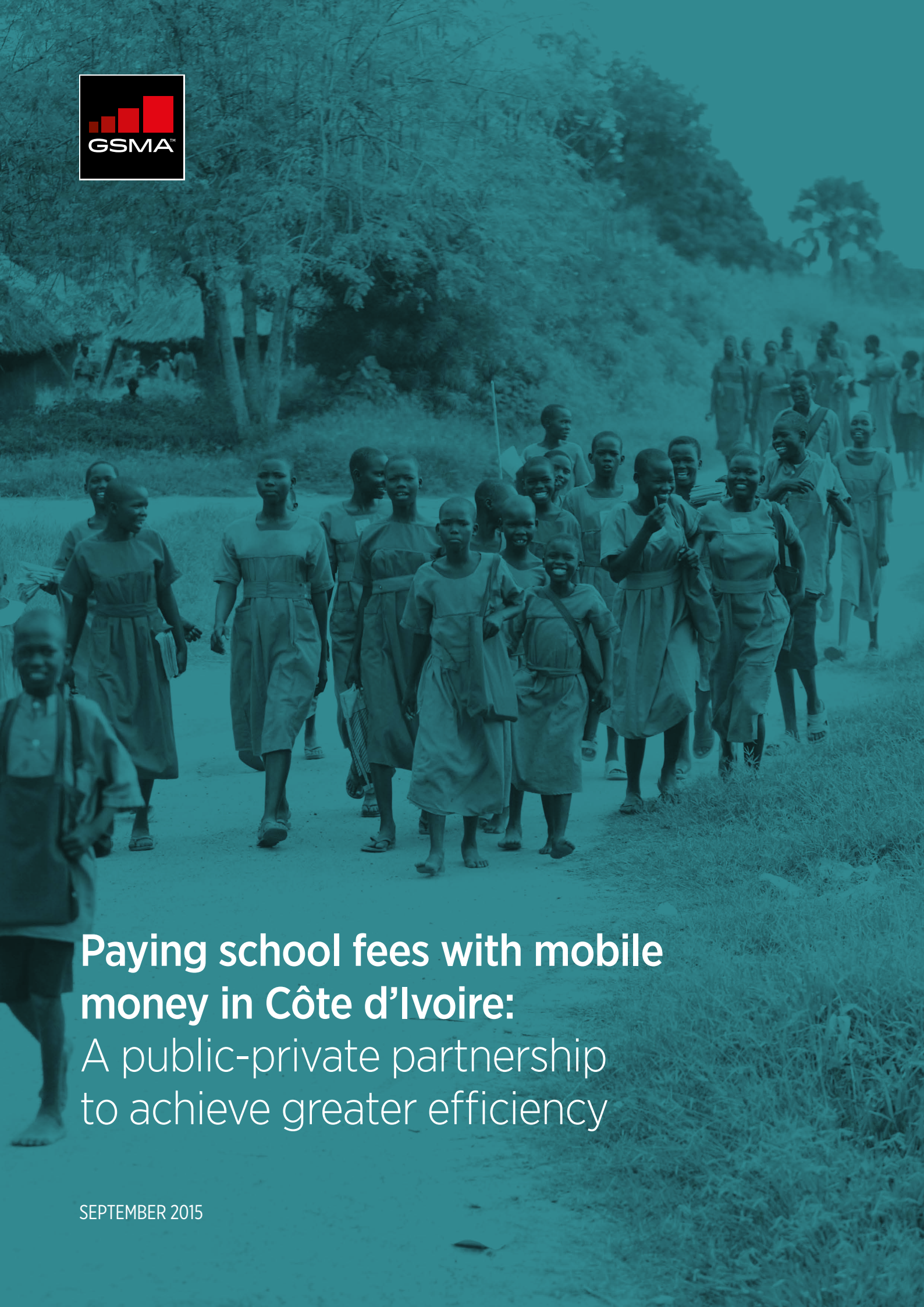

Paying school fees with mobile money in Côte d'Ivoire:

A public-private partnership to achieve greater efficiency

SEPTEMBER 2015

Mobile Money

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This publication was written by Jennifer Frydrych, Claire Scharwatt and Nicolas Vonthron, GSMA.

THE MOBILE MONEY PROGRAMME IS SUPPORTED BY THE BILL & MELINDA GATES FOUNDATION, THE MASTERCARD FOUNDATION, AND OMIDYAR NETWORK

Acknowledgements

This publication was written by Jennifer Frydrych, Claire Scharwatt and Nicolas Vonthron. The authors would like to thank Gninhoyo Coulibaly, Ministry of National Education and Technical Education of Côte d'Ivoire for his invaluable contributions, as well as Luc Assi and Alexis Yao from Moov Côte d'Ivoire, Marie Bitty and Fatou Konate from MTN Côte d'Ivoire, and Bernard Kouablan and Jean-Marius Yao from Orange Côte d'Ivoire for their remarkable inputs.

In addition, the authors would like to thank their GSMA Mobile Money programme colleagues for their comments on the publication (Renata Bindo, Simone di Castri, Chris Williamson) and especially Janet Shulist for her substantial help. Finally, the authors would like to express their sincere appreciation to the Bill & Melinda Gates Foundation, the MasterCard Foundation, and Omidyar Network for their generous support.

CONTENTS

Executive Summary

This case study highlights the success of the school registration fees payment initiative in Côte d'Ivoire, a concrete example which demonstrates that when operators and governments in mature mobile money markets collaborate, whole categories of payments can be efficiently digitised.

This initiative, which facilitates annual school registration fee payment for 99% of Côte d'Ivoire's 1.5 million secondary school students, has resulted in driving cost efficiencies, increased operational efficiency, and transparency for all the beneficiaries - students and their parents, secondary schools, and the government (Ministry of National and Technical Education - MENET). The initiative has also generated important transaction volumes for mobile money providers. Prior to this initiative, schools and local government departments reported that a significant proportion of school fee payments were lost, and that armed robberies at payment locations were commonplace. Mobile money has helped to reduce both cash handling costs and the associated risks.

