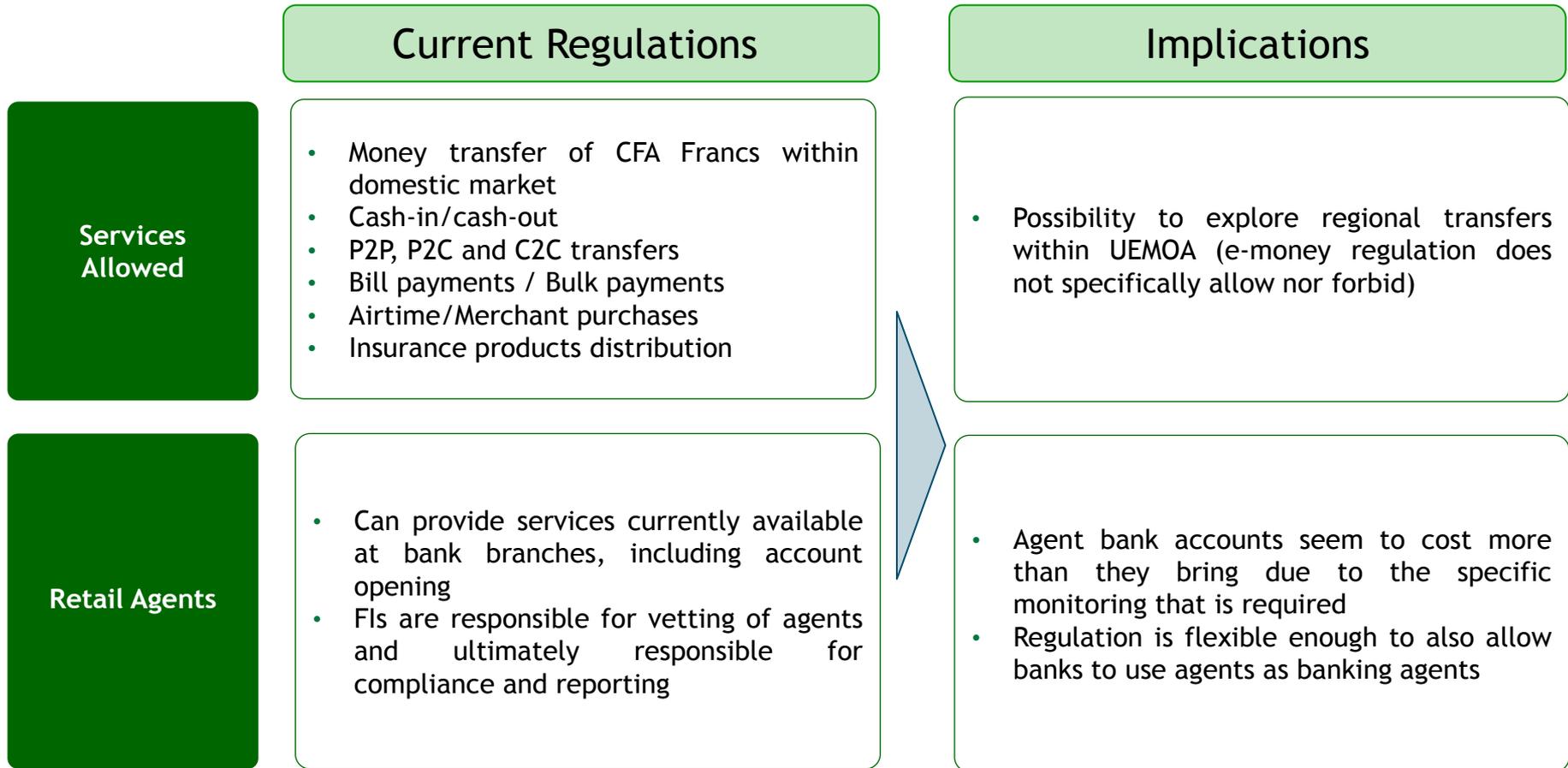
- An electronic money distributor is a non-bank entity that distributes the e-money or mobile money service to customers. Unlike banks, E-money distributors cannot issue electronic money.

