2016
Mobile Money in Latin America & the Caribbean
Latin America saw a threefold rise in mobile money deployments in the last five years, a faster growth rate than seen globally.

<table>
<thead>
<tr>
<th>Mobile money deployments</th>
<th>2011</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Caribbean</td>
<td>1</td>
<td>6</td>
</tr>
<tr>
<td>Central America</td>
<td>6</td>
<td>10</td>
</tr>
<tr>
<td>South America</td>
<td>3</td>
<td>17</td>
</tr>
<tr>
<td>Latin America &amp; the Caribbean</td>
<td>10</td>
<td>33</td>
</tr>
<tr>
<td>Global</td>
<td>116</td>
<td>277</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Markets with mobile money</th>
<th>2011</th>
<th>2016</th>
</tr>
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<tbody>
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<td>1</td>
<td>3</td>
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<td>3</td>
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<td>8</td>
<td>17</td>
</tr>
<tr>
<td>Global</td>
<td>63</td>
<td>92</td>
</tr>
</tbody>
</table>

Source: GSMA mobile money deployment tracker.
Over the last five years, the number of deployments has risen consistently across sub-regions.

Latin American deployments by sub-region, 2011 to 2016

Source: GSMA Mobile Money Deployment Tracker
Note: this graph recognises deployments operational at the end of each year.
Markets with lower account penetration and lower GDP per capita have tended to show a higher adoption of mobile money

Source: GSMA data, World Bank Findex data. Adoption rate methodology: registered accounts / total GSM connections excluding cellular M2M

Definitions of market types: Type I markets: the lowest-income markets in the region, with the highest rates of financial exclusion on average. Type II markets: relatively high-income markets with higher rates of financial inclusion, with some exceptions. The markets in between are likely to be hybrids of Type I and Type II markets. See: GSMA Latin America paper; CGAP methodology paper.
As mobile adoption reaches saturation, mobile money still stands to capture a large addressable market, now equipped with smartphones.

Growth of registered mobile money accounts over addressable market in Latin America, 2011 to 2016

Source: GSMA and GSMA data
Number of mobile connections: Total connections excluding cellular M2M
Number of smartphones: calculated using quarterly net smartphone additions, excluding cellular M2M
Mobile money in Latin America is still in its early growth phase. Starting from a low base, it is outgrowing the rest of the world.

Growth of 90-day active mobile money accounts, 2011 to 2016

- **Latin America**: CAGR: 51.3%
- **Rest of the World**: CAGR: 39.6%

Source: GSMA data. Note: Rest of the World excludes Latin America. CAGR is calculated between 2011 and 2016.
The region’s use-case breakdown shows an unparalleled dominance of ecosystem transactions

**LatAm vs Global Product Mix 2016**

**LatAm Volume 2016**
- Values: 395 mn
  - Ecosystem: 69%
  - Airtime top-up: 58.3%
  - Bill payment: 9.0%
  - Bulk disbursement: 22.0%
  - International remittance: 3.9%
  - Merchant payment: 6.7%
  - P2P transfer: 0.1%

**Global Volume 2016**
- Values: 10 bn
  - Ecosystem: 19%
  - Airtime top-up: 61.1%
  - Bill payment: 19.0%
  - Bulk disbursement: 11.4%
  - International remittance: 2.2%
  - Merchant payment: 5.1%
  - P2P transfer: 0.1%

**Key**
- Airtime top-up
- Bill payment
- Bulk disbursement
- International remittance
- Merchant payment
- P2P transfer

**LatAm Values 2016**
- Volume: US$ 3 bn
  - Ecosystem: 70%
  - Airtime top-up: 27.3%
  - Bill payment: 17.6%
  - Bulk disbursement: 2.9%
  - International remittance: 2.8%
  - Merchant payment: 2.7%
  - P2P transfer: 2.7%

**Global Values 2016**
- Volume: US$ 110 bn
  - Ecosystem: 26%
  - Airtime top-up: 69.1%
  - Bill payment: 12.4%
  - Bulk disbursement: 7.2%
  - International remittance: 4.7%
  - Merchant payment: 1.1%
  - P2P transfer: 0.1%

Source: GSMA data
While peer-to-peer transfers increased steadily, digitizing ecosystem transactions led to a steep rise in transaction volumes...

Transaction volume growth, 2011 to 2016

Source: GSMA data

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<tbody>
<tr>
<td>Airtime top-ups</td>
<td>7</td>
<td>22</td>
<td>92</td>
<td>243</td>
<td>310</td>
<td>395</td>
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<tr>
<td>Merchant payments (inc transport payments)</td>
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<tr>
<td>Bill payments</td>
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<tr>
<td>International remittances</td>
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<tr>
<td>Bulk payments</td>
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<tr>
<td>Peer-to-peer transfers</td>
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</tbody>
</table>

CAGR 2013 to 2016: 62%
...and a decrease in the value of peer-to-peer transfers, showing a vibrant and diverse mobile money market in Latin America.

Transaction value growth, 2011 to 2016

Source: GSMA data
...which has led to consistently higher activity rates across Latin America, compared to the global and Sub-Saharan African averages.

90-day activity rates, 2011 to 2016

<table>
<thead>
<tr>
<th>Year</th>
<th>Latin America</th>
<th>Global</th>
<th>Sub-Saharan Africa</th>
</tr>
</thead>
<tbody>
<tr>
<td>Jun 11</td>
<td>35.8%</td>
<td>32.6%</td>
<td>31.0%</td>
</tr>
<tr>
<td>Jun 12</td>
<td>36.1%</td>
<td>32.7%</td>
<td>31.1%</td>
</tr>
<tr>
<td>Jun 13</td>
<td>37.0%</td>
<td>33.0%</td>
<td>31.3%</td>
</tr>
<tr>
<td>Jun 14</td>
<td>38.1%</td>
<td>33.5%</td>
<td>31.7%</td>
</tr>
<tr>
<td>Jun 15</td>
<td>39.0%</td>
<td>34.0%</td>
<td>32.0%</td>
</tr>
</tbody>
</table>

Source: GSMA data