TABLE 1

BENEFITS AT A GLANCE

MINISTRY OF NATIONAL AND AND TECHNICAL EDUCATION (MENET)	STUDENTS AND PARENTS
• Helps create more reliable and complete student record databases • Removes cash handling costs, security concerns, and administrative burden • Improves payment process efficiency and reduces leakage of funds • Increased transparency of fund management	• Reduces time, cost and security concerns of queuing to make cash payments • Increased transparency in terms of pricing • Increased ease of payment • Increased confidence in aligned proof of payment receipts
SECONDARY SCHOOLS	**MOBILE MONEY PROVIDERS**
• Earlier payments, helping school administrators better manage funding and budgets • Increase in overall fee collection leading to larger budget for schools • Real time access to the government student record database	• Increased customer adoption of mobile money • Increased activity of existing customers • Sustainable, seasonal use case • Enhanced value proposition • Additional revenue stream

This paper, as well as looking at the commercial and technical models implemented, also discusses the critical factors for the success of this initiative:

- The commitment of the Ministry of National and Technical Education (MENET) in investing in digital platforms and capabilities;
- The level of collaboration between the mobile money providers (MTN, Orange, Moov) to offer a universal and accessible payments solution with a streamlined user experience.
- The successful implementation of an attractive and sustainable business model for all parties

The example of school registration fee payments in Côte d'Ivoire highlights a promising new collaborative model for digitising person-to-government (P2G) payments via mobile money. As mobile money scales in several developing countries, it is fast becoming a relevant transactional mechanism, and is increasingly being leveraged by governments to digitise formal payment chains, resulting in reduced leakage of funds collected caused by theft, bribery and security issues.

For mobile money providers, expanding the mobile financial ecosystem is a key priority to bring even greater customer relevance, drive financial inclusion and ensure sustainable profitability of mobile money services.[1]

1. See Nicolas Vonthron (2015), "Understanding the potential of the mobile money ecosystem". GSMA Mobile Money for the Unbanked. Available at: http://www.gsma.com/mobilefordevelopment/understanding-the-potential-of-the-mobile-money-ecosystem

Part 1 - Building a successful public-private collaboration

Governments in a growing number of developing countries are prioritising the digitisation of public sector service delivery as part of ambitious e-government programs which seek to leverage information communication technologies to improve the quality and efficiency of public sector service delivery. These initiatives increasingly include platforms for online P2G payment.

Integration between e-government platforms and mobile money providers represents a significant opportunity to increase payment collection amongst citizens. In 2014, the ability to make payments to the government via mobile money was live in at least 13 markets across Africa, Asia and more recently Latin America.[2]

Four prevalent categories of P2G payments using mobile money have emerged so far: tax collection, school fee payments, license and official documentation fee payments and health payments. Other, less common use cases include payment of various fines.

TABLE 2

OVERVIEW OF P2G OPPORTUNITIES WITH MOBILE MONEY

TAX COLLECTION:	SCHOOL FEE PAYMENT:
• Citizens pay taxes to the National Revenue Authority using a mobile money account • Types of tax payable via mobile money: income tax, property tax, value-added tax • Examples in: Cameroon, Guyana, Kenya, Mauritius, Philippines, Rwanda, Tanzania, Uganda	• Citizens pay education fees to a school's bank account using a mobile money account • Types of educational fee payable via mobile money: school fees and school registration fees (for primary, secondary, tertiary education), exam fees • Examples in: Bangladesh, Cameroon, Côte d'Ivoire, Ghana, Kenya, Liberia, Rwanda, Tanzania, Uganda
LICENSE AND OFFICIAL DOCUMENTATION FEE PAYMENT:	**HEALTH PAYMENT:**
• Citizens pay license fees to the national License Revenue Authority • Types of license fees payable via mobile money: driving license, vehicle license, gun license • Examples in: Guyana, Kenya, Pakistan	• Citizens make health payments, including health insurance payments, to the government health ministry using a mobile money account • Types of health fee payable via mobile money include: insurance premium collection • Examples in: Kenya

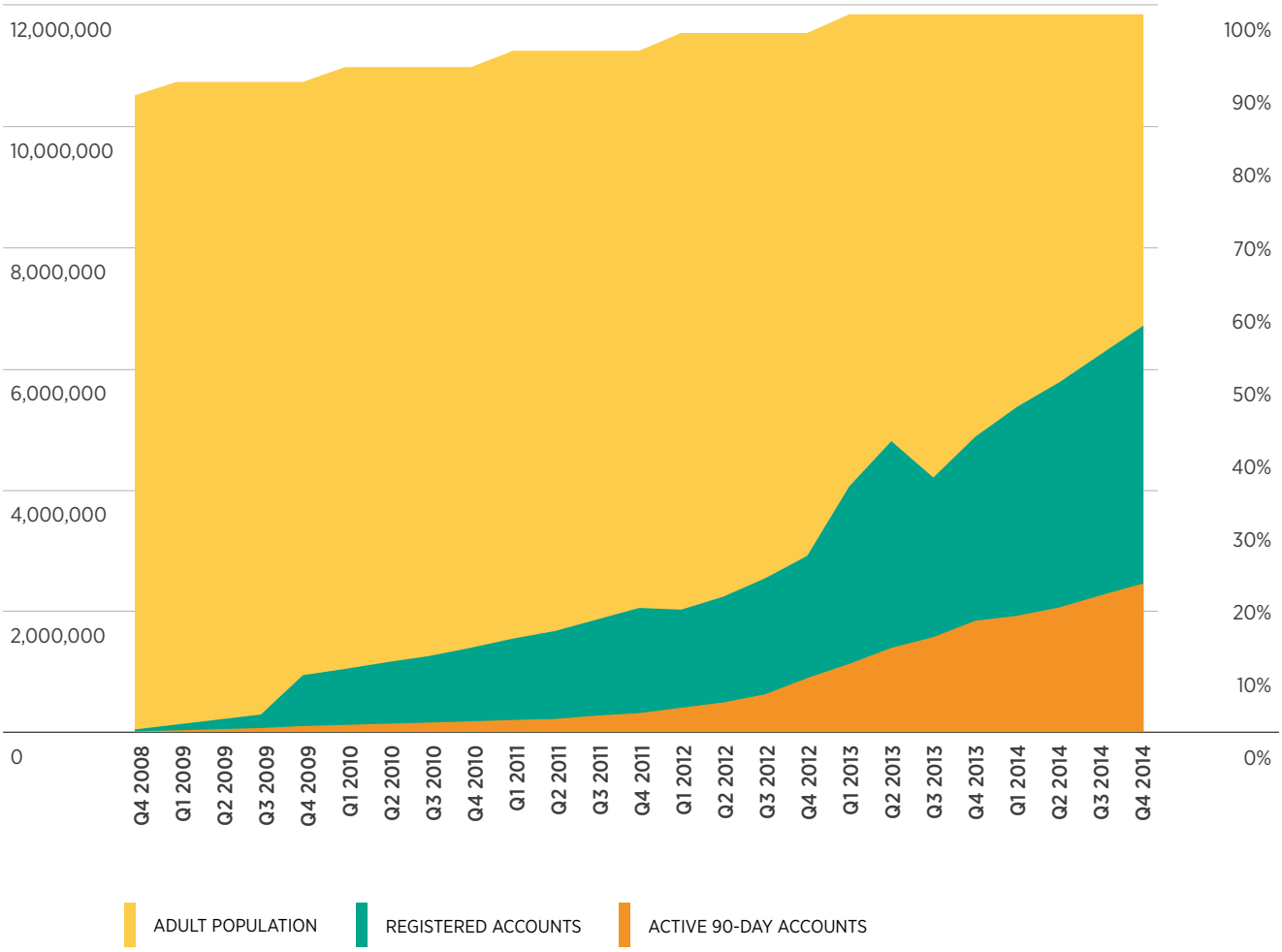
2. For more insights on this, see Claire Scharwatt (2014), "Paying taxes through mobile money: Initial insights into P2G and B2G payments". GSMA Mobile Money for the Unbanked. Available at: http://www.gsma.com/mobilefordevelopment/paying-taxes-through-mobile-money-initial-insights-into-p2g-and-b2g-payments