### Electronic Money Company

- An electronic money company is a non-bank entity allowed to both issue and distribute electronic money and is limited to the following activities :
  1. Electronic Money issuance
  2. Distribution of electronic money
  3. Management of electronic money

- The distinction between e-money issuer and e-money distributor has facilitated the emergence of the MNO-led models backed by a partner bank
- Under the current regulation MTN Mobile Money and Orange Money are considered as e-money distributors
- The e-Money Issuer is responsible for reporting to the BCEAO
- To be licensed as an Electronic Money company:
  1. Non financial institutions should have a minimum capital of \$600,000
  2. Financial institutions outside of banks should have a minimum balance of \$600,000 in their books
- Only 3 “Electronic Money company” licences have been granted in the WAEMU region since 2006

# Regulatory Framework - Agents & Customers



Services Allowed

## Current Regulations

- Money transfer of CFA Francs within domestic market
- Cash-in/cash-out
- P2P, P2C and C2C transfers
- Bill payments / Bulk payments
- Airtime/Merchant purchases
- Insurance products distribution

## Implications

- Possibility to explore regional transfers within UEMOA (e-money regulation does not specifically allow nor forbid)

Retail Agents

- Can provide services currently available at bank branches, including account opening
- FIs are responsible for vetting of agents and ultimately responsible for compliance and reporting

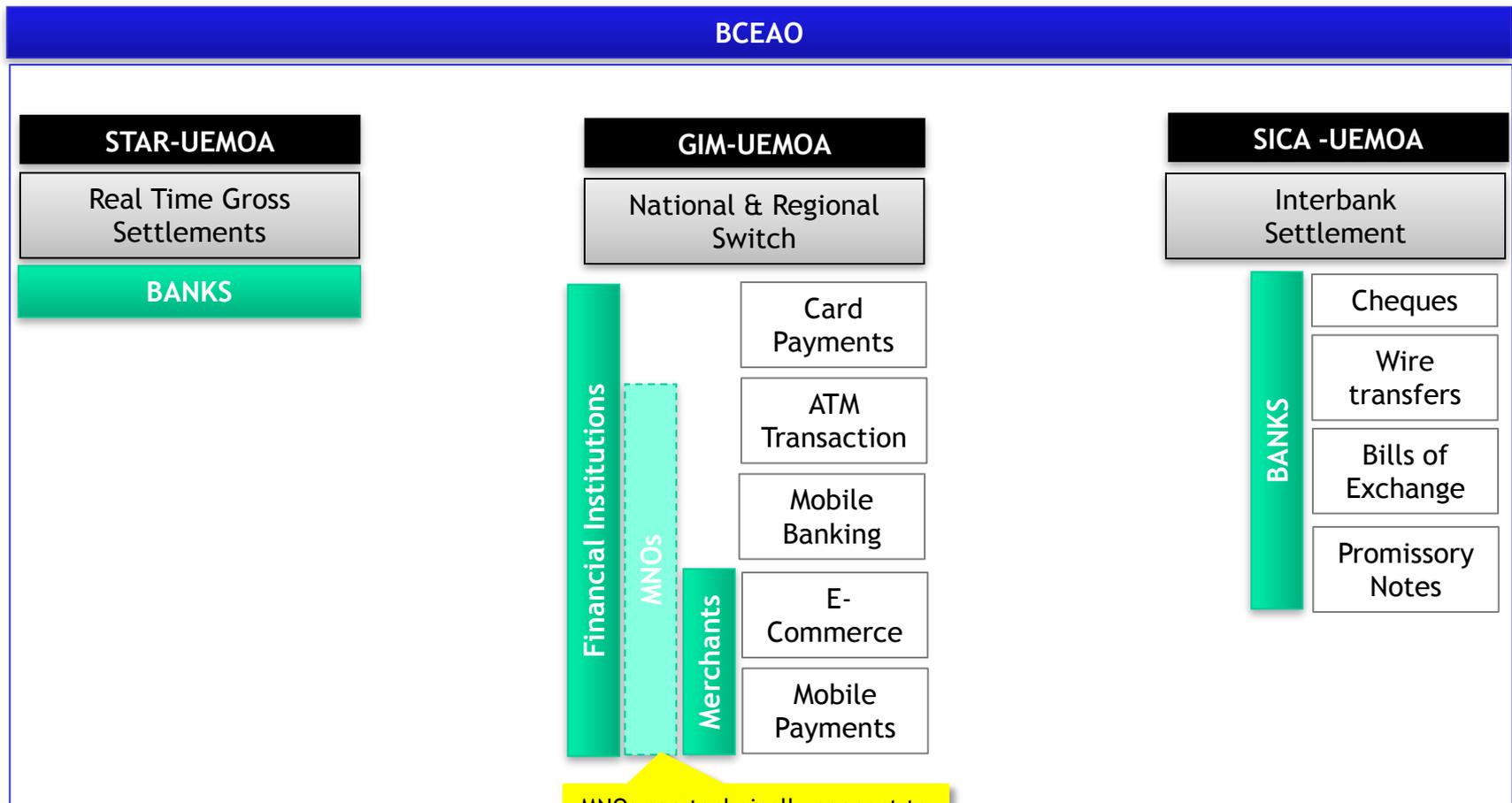
- Agent bank accounts seem to cost more than they bring due to the specific monitoring that is required
- Regulation is flexible enough to also allow banks to use agents as banking agents

