

GENDER AND DIGITAL FINANCIAL SERVICES**CAMPING WITH OUR CUSTOMERS****The Service**

EasyPaisa¹ of Pakistan uses 75,000 agents and 6,000 plus 1-link enabled ATMs to facilitate 1.2 million Benazir Income Support Payments (BISP) to poor women every quarter. Utilizing an innovative co-location tent for each client servicing, EasyPaisa has watched these women develop their financial literacy and share this learning in the community.

Innovations

The BISP recipients are not likely to own mobile phones. EasyPaisa and BISP opted for a debit card solution. These accounts can be transitioned to mobile phones when ownership and usage rates increase.

To service these customers, BISP and EasyPaisa have set up 31 “campsites” strategically located approximately 5 kilometers from any client’s home. These tents have BISP staff members to verify eligibility. EasyPaisa personnel in turn issue and train customers in how to use the debit cards, making them a one-stop tent for customers. These service tents also manage lost cards or PINs, re-training and queries about payments.

Adaptations

EasyPaisa needed to ensure the cash-out points were ready for 1.2 million transactions of 5 billion Pakistani Rupee (PKR) (approximately US\$47 million) per quarter through retailers and ATMs. The availability of cash in ATMs is not the responsibility of Easy Paisa, as the ATMs are owned by various banks across Pakistan. Therefore, they mapped locations of clients and reviewed current liquidity levels, and increased agent numbers of installed ATMs. A lot of pre-planning was involved.

KEY FIGURES**1.2 million transactions every quarter****75,000 agent locations****75 percent of recipients from the poorest 40 percent of the population****All 1.2 million recipients have a bank account, a debit card, and are fully trained to use agents and ATMs****31 Co-location Service campsites created**

1. EasyPaisa is a joint venture between Telenor Pakistan and Tameer Bank/MFI in 2009. Telenor now owns 100 percent of Tameer Bank, and therefore 100 percent of EasyPaisa. It is based in Pakistan.

Having access to a debit card was new for all of these women, so mass training events needed to be held. These events advised users on what a debit card is, where to use it, how it works and most importantly — protection of the card and PIN. Through intensive training and service tents, clients have adapted quickly. The information was shared and travelled fast.

EasyPaisa also needed to ensure agents were aware of what was about to occur, including bringing on new clients, understanding how the BISP works, creating service points for customers, and so on.

How the BISP Payments have added value to EasyPaisa

EasyPaisa was able to deliver a high quality service for BISP. As such, it has gained many other bulk payers who can now utilize the facilities and knowledge built through the BISP program.

EasyPaisa receives commission from the government to distribute the payments. The government also funds the costs associated with the service tents (except EasyPaisa staff). In addition, it has experienced dramatic customer growth. Customers receiving payments through EasyPaisa are also more likely to wish to receive their remittances (from extended family, and other government payments) through this channel.

Further Opportunities

- Designing new products to customers, for example, loans to customers based on confirmed eligibility, and micro insurance from BISP payments.
- Adapting cards to also include mobile access and build a non-over the counter (OTC) transaction set.

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- Reduced waiting time due to the number of outlets where customers can receive cash. Previously this was through money orders at the Pakistan Post Office.
- Increased financial literacy and access to a formal financial tool that can be used for various reasons.
- A one-stop shop for registration, education, queries and feedback.

How can this apply to the Pacific Region

As governments look to digitize payments, DFS providers can be ready to help them achieve this goal. By working with the government, a DFS provider can grow their customer base quickly. The government may also possibly pay for the change management. A marketable and fairly similar client set allows for easier development and testing of new products.

The same model can be offered to large companies, non-governmental organizations (NGOs) and other entities making regular payments. In addition, this generates demand in rural areas where the business case for agents is hard to create.

Additional Resources:

<http://dailytimes.com.pk/business/23-Dec-15/wb-lauds-system-transparency-of-bisp>

<http://www.grameenfoundation.org/resource/easypaisa-overview-operational-model-mobile-money-service-provision>

<https://www.telenor.com/media/articles/2014/bringing-financial-services-to-pakistani-women/>

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