Côte d'Ivoire was one of the first countries to seize this opportunity. The Ministry of National and Technical Education of Côte d'Ivoire (MENET)[3] had been working on digitising student records since 1998 to create a national level student identification database. Progress was slow, marred by a decade of major political crisis involving armed conflicts, tens of thousands fleeing the country, and civilian casualties.

Political stability was restored in 2011, however a number of social challenges needed to be addressed, including securing efficient and reliable education funding for a country where 55% of the population was under 15 years old.[4] The country's entire school fee payment value chain, dependent entirely on cash payments, had been suffering from theft, security issues and bribery. For this reason, the MENET decided to prioritise the creation of a simple and transparent system for secondary students and their parents to make registration fee payments digitally. In 2011, 52% of the population owned one or more active mobile SIM cards[5] and mobile money was showing promising signs of scale with 300,000 active mobile money accounts.[6]

FIGURE 1

MOBILE MONEY ACCOUNT PENETRATION IN CÔTE D'IVOIRE (2008-2014)[7]



3. See: http://www.education-ci.org/portail/
4. World Bank data. Available at: http://data.worldbank.org/indicator/SP.POP.1564.TO.ZS
5. GSMA Intelligence data. https://gsmaintelligence.com/
6. See Claire Pénicaud Scharwatt (2014), "Mobile money in Côte d'Ivoire: A turnaround story". GSMA mobile Money for the Unbanked. Available at: http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2014/05/MMU_Cote_dIvoire_Turnaround_Story.pdf
7. Source: GSMA Mobile Money Intelligence data.

The story of an inclusive public-private collaboration

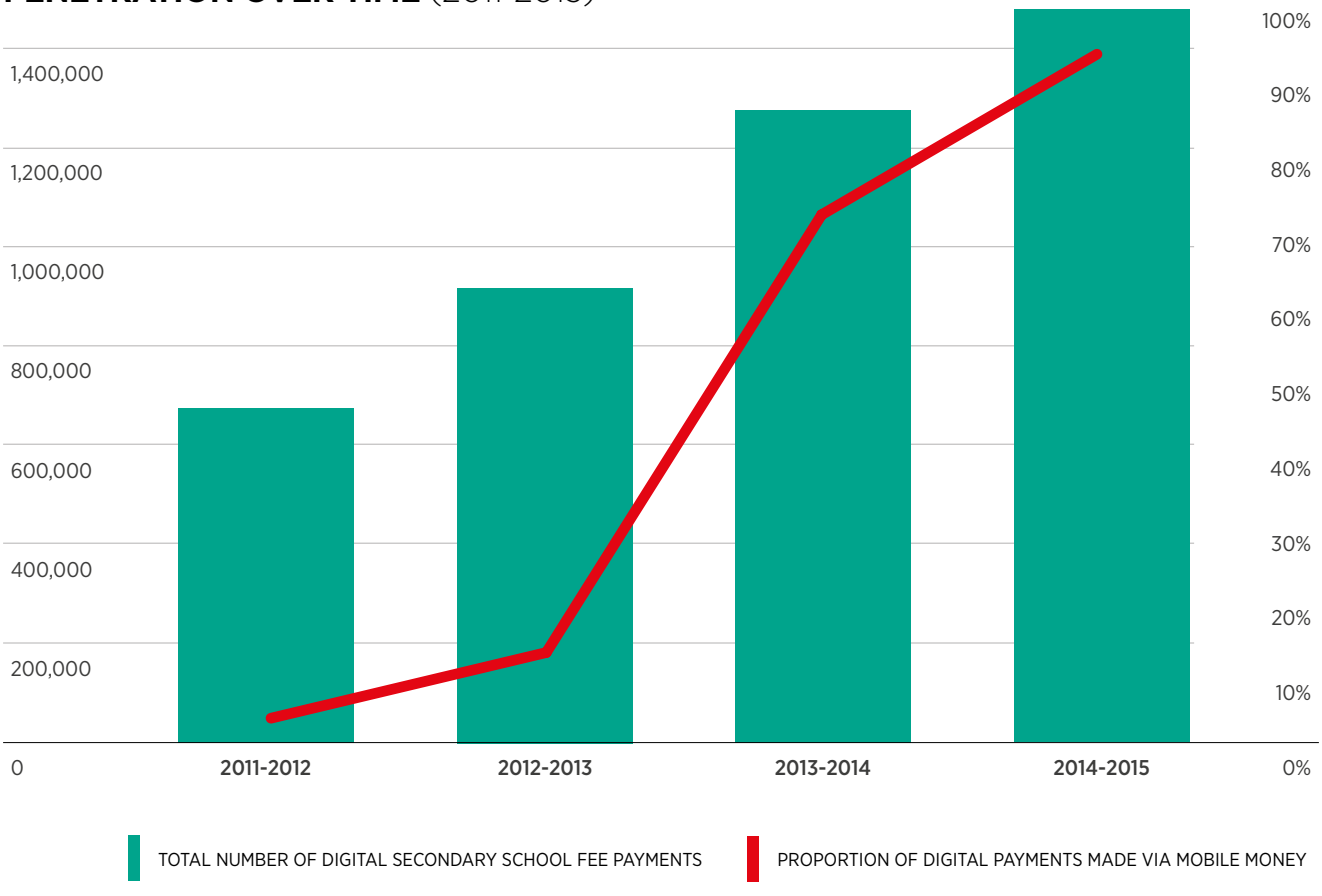
In 2011, the MENET launched a pilot programme to digitise school registration fees. Following consultation with the industry, the MENET opted to work with CelPaid, a local online payments provider, and with MTN, the second largest mobile operator in Côte d'Ivoire. CelPaid launched the service nationwide with an online channel, whilst MTN piloted the service using mobile money in the capital, Abidjan, only. Using one of these two payment channels, 675,000 secondary school students, or their parents, paid their school registration fees electronically for the 2011-2012 school year.