# Additional Regulatory Considerations

	Regulation	Implications
KYC/AML	<ul style="list-style-type: none"><li>• KYC Requirements are defined in the instruction 012006 governing the issuance of electronic money</li><li>• To be fully identified MM customers should:<ol style="list-style-type: none"><li>1. Sign a form with the E-money issuer</li><li>2. Provide a copy of a valid ID card</li><li>3. Provide a proof of address</li></ol></li></ul>	<ul style="list-style-type: none"><li>• Identified customers can open an e-wallet account with a maximum balance of \$600</li><li>• Unidentified customers can open an e-wallet account with a maximum balance of \$200</li></ul>
Customer Protection	<ul style="list-style-type: none"><li>• Electronic Money Issuer should ensure that their platforms respect:<ol style="list-style-type: none"><li>1. Authentication (identify both sender and receiver)</li><li>2. Non Repudiation</li><li>3. Authorization</li><li>4. Integrity</li><li>5. Traceability (2 years record keeping)</li></ol></li></ul>	<ul style="list-style-type: none"><li>• Guidelines are fairly simple and in line with international practices</li></ul>
National ID	<ul style="list-style-type: none"><li>• Intensive work has been done on the issuance of national ID thanks to the 2010 presidential election</li><li>• Regulation allows flexibility for the use of alternative forms of identification</li></ul>	<ul style="list-style-type: none"><li>• A huge chunk of the population living up country still doesn't have IDs</li><li>• ID requirements could prevent a part of the unbanked population from joining Mobile money</li></ul>

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# Financial Infrastructure



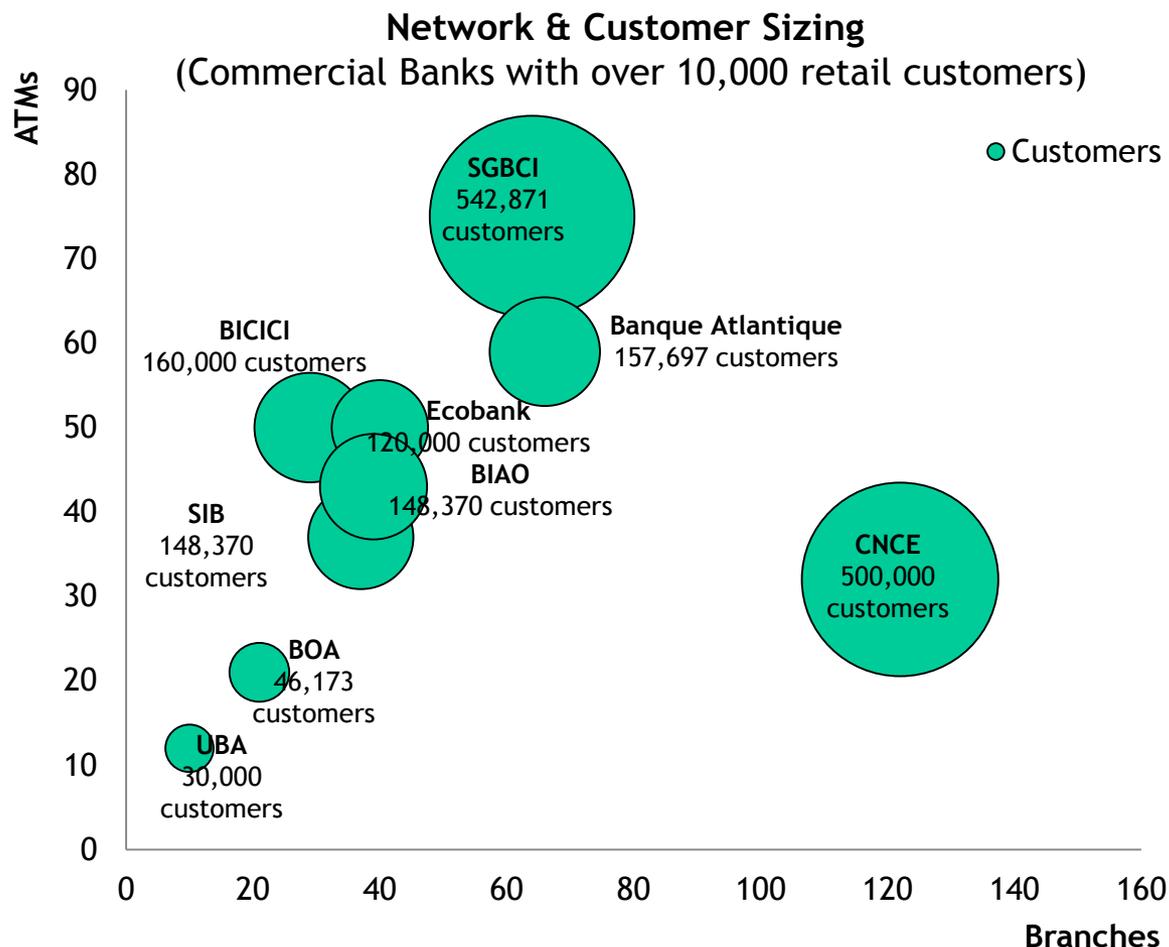
MNOs can technically connect to the GIM platform but are not doing so at the moment.

