Mobile money in West Africa has come a long way since 2011...

The number of live mobile money services more than doubled in the last 5 years.

- 2011: 25 services in 11 countries
- 2016: 57 services in 15 countries

30 new mobile money accounts were registered every minute in the past five years.

There are more than 3 times as many mobile money subscribers (92m) as Facebook subscribers.

Account activity has improved rapidly, nearly doubling from 16% in 2011 to 31% in 2016.
… showing clear signs for success

10 out of 15 countries have more registered mobile money accounts than mobile broadband connections.

Agent networks grew quickly, reaching 471 k today in West Africa.

West Africa makes up 1/3 of all active accounts in Sub-Saharan Africa today, compared to less than 10% five years ago.

13 out of 15 countries have enabling regulation, allowing both banks and non-banks to offer mobile money.
West Africa’s share of global customer accounts, transaction volumes and values has grown significantly since 2011…

**Active Accounts**
- 2011: 1.4 m (6%) → 28.6 m (16%)
- 2016: 94% → 84%

**Transaction Volumes**
- 2011: 3.2 m (2%) → 119 m (9%)
- 2016: 98% → 91%

**Transaction Values**
- 2011: 93 m (2%) USD → 3.1 b (14%) USD
- 2016: 98% → 86%
… but, mobile money in the region is still dominated by basic use cases…

West Africa Product Mix, December 2016

Value

- Airtime top-up: 74.0%
- P2P transfer: 1.9%
- Merchant payment: 5.5%
- Bill payment: 5.7%
- International remittance: 6.6%
- Bulk disbursement: 6.3%
- Merchant payment: 6.6%

Volume

- Airtime top-up: 68.2%
- P2P transfer: 1.2%
- Merchant payment: 1.5%
- Bill payment: 1.5%
- International remittance: 3.4%
- Bulk disbursement: 0.6%

Nearly 3/4 of the total volume and value of transactions are airtime top-ups and domestic P2P transfers respectively.
...however, customers are gradually adopting more sophisticated products

Ecosystem Transactions Volumes

Ecosystem transactions tripled between 2013 and 2016, driven by bill payments

- 2013: 0.5
- 2014: 1.0
- 2015: 1.5
- 2016: 2.0

- Bill payment
- Bulk disbursement
- International remittance
- Merchant payment
Strong innovation by payments providers is helping to digitise ‘everyday’ payments…

Partnerships for bill payments in the region increased seven-fold* in the past year

50% of GSMA survey respondents from the region facilitate government payments, up from only 27% last year

Third party partnership is a strategic priority for 70% of GSMA survey respondents in the region

Collaboration between providers across borders is booming, 23 live international remittances corridors in West Africa connecting 10 countries

* Based on the Global Adoption Survey responses
... but achieving scale means focusing on offering customers the right products.

**CÔTE D’IVOIRE**
Orange-enabled School Fee Payment

99% of 1.5 m secondary school students paid their annual school registration fee via mobile money

**GHANA**
Tigo-enabled Utilities Payment

Added more utility to the money in the account

2014-15
99% of 1.5 m secondary school students paid their annual school registration fee via mobile money

Loyal predictable customer base

2015-16
99.3% of 1.7 m secondary school students paid their annual school registration fee via mobile money

Average 37\(^1\) transactions per user per month for PEG* customers compared to 14 for Non–PEG\(^*\) customers

122%\(^2\) higher ARPU from PEG* customers compared to Non–PEG* customers

*PEG is a Pay-as-you-Go solar system company providing electricity in Ghana that enables customers to make electricity payments through Tigo Cash

1. Transactions include transfers, Payments, Login, Cash-out, Cash-in, Buy, balance
2. ARPU for Transfers, Payments and Cash-outs only
Source: CGAP
Mobile money enabled international remittances have taken off in West Africa…

International remittances by region, December 2016

Volume

- Western Africa: 62.8%
- East Asia and Pacific: 19.9%
- Latin America and the Caribbean: 6.3%
- Middle East and North Africa: 5.8%
- Rest of the World: 3.8%
- Rest of the World*: 1.4%

Value

- Western Africa: 47.6%
- East Asia and Pacific: 22.3%
- Latin America and the Caribbean: 12.1%
- Middle East and North Africa: 9.5%
- Rest of the World: 6.4%
- Rest of the World*: 2.1%

*Rest of the World* includes Middle Africa, South Africa, North Africa and Caribbean, South Asia, Eastern Europe and Central Africa

4 out of 10 services globally, with the highest IR transaction value are in West Africa
... driven by low prices and strong cross-border collaboration amongst mobile money providers

Average remittances cost for global MTOs and mobile money providers (in %; August 2016)

Source: Research paper by GSMA: Driving a price revolution mobile money in international remittances

Mobile money based international remittances in West Africa are on average ~60% cheaper than traditional money transfer operators
Priorities for future success of mobile money in West Africa...

**OPERATIONAL FOUNDATIONS**
50% of the agents in the region are dormant

**INNOVATION & ECOSYSTEM EXPANSION**
Only 3% of the total transactions in Dec 2016 were third party transactions

**WOMEN**
Still a significant 25% gender gap in mobile account ownership in the region

**ROBUST INVESTMENT**
54% of the respondents from the region maintained or increased investments in 2016

* Gender Gap = (Mobile Account, males (% population - age 15+) – Mobile Account (% population - age 15+)/ Mobile Account, males (% population - age 15+), Source: World Bank
**Mobile account denotes the respondents who reported personally using a mobile phone to conduct an ecosystem transaction through a mobile money service in the past 12 months.