Following the promising results of the initial pilot, the MENET decided to expand the programme and sought to work with all the mobile money providers in Côte d'Ivoire to ensure universal service availability. With just 2.6%[8] of Ivoirians having access to the internet, enabling payment via the mobile channel was critical to the success of the project and it led the MENET to reassess CelPaid's initial online-only solution.

In 2012, MTN extended the provision of the service nationwide, and Orange joined the initiative. Moov, which had launched its mobile money service in January 2013, was the last provider to participate in the school fee digitisation project in 2014. Following several years of success, the MENET made it mandatory for secondary school students to pay their school registration fees digitally via of one of the four accredited providers. In 2014, 99% of Côte d'Ivoire's secondary school students paid their school fees digitally – 94% of which were mobile money transactions and 6% of which were online payments – proving the success of the MENET's strategy.

FIGURE 2

GROWTH OF DIGITAL REGISTRATIONS AND MOBILE MONEY PENETRATION OVER TIME (2011-2015)[9]



8. ITU data. Available at: http://www.itu.int/en/ITU-D/Statistics/Pages/stat/default.aspx
9. MENET data

FIGURE 3

TIMELINE OF THE NATIONAL DIGITAL PAYMENT SERVICE FOR SCHOOL FEES IN CÔTE D'IVOIRE

	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
	Digital payment of school registration fees launches and is a big success.	MENET onboards a third provider to enhance national coverage.	MENET focuses on improving technical integration.	Digital payment of school registration fees becomes mandatory at national level.	Other Government Ministries in Côte d'Ivoire show interest in digitising payments via mobile money.
SUCCESS	60% of school registration fee payments are made digitally, 3% of which are paid via mobile money.	73% of school registration fee payments are made digitally, 12% of which are paid via mobile money.	97% of school registration fee payments are made digitally, 72% of which are paid via mobile money.	99% of school registration fee payments are made digitally. 94% of which are made via mobile money.	100% of school registration fee payments are expected to be made digitally. 100% of these will be made via mobile money as the 4th provider, CelPaid, did not renew its contract this year.
ACTIVITIES	• MENET works with CelPaid to launch online payment of secondary school registration fees at national level • MENET works with MTN to pilot payment via mobile money in Abidjan only	• The MENET launches an RFP to on-board other mobile money providers - Orange becomes 3rd provider to offer the service • The providers connect to the government student record database via secure VPN connection, though this still is not real-time	• There is a real need to reduce room for human error in the digital payment process • MENET looks at alternate options for technical integration between payment providers and the student record database	• This year, technical integration between payment providers and MENET database is facilitated real-time through the MENET-built API • Payment providers align their customer experiences on the mobile handset	• The MENET continues to focus on and invest in improving both technical integration and customer experience • The MENET works with operators to add functionality – students can now update their record data via the mobile money menu
OUTCOMES	• MTN pilot is a success • CelPaid pilot is also successful, but CelPaid does not have a nation-wide agent network footprint • MENET seeks approval to expand program to maximise national coverage • Integration with the MENET's student record database was inefficient	• The connection between the payment platforms and MENET database remains inefficient, leaving a lot of room for human error as payees often enter incorrect class/student/ school codes	• The MENET begins to investigate other technical integration solutions that can remove room for human error, and begins to invest in building an in-house API	• Drastic reduction in the number of customer complaints received after process becomes more streamlined • The percentage of troublesome disputed transactions drops from 12% to 1% of transactions for one provider between 2012 and 2014	• Students and parents are now able to update personal information in the national student record database using the mobile money menu on their mobile handset

A business model to ensure the attractiveness of the service for all stakeholders

Today, secondary school registration fees in Côte d'Ivoire amount to 3,000 FCFA (USD 5) for private school students[10], and 6,000 FCFA (USD 10) for public school students. Designing the right business model was key to ensuring the digital payment service could be delivered in an attractive and sustainable way.

A key priority for the MENET was cost: digital registration and school fee payment had to be free of processing or transaction fee charge for students and their families. From the perspective of mobile money providers, the revenues from the services needed to compensate for the cost of delivering it (commissions to agents facilitating cash-ins as well as investment in improving the customer experience). In that context, the MENET agreed to pay the mobile money providers a flat fee of 500 FCFA for each school fee registration payment.

The digitisation of school fee payments has resulted in dramatic cost savings for the MENET, which justifies the commission paid to mobile money providers. This commission has created a new sustainable revenue stream for providers, enabling them to continue investing resources to maintain the service in the long term (notably to continue investing in the improvement of the customer experience).

10. Note that private school students also pay schooling fees on top of registration fees. These schooling fees are paid directly to schools, rather than to local government, and are currently not paid via mobile money.

Part 2 - Designing clear processes to ensure operational excellence

Successful collaboration between the industry and the government is structured around a robust taskforce - consisting of the MENET's Department of Strategy, Planning and Statistics (DSPS), and the four payment providers. The taskforce meets at key regular intervals throughout the year to discuss the planning, launch, management and review of the school fee payment initiative. Developing clear processes for the execution of each stage of project delivery was critical to ensure operational excellence, which is key to the success of the digitisation of school registration fee payment.