Sources: BCEAO, 2012

# Financial Sector Overview

Regulated financial Institutions	Number
Commercial Banks	23
Microfinance Banks	72
Payment Service Providers	3

Payment Network Statistics (GIM, June 2012)	Number/ Value
Debit Cards Issued (GIM, Visa, Mastercard)	880,000
Volume of transactions	270,000
Value of transactions	~\$39 m
ATMs	411
POS	118



Sources: Central Bank Statistics; GIM UEMOA payment data; In-Country Consultations

Note: State-owned banks and banks with less than 10,000 retail customers have been excluded

# Bank Snapshot - Banks Interviewed

<b>Societe Generale</b>	<ul style="list-style-type: none"> <li>• 542,871 customers</li> <li>• 64 Branches</li> </ul>	<ul style="list-style-type: none"> <li>• 75 ATMs</li> <li>• 281 POS</li> <li>• 191,206 cards issued</li> </ul>	<ul style="list-style-type: none"> <li>• 1<sup>st</sup> MTN MM bank partner</li> </ul>
<b>Caisse d' Epargne</b>	<ul style="list-style-type: none"> <li>• 500,000 Customers</li> <li>• 122 Branches</li> </ul>	<ul style="list-style-type: none"> <li>• 32 ATMs</li> <li>• 26,442 bank cards issued</li> </ul>	<ul style="list-style-type: none"> <li>• 100% State-owned</li> <li>• Exploring mobile channel with GIM</li> </ul>
<b>BICICI</b>	<ul style="list-style-type: none"> <li>• 160,000 Customers</li> <li>• 29 Branches</li> </ul>	<ul style="list-style-type: none"> <li>• 60 ATMs</li> </ul>	<ul style="list-style-type: none"> <li>• Orange Money partner</li> </ul>
<b>Ecobank</b>	<ul style="list-style-type: none"> <li>• 120,000 customers</li> <li>• 45 branches</li> </ul>	<ul style="list-style-type: none"> <li>• 40 ATMs</li> <li>• 4 POS</li> <li>• 100,000 cards issued</li> </ul>	<ul style="list-style-type: none"> <li>• Recently received license to partner with MTN Mobile Money</li> </ul>
<b>Bank of Africa (BOA)</b>	<ul style="list-style-type: none"> <li>• 46,137 Customers</li> <li>• 21 Branches</li> </ul>	<ul style="list-style-type: none"> <li>• 24 ATMs</li> </ul>	<ul style="list-style-type: none"> <li>• Expanding its branch network</li> </ul>
<b>UBA</b>	<ul style="list-style-type: none"> <li>• 30,000 Customers</li> <li>• 10 Branches</li> </ul>	<ul style="list-style-type: none"> <li>• 20 ATMs</li> <li>• 27,000 cards issued</li> </ul>	<ul style="list-style-type: none"> <li>• Recently received license to partner with MTN Mobile Money</li> </ul>

Note: State-owned banks and banks with less than 10,000 retail customers have been excluded

# Bank Snapshot - Other Important Banks

Banque Atlantique (BACI)	<ul style="list-style-type: none"><li>• 157,697 customers</li><li>• 66 branches</li></ul>	<ul style="list-style-type: none"><li>• 59 ATMs</li><li>• 46 POS</li></ul>	<ul style="list-style-type: none"><li>• Same founder as Atlantique Telecom now Moov</li></ul>
BIAO - CI	<ul style="list-style-type: none"><li>• 148,370 Customers</li><li>• 39 Branches</li></ul>	<ul style="list-style-type: none"><li>• 43 ATMs</li></ul>	<ul style="list-style-type: none"><li>• Recently received license to partner with MTN Mobile Money</li><li>• Also offering a card product</li></ul>
Societe Ivoirienne de Banque (SIB)	<ul style="list-style-type: none"><li>• 143,068 Customers</li><li>• 40 Branches</li></ul>	<ul style="list-style-type: none"><li>• 43 ATMs</li></ul>	<ul style="list-style-type: none"><li>• Rapidly expanding bank</li></ul>

**Apart from the state-owned agricultural bank (BFA), housing bank (BHCI) and investment bank (BNI), all other commercial banks have less than 10,000 retail customers**

Sources: Central Bank Statistics; GIM UEMOA payment data; In-Country Consultations

Note: State-owned banks and banks with less than 10,000 retail customers have been excluded

# MFI Snapshot

Union Nationale des Coopératives d'Épargne et de Crédit de Côte d'Ivoire - COOPEC\*\*

- 822,028 depositors
- 39,024 borrowers

- Loan portfolio: \$44.4 million
- Savings portfolio: \$160.5 million

- Largest MFI in the country
- Currently restructuring
- Has significant links with agri sector

Microcred

- 16,045 depositors
- 8,104 borrowers
- 4 branches

- Loan portfolio of FCFA 9.3 bn (\$17.7m)
- Savings portfolio FCFA 6bn (\$11.5m)

- Launched in 2009
- Local shareholders: BICICI, UAV
- Focus is on the launch of new microinsurance products
- Exploring opportunities as MM agent

Advans CI

- 1,300 borrowers
- 2 branches

- Outstanding loans: FCFA 1m (\$1900)
- Savings portfolio of EUR 200,000 (\$160,000)

- Launched March 2012
- SGBCI is bank partner
- Main focus is on growing loan portfolio and expanding branch network

Sources: In-country Consultations; MixMarket, 2011 (UNACOOPEC)

\*\*IFC did not meet with Coopec as their management team was being overhauled at the time of the mission trip

# Traditional Payment Service Provider Snapshot

## GIM-UEMOA

- The official card and electronic switch for the UEMOA region with 2 million debit cards in circulation and 80 banks integrated
- 52% ownership by the BCEAO and 47% ownership by member banks
- In Cote d' Ivoire, the GIM is used by 13 out of 23 banks (BICICI and SGBCI not members)
- Offers card switching, online payment, point of sales for merchant purchases, ATM network as well as a mobile payment and mobile banking platform called GIM-Mobile
- Set up in 2009 to reduce switching and distribution costs for banks in order to increase the number of banked and has gone through multiple iterations of implementation of its mobile platform, online payment platform and point of sale network

## Celpaid

- Only private company licensed both as a bank and mobile payment service provider
- Runs with independent agent locations including 66 branches of Banque Atlantique and caters to clients mostly receiving salaries on their mobile wallets
- Open to all networks, customers initiate transactions via SMS and confirm PIN when Celpaid customer service calls back to confirm the transaction
- Opening fees for the service apply. Other MFSPs do not charge opening fees.

## E-Tranzact

- Nigerian multi-platform payment service provider. Opened office in Abidjan in 2008 but has been slowed by subsequent country instability
- Currently integrated with 2 smaller banks with a card product offering, evolving towards an aggregator for payment collection services
- Has a platform that is capable of powering MNO's mobile money offerings