FIGURE 4

THE FOUR PHASES OF THE ANNUAL PROJECT PLAN

Phase 1 – Collaborative set-up (mid-May to mid-June)

To ensure the success of this public-private partnership, the taskforce members needed to clearly define areas for collaboration. Specifically, they agreed to work together on the design of a harmonized customer experience, and on a co-funded marketing campaign.

Every year in the month leading up to the kick off of the registration period for the new school year, the taskforce holds a series of meetings to align all players on these two areas.

Developing a **harmonized customer experience** across all payment providers involves two main aspects:

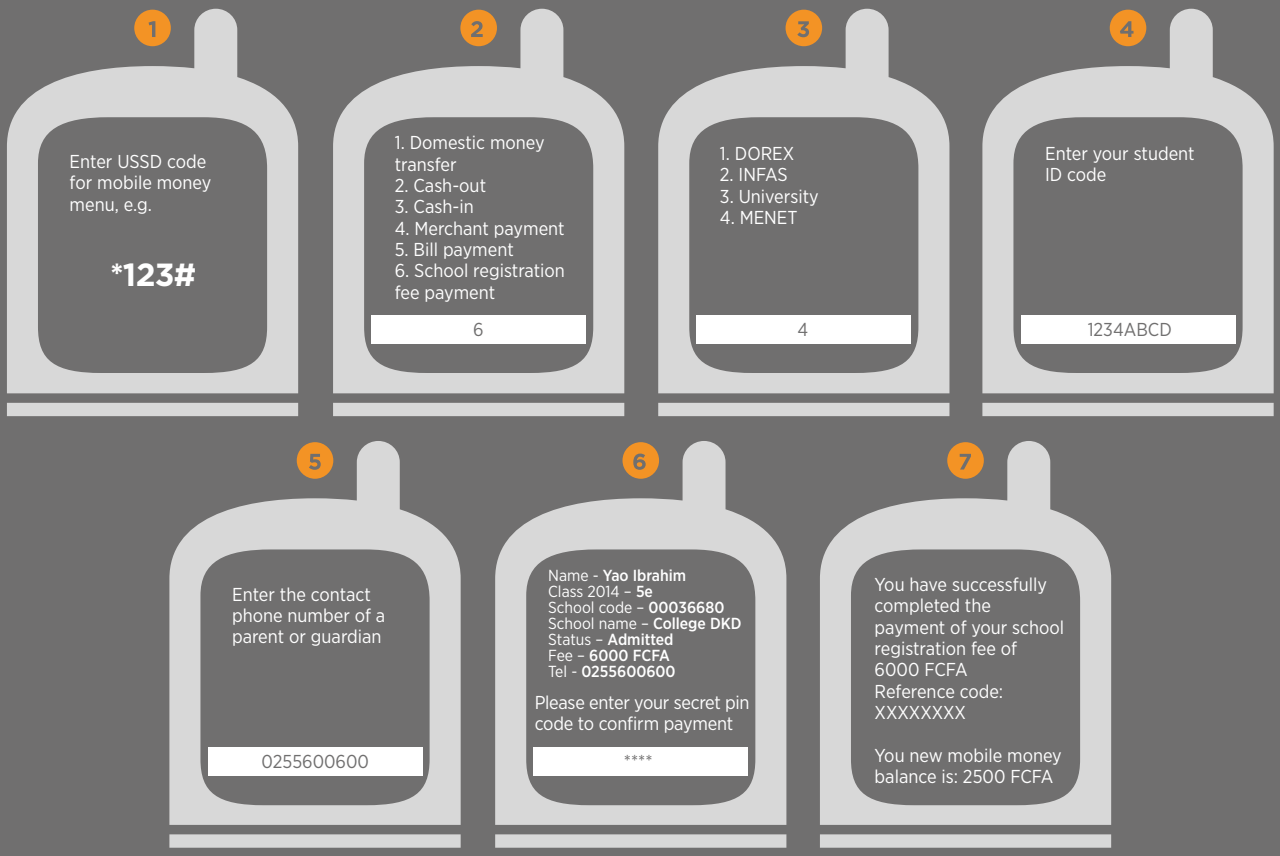
- First, the MENET and the mobile money providers have to agree on a unified customer journey on USSD (including agreeing on the number of steps, data to be inputted by students, etc.). Every year, the taskforce reviews the customer journey and ensures that any changes and improvements are implemented in time for campaign launch in mid-June.

- Secondly, there needs to be a seamless technical integration between each of the providers and the MENET to ensure that there would be no technical impediments throughout the customer journey. Up until 2014, the database connection was secured via a VPN, but was not updated in real-time, which left a lot of room for human error in the payment process. In 2014, the MENET invested in building an API in-house which

enabled all mobile money providers to connect to the government database of student records in real-time, resulting in a simplified customer experience and a reduction in customer complaints.[11] In the 2012-2013 payment year, one provider experienced customer complaints on 12.5% of transactions, this figure reduced drastically, to less than 1%, in the 2014-2015 payment period. Any improvements to the technical integration with the student record database are made during this set-up period. The technical system is also stress-tested to identify and rectify any technical errors before the go-live date in June.

TEXT BOX 1

CUSTOMER JOURNEY OF SCHOOL FEES PAYMENT VIA MOBILE MONEY



A student selects 'Registration Fee Payment' in their mobile money account menu. Student selects 'MENET' as the payee institution. Student is prompted to enter their student ID number and the contact phone number of a parent. Entering the student ID number prompts retrieval of student record information from the MENET database in real time. If the information is correct, including the fee to be paid, the student is prompted to enter the PIN for their mobile money account to authorise the payment. The student receives an SMS receipt to confirm payment, which includes a reference code. The student must then go to the MENET website, enter their unique reference code, and print their proof of payment certificate.

While most students and parents feel comfortable transacting using their own mobile phone, in order to ensure that the less technically literate are also able to pay using mobile money, the four providers also offer an over-the-counter payment service at mobile money agent outlets. Operators have found this is a less profitable option, since they need to pay the agent a commission to provide the service, and there is more risk involved. However, it is important to continue offering this service to ensure all students and parents, including those who are less connected in rural areas, are able to make payments via mobile money.