# Cote d'Ivoire Financial Sector Analysis

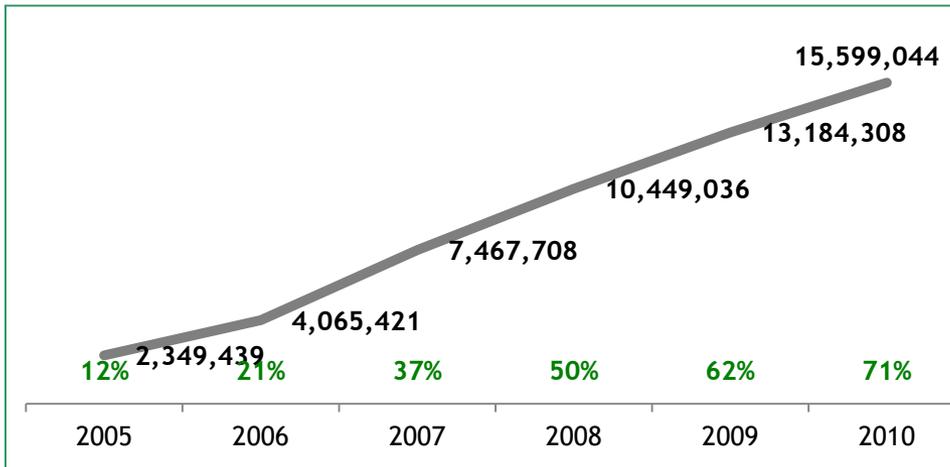
- Two large banks BICICI (BNP Paribas) and Societe Generale (SGBCI) are currently involved in MFS as bank partners for MNOs Orange and MTN respectively. They hold the Mobile Money issuer license and are responsible for the financial and KYC reporting. However, they merely manage the MFS float and receive agent commissions, and offer little or no value added services to the customers of their MFS partners.
- Caisse d'Epargne, a state-owned bank which has the largest branch network, has a social mandate to increase the number of unbanked and is developing a MFS solution called Bankcell, powered by GIM-Mobile to fulfill that mandate.
- Microfinance institutions such as Microcred are slowly exploring opportunities around becoming MFS agents and leveraging this platform to enable credit repayments.
- There is generally a lack of information about the target market for MFS and what products or solutions would address specific needs of this market. This means that banks and MFIs are unsure of how to position themselves in this space and most importantly, how they can make money beyond commissions and earnings on float.

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# Mobile Network Overview

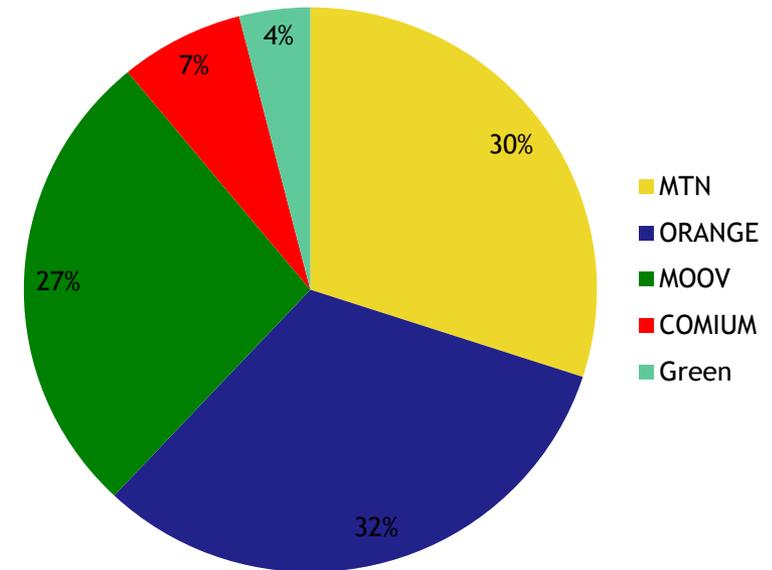
Mobile Profile	
Mobile Operators	5 Official Licensees
Mobile Penetration rate	70.58%
Mobile Subscribers	15,599,044
Country's land area coverage	62%

## Population Coverage of Mobile Cellular Technology



Source: Telecommunication Agency of Cote d'Ivoire

## GSM Market Share %



Source: Interviews with MNOs

Cote d'Ivoire telecom market is a highly competitive environment where churn is a real issue for MNOs and Mobile Financial Services can address this issue

# Mobile Network Operators

## MTN

- MTN-CI is a part of MTN Group
- MTN group has a large presence in West Africa (Benin, Guinea B, Guinea C, Ghana, Liberia, Nigeria)
- 37% market share
- MTN launched WIMAX and is one of the major Internet Service Providers (ISPs) in the market
- On the GSM business, MTN is the strongest in mass market and up country
- MTN launched MTN Mobile Money

## Orange

- Orange CI is a part of Orange group
- Orange group has a large presence in west Africa (CI, Mali, Senegal)
- 37% market share
- Orange owns Cote D'Ivoire Telecom. As the historic land line provider, CI Tel owns a large network of branches up country
- Orange provides ADSL and 3G and is the biggest ISP in CI
- On the GSM business, Orange is the strongest in the corporate segments
- Orange launched Orange Money

## Atlantique Telecom Moov (Etisalat)

- Moov CI is a part of Etisalat group
- Etisalat group has a large presence in west Africa (Benin, Burkina, CI, Togo)
- 24% market share
- On the GSM business, Moov is the strongest in the youth segments
- Moov plans to launch its Mobile Money service by the end of 2012

## Comium

- Comium is about to be purchased by a large regional player
- 2% Market share
- Comium has been the last to enter the market and focused on targeting low value customers

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# Distribution Landscape

In total, there are about 4,043 points of service which can be leveraged to distribute Mobile Financial Services. Obviously, the MNOs have the largest MFS networks. However, there are other merchant outlets such as 7,000\* distributors of Forever Living wellness and beauty products that could also be explored and potentially leveraged.