11. Now, the only information a student needs to enter in the phone is their unique ID number (rather than also school codes, class codes etc.), and the mobile money platform then pulls all other data related to that student directly from the MENET database in real time

In terms of communication, having a **common marketing campaign** was key to the success of the initiative. Every year, the annual communications and media campaign is planned jointly by the MENET and the four mobile money providers during the month leading up to launch. The campaign informs the general public that payment of school fees via one of the four mobile money providers is open, and provides details of how the payment can be made. This centralised campaign is funded equally by the providers (FCFA 5 million each - USD 8,300 - in 2014). Individual providers are also free to launch their own advertising campaigns alongside the centralised campaign. Each year, individual providers use billboard and TV advertising, as well as SMS-push campaigns to market the use of their payment channel to pay school fees.

TEXT BOX 2

SPOTLIGHT ON THE CO-FUNDED COMMUNICATIONS AND MEDIA CAMPAIGN

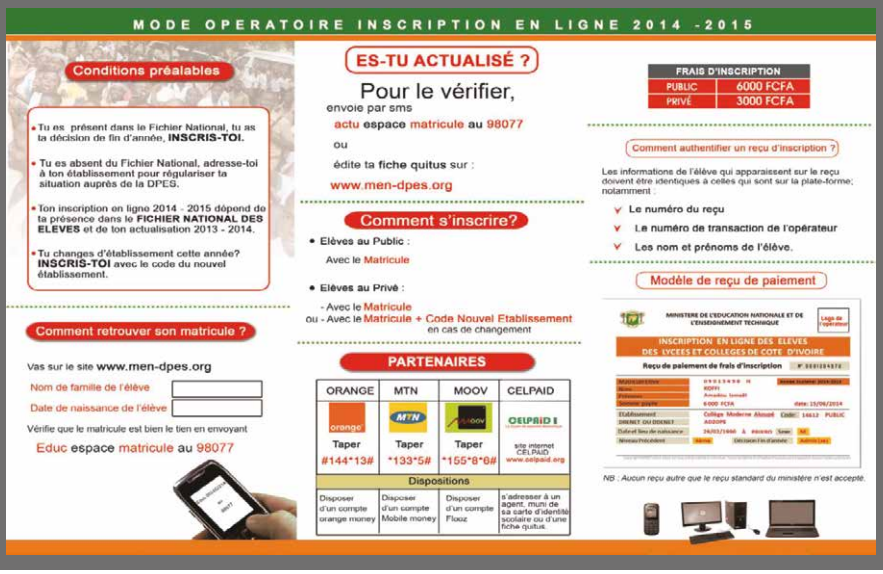
In 2014, the centralised campaign included a televised interview with the Director of the Education Ministry; radio adverts aimed at youth aired in both French and local languages; televised theatre sketches; 5,000 large posters displayed in public areas, including mayoral offices and communal taxis; 20,000 flyers and 5,000 booklets were distributed; and advertising and advice offered on a dedicated Facebook page. In 2014, the total cost of the campaign was FCAF 20 million (USD 34,000), equally split between each of the four payment providers.

The poster for the 2014 campaign can be seen below. The poster includes instructions for students and parents on:

- How to ensure they have the correct student ID number and details;
- How to pay fees via one of the four mobile money providers (see logos below);
- What fees should be paid for public or private school students; and
- How to ensure they have the official type of payment receipt accepted by schools.

For the 2015 – 2016 payments launch, the MENET expanded the communications and media campaign to include:

- Youth TV presenters promoting digital payments for school fees;
- Traditional storytellers in rural areas communicating the idea of digital payments, who have an influential voice and position in rural communities;
- Adverts broadcasted on local radio stations to reach less connected communities in harder to reach areas.



Phase 2 – Payment phase (mid-June to mid-September)

The MENET announces the opening of the payment platform in mid-June and the centralised communication campaign is launched. The campaign invites students to make the registration fee payment for the upcoming school year, and communicates the deadline as the 31st August.

During this payment period, the MENET provides all four providers with regular updates about the number of transactions being processed. All of this information is transparent, such that each of the four providers is aware of what proportion of the total transactions they are processing.

Payment volumes are highest in the weeks leading up to mid-September, adding pressure to the providers' agent networks, who need to carefully manage this spike in transaction volumes (see text box 3 for more insights).

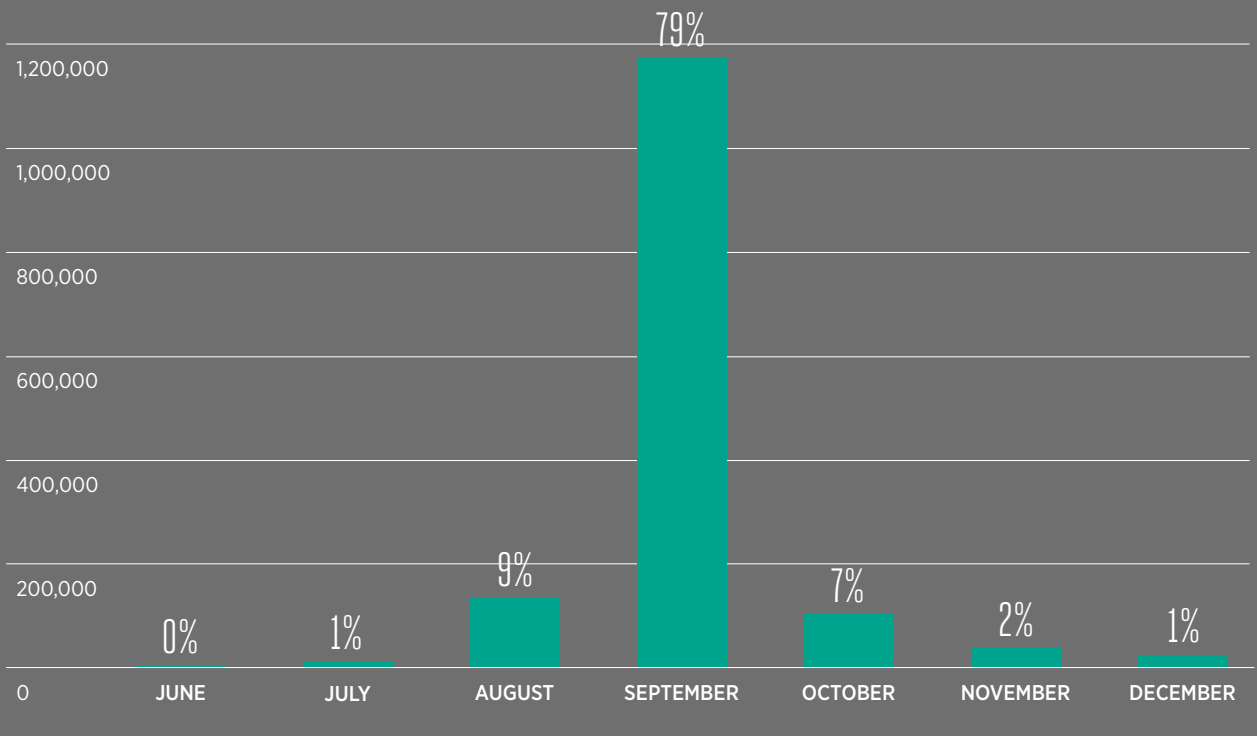
TEXT BOX 3

SEPTEMBER PAYMENTS SPIKE PUTS PRESSURE ON AGENT NETWORKS

The MENET encourages students and parents to make school fee payments by end of August in order to be able to share funds with schools in a timely manner. However, there is a tradition of leaving payments until the last minute, which results in a big spike in payment volumes in late August and September; nearly 80% of all mobile money payments are made during the month of September. This payments spike puts extra pressure on the mobile money provider's agent network, with an increased number of people needing to cash-in to their mobile money account, as well as some people needing agents to perform over-the-counter transactions for them. Liquidity and capacity are two things that the four providers must manage carefully during this busy payments period in order to ensure and maintain good customer service.

For example, some mobile money providers recruit temporary agents at the time of school registration to have some extra capacity at one of their busiest times of the year. Another way to address this challenge is to encourage their agents to go near schools to offer cash-in services to students attending a particular institution.

MONTH-ON-MONTH VIEW OF DIGITAL SCHOOL FEE PAYMENTS (2013-2014)



Phase 3 – Settlement phase (mid-October and December)

By mid-October, more than 90% of school registration fee payments have been made. At this time, using transaction data alongside the student record database, the MENET instructs the four providers to settle specific funds with the various regional governments accordingly. Providers have three weeks to send funds to regional governments once they receive instructions from the MENET. Once received, local governments make payments directly to local schools. With the new API, all schools are able to access the student record database in real-time to see which students have paid their fees, this provides extra transparency in the process.

The MENET makes a final request to the four providers in December to settle any remaining funds that came in as late payments from students or parents.

FIGURE 5

FUND SETTLEMENT DIAGRAM

Phase 4 – Collaborative review (March)

Each year, the MENET department reviews campaign activity to draw out learnings and identify improvements for the next payment year. The annual review meeting is attended by the MENET's Department of Strategy, Planning and Statistics (DSPS), as well as by partnering payment providers. A series of recommendations and improvements to be implemented by both MENET and payment providers alike are captured in an Annual Review report.

Some examples from the 2014-2015 Annual Review are:

- Continued improvement of the MENET database to ensure all student records are correct;
- Ensure all stakeholders stick scrupulously to timelines as any delays impact timeliness of schools receiving funding;
- Use the contact phone numbers of parents of students to inform them about the need to pay school fees via mobile;
- In the following academic year, the taskforce shall collectively conduct a widespread educational outreach program in order to better inform MENET agencies, educational institutions and parental committees of the need to pay school registration fees via mobile money well before the end of August deadline.

Part 3 - Reaping benefits of digitising school registration fee payments

"The reform of the digital registration was initiated four years ago, and has had a beneficial effect on the education system. Indeed, it has allowed all students to register within a very short timeframe, while reducing the risk for schools to become targets for thieves who were planning their attacks at the beginning of the school year. Moreover, the MENET now has a solid and exhaustive database of secondary school students (with pictures). A number of activities including student updates (transfers, exchanges, reassignments) are now managed in real time. These are just some of the benefits of the digital registration project, which demonstrates the relevance and usefulness of this tool for the Ivorian education system."

Opening speech of the Director of Cabinet of the Ministry of National and Technical Education, Mr. Kabran Assoumou, during the annual review workshop for digital registration for school year 2014-2015

During the 2014–2015 school year, CelPaid, MTN, Orange, and Moov collectively processed 1,479,916 digital school fee registration payments. 99% of all students paid digitally in 2014, up from 60% during the 2011–2012 school year, when the payment initiative was first launched. These results are remarkable, and clearly demonstrate the credibility and capability of mobile money providers working collaboratively to successfully digitise large volumes of P2G payments, resulting in increased cost efficiency, transparency and better budget management for the stakeholders involved. Digitising school registration payments in Côte d'Ivoire has brought a number of benefits to government, schools, students, and mobile money providers alike.

Benefits for the government

PAYMENT VIA MOBILE MONEY

Côte d'Ivoire's government has benefited from the digital payment system in two main ways. Firstly, the payment of school registration fees via mobile money has drastically reduced lost payments, fraud, and theft. According to local stakeholders, a large proportion of school fee payments were lost when school fees were paid in person with cash, and armed robbery at local cash collection points was common. Mobile money has also reduced the cost and administrative burden of managing cash, and the risks associated with it. This is a significant advantage when we consider that the cost of cash management is typically between 0.5% and 1.5% of a country's total GDP.[12]

12. http://www.mastercardadvisors.com/cashlessjourney/MasterCard_Advisors_Global_Journey_From_Cash_To_Cashless.pdf

The payment of school fees via mobile money allows the government to collect fees earlier in the year (June to September, rather than September to December) and over a shorter period, which in turn makes it easier to manage annual budgets.[13]

DIGITAL SCHOOL REGISTRATION

Secondly, digital registration of secondary school students has allowed the MENET to consolidate its student database and significantly increase the quality of its information. The database is now more up-to-date, includes a comprehensive list of 1.5 million secondary school students, and has eliminated duplicate entries.[14] One major advantage of digital registration is that these updates can be processed in a timely and efficient manner. Registration information is automatically updated in the database once a year when students confirm the payment of their school registration fee via mobile money. In addition, students have also been able to easily update other contact information.