Distribution Point	Number
Bank Branches and outlets	502
Microfinance Branches and outlets	231
ATMs (most located at branches or outlets)	~585
Branchless Agents - Mobile Operator and 3 <sup>rd</sup> Party Managed (MNOs, Post Office, Celpaid)	2,800

Sources: BCEAO Direction Nationale de la Cote d'Ivoire. (2011). Questionnaire sur le taux de la bancarisation

\*In-Country Consultations

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# Mobile Money Licensees

There are 3 Main players in the MFS space in Cote d'Ivoire, which have been licensed by the BCEAO to provide Mobile Financial Services.

## 3 MFS project licensed by the BCEAO

### Two MNO-led models (Partnership with at least one bank)

- **MTN** partners with SGBCI to launch MTN Mobile Money in 2009. MTN is now offering a multi-bank platform and partners with UBA, ECOBANK and BIAO in 2012.
- **Orange** partners with BICICI to launch Orange Money in 2009.

### An independent Electronic Money company

- **Celpaid** has been acting as an independent e-money company since 2010.
- Celpaid partners with Banque Atlantique to facilitate withdrawal and deposit for its distributors.

## One third party Payment Service Provider

### An independent provider with the capability to provide MFS

- **E- Tranzact** is acting as an independent electronic payment service provider and partners with multiple banks (Diamond Bank, Versus bank, BIAO) to offer its card payment services to end customers.
- It is also considering an entry into the MFS space as a technology provider for one of the smaller MNOs.

Only one Electronic Money Company license has been issued to Celpaid due to the high requirements in terms of share capital (\$600,000)

# MTN Mobile Money



## License and partners

- License obtained in 2009 with SGBCI
- In 2012, UBA, ECOBANK and BIAO obtained a license to partner with MTN Mobile Money
- MTN has a huge presence in West Africa (Benin, Guinea B, Guinea C, Ghana, Liberia, Nigeria)

## Customers and services

- 800,000 registered subscribers
- MTN Mobile Money menu is USSD based
- MFS products:
  1. Bill Payment (school fees, TV)
  2. Bulk payment (salary payment)
  3. Retail payment
  4. Online international Money Transfer launched with MFS Africa
  5. Micro insurance (funeral) services have been launched with ALLIANZ
  6. Airtime Top Up
  7. Local Money transfer (P2P, P2C, C2C)
  8. Deposit and Withdrawal

## Distribution

- 957 points of service

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## License and partners

- License obtained in 2008 in partnership with BICICI

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## Customers and services

- 1,600,000 registered subscribers
- Orange Money menu is USSD based
- MFS Products:
  1. Money transfer (P2P, P2C, C2C)
  2. Deposit and withdrawal
  3. Airtime top up
  4. Bill Payment (Water and Electricity bill)
  5. 2 Micro-insurance services have been launched with LMAI (funeral, life coverage)
  6. Bank account integration for BICICI customers

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## Distribution

- 1100 active Points of Service including 55 Orange Money agencies, 850 exclusive Orange Distributors and 200 independent distributors
- An alternative network of 7 OM ATMs have been deployed in 2012

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## License and Partners

- License obtained in 2010, Celpaid is operating as an independent mobile payments provider
- Celpaid partners with Banque Atlantique to facilitate agent deposits and withdrawal

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## Customers, services and usages

- 6,500 accounts
- Celpaid MFS menu is a mix of SMS and IVR base
- The solution is MNO agnostic
- There is a charge for account opening
- MFS Products include:
  1. Salary payment (and pay-advance service) launched with SAPH and Schools
  2. Payment collection (agent-based bill payment) for school fees
  3. Money Transfer, Retail payments

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## Distribution

- 250 distributors (50 bank branches and 200 agencies owned by Celpaid)
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# MFS Provider Situation Analysis

- Both MTN and Orange are active in a number of countries in SSA. Both have partnered with one or several banks to build their respective mobile financial services businesses. Moov and Comium are still in the preparation phase.
- Partner banks have a limited grasp of the opportunity, their roles, or the potential business prospects. Their vision is limited to regulatory compliance aspects, managing the float and making commissions.
  - ✓ Banks have excess cash and are not driven by deposit mobilization. Remuneration on float is not an incentive and commission earnings are not very substantial. As a result, they tend to adopt a passive approach and leave MNOs in the driving seat. State-owned Caisse d'Epargne is the exception.
- E-Tranzact is an interesting third-party aggregator but has had a hard time finding its place in the ecosystem while Celpaid has gained some traction mostly with school fees payment collection and salary disbursements in the public sector.
- Two insurance companies have started a life insurance product with MNOs (LMAI with Orange Money and Allianz with MTN Mobile Money). Success is limited to date due to distribution challenges.