Within just a few years, this database has become a powerful tool for collecting education statistics[15] and using them to guide education policies. For example, secondary school statistics have allowed the government to identify, quantify and track the issue of pregnancy among female students, which constitutes a major barrier to achieve the government objective to increase schooling rate among girls. On that topic, the Minister of Education Mrs Kandia Camara highlighted that "*the statistics are of critical importance to the steering and management of all projects, and are particularly important with regards to the governance of the MENET. The statistics also play an important role in good governance of schools because they aid in decision making processes and so help to provide fair access to quality education for all*".[16]

Benefits for students and parents

For secondary school students and their parents, using a mobile phone to register for school and pay registration fees has a number of advantages. Firstly, it is more convenient because registration can happen at any time and from any location, as long as there is a positive balance in their mobile money account. Before, students and parents had to stand in long queues, spending significant amounts of time away from income-generating activities, to submit paper registration forms and cash payments.

Secondly, the service is also more transparent. The parent receives an SMS receipt of payment including a unique reference code. Using this code, parents can print out a paper receipt from the official MENET website. This confirms and guarantees their child's registration.

Benefits for secondary schools

The penetration of mobile technology, especially mobile money services, has enabled all schools in the country—even those in the most remote areas without electricity—to benefit from the power of the digital economy. Students are now able to register for school more efficiently, and school registration fee payments can be collected earlier and in full.

13. Back in 2010 when there were no school registration payments, the government would typically not have enough money to give to schools in September when classes started. As a result, many schools were not able to open until December or January when the government voted on a new budget. This is why the MENET decided to introduce a small registration fee that parents would have to pay for each child to attend secondary school. However, the slow and cumbersome cash payment process meant that schools wouldn't get the money until long after students had started in September. The introduction of mobile money has allowed the government to solve this issue while making transaction flows more transparent.
14. Note that the number of students attending secondary school in Côte d'Ivoire grows by around 200,000 each academic year
15. Every year, the MENET publishes a booklet with education statistics. Statistic can be downloaded on the MENET website here: http://www.men-dpes.org/new/annuaire.php
16. See: "Année scolaire 2014-2015 / 5.922 cas de grossesses scolaires en seulement en 2 trimestres: plus d'un million d'enfants sans extraits de naissance" [« Academic year 2014-2015 / 5,922 cases of pregnancy in just 2 trimesters: more than one million children without birth certification"] Abidjan.net (31 March 2015). Available at: http://news.abidjan.net/h/544997.html

Every school in the country has been empowered by access to real-time information in the MENET student database. What once required a trip to the capital city, Abidjan, is now available online at the click of a button. With direct access to the database, schools can closely track school registration fee payments. With the payment period having been moved forward (June – August), schools now receive funding earlier on in the school year, which helps them to manage their budgets more effectively. Additionally, the digitisation of payments has led to less theft and leakage of funds, this has resulted in schools receiving larger budgets.

Benefits for mobile money providers

From the perspective of the providers, while school registration payments are a marginal part of the product mix (they accounted for about 1% of Orange's total annual transactions in 2014, for example), they represent an interesting opportunity to process a largely predictable volume of transactions every year.

In terms of direct revenues, operators receive a commission from the government for each school fee payment they process, making this service a new revenue stream for them. The service is also an effective way of reactivating inactive users who will make other mobile money transactions after paying the school registration fee. It has also helped operators recruit new customers, although to a lesser extent

"The school registration fee payment project is an activity that enables us to both: increase customer loyalty, and develop a broader payments ecosystem. The revenues generated enable us to mobilise the necessary resources to build out the Orange Money payments ecosystem."

B. KOUABLAN, Marketing Manager, Orange Money Côte d'Ivoire.

Conclusion

Key considerations and lessons learnt

This initiative has been a success for all stakeholders involved, and is probably the best global example of a collaborative mobile money P2G initiative to date. It demonstrates concrete evidence that the use of mobile money can be a relevant instrument to enable governments to support their digitisation and e-government programs, allowing more efficiency and transparency into the whole payment process.

Additionally, such initiatives can also bring great benefits to schools - allowing them to better manage their budgets and prevent fraud, as well as to the end users, who can now enjoy the simplicity and security of remote mobile registration and fee payments through a convenient uniform experience.

Finally, this type of initiative underlines the important role that governments can play in increasing financial inclusion. The courageous decision of the MENET in Côte d'Ivoire to migrate away from cash payment towards a digital payment system has not only led to an improvement in the performance of the education sector, but has also crucially led unbanked populations to adopt a formal digital payment mechanism, thus increasing their overall level of access to basic financial instruments.

The key success factors for the school registration fee payment in Côte d'Ivoire are:

- **Robust mobile money foundations –** Mobile money in Côte d'Ivoire has seen strong traction and services have solid foundations in place, in particular strong distribution networks, capable of handling new transaction peaks as well as internal processes to manage the risk of fraud.

- **Strong political support -** A progressive drive from the MENET to enable school fees payments to be carried out remotely, both online and via mobile.

- **Technical capabilities at the government level –** Strong motivation from the MENET to invest in the right IT capabilities, in particular enabling a VPN connection and building an API in order to enable fast and robust real-time payment systems.

- **A collaborative industry approach –** The creation of a collaborative taskforce gathering the mobile money providers and the MENET together in order to improve the service technically, as well as from a user experience perspective and discuss and encourage customer adoption.

- **A sustainable and attractive business model –** The government pays a small fee to operators, which is low enough to ensure strong benefits for the government, while allowing operators to cover their distribution costs.

What does the future hold?

This year, the MENET aims to process 100% of registrations digitally. The current plan is to enable students/parents to update their registration details in the database via the mobile money menu, which they currently have to update at a local government office.

What does the future hold? A number of questions and opportunities will need to be addressed:

- **Expansion to other education levels -** How can the MENET expand digital registration to primary education to reach the 3.4 million pupils attending primary schools in Côte d'Ivoire? What other parts of the education payments space (eg. exam offices and universities) can be digitised in a significant way?

- **Digitisation of other government payments -** Will other ministries follow the example of the MENET and digitise flows of payments, such as income, sales and value-added tax payments, social security and pension contributions, automotive costs (including tolls and fines), and company registration fees?

- **Replication in other countries -** Finally, beyond the borders of Côte d'Ivoire, how can other governments and operators learn from the Ivorian experience and replicate it in their markets?

As an increasing number of operators and government are assessing the opportunity to digitise P2G payments, the GSMA will continue to document and share best practices with the industry to support the development of new success stories beyond Côte d'Ivoire.

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