# Market Infrastructure Analysis

- Several interviewees mentioned poor customer education as a key challenge in Ivory Coast. This is compounded by the fact that the population tends to mistrust banks and microfinance institutions.
- Better information around mobile money and additional supervision resources are needed at the BCEAO, to facilitate the supervision of an increasingly complex ecosystem domestically and in the WAEMU region.
- Given the market fragmentation and low transaction activity levels, MFS providers will need to be more creative about capturing mass payments as well as financial flows in niche industries through well designed products
  - ✓ Taxi drivers, tailors, bakeries, farmers, cooperatives in the coffee-cocoa industry, all represent opportunities for MM providers (and banks) but require case by case analysis
- MNOs are exploring distribution expansion outside of Abidjan but are facing challenges with cash management due to banking coverage gap fueled by the crisis
  - ✓ Agent deposits in remote branches take time to be accounted for in the bank's systems, which causes delays in mobile money float supply and impacts agent performance

# Regulatory Situation Analysis

- There are concerns that the regulatory framework for mobile money:
  - ✓ Requires additional clarity and strengthening, specifically around issues related to agency banking, customer protection (e.g. the use of digital signatures)
  - ✓ The financial and technical investments may be prohibitive for non-banks. Until now, Celpaid is the only non-bank player who was granted an e-money company license in Ivory Coast, Ferlo (Senegal) and Inova (Burkina Faso) being the two others in the entire UEMOA. Further investigation is required to find out why so few MFSPs are opting for this license.
  - ✓ Relatively ties the hands of MNOs and requires them to work at the pace their banking clients are willing to go, which is generally slow and with limited innovation.
  - ✓ Does not clearly identify the roles of the Central Bank and the National Telecom Authority
- The regional interoperable payments switch (GIM) is planning to launch its own mobile money product
  - ✓ BCEAO owns 52% of GIM, the rest being owned by member banks
  - ✓ GIM is already connected to 80 banks in UEMOA
  - ✓ GIM already performs processing for card payments and also wants to position itself as a mobile banking provider and, in the near future, as a mobile switch. This ambiguous positioning raises concerns in the industry.

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# Risks

1. One of the results of the crisis in Ivory Coast is the total absence of banks in certain regions, making it more difficult for MFS agents to provide cash-out services.
2. The lack of security in some regions inhibits cash movement, making it difficult for MFSPs to meet the cash needs of agents in these areas.
3. As the industry grows and becomes more complex, the BCEAO will need to build additional capacity in terms of monitoring and supervision of new and existing mobile money initiatives at the national level.
4. The legal system does not adequately punish individuals that steal from the banking system, nor does it guarantee the admissibility of SMS notifications or electronic signatures as legal proofs. This introduces additional operational costs for operators in the procurement of paper copies and handwritten signatures.
5. Some new banks have regional plans as opposed to national plans for mobile banking. Although local operations can suggest new initiatives, decisions about whether to engage in MFS are likely to be taken only at the group level.
6. Due to the lack of clarity in its market positioning, there is a risk that the GIM could lose credibility as an interoperable switch provider.

- Macro-economic Overview
- Regulations
- Financial Sector
- Telecom Sector
- Distribution Channel
- Mobile Financial Services Landscape
- IFC Opportunities
- Potential Risks
- Appendix: Interviews Conducted

Organization	Contacts	Organization	Contacts
Ecobank	Head, Corporate Banking Head, Card Business	Atlantique Telecom (Moov)	SPMO Executive Chief Corporate Strategy Officer
BICICI (BNP Paribas)	Director, Retail Clientele	Celpaid	General Director/CEO Deputy Director
Societe Generale (SGBCI)	Director, Commercial Enterprises General Director Deputy Director	e-Tranzact	Managing Director
Bank of Africa (BOA)	Manager, IT	GIM-UEMOA	General Director/CEO
Le Millenium Assurance Internationale VIE (LMAI-VIE)	General Director Administrative Director and Financier	MTN	Senior Manager, Products & Services Marketing Chief Marketing Officer
Caisse d'Epargne	General Director/CEO	Orange	General Director, Products & Services Marketing
Microcred	Director of Operations	BCEAO	National Director
Advans CI	General Director/CEO	ATCI	Secretary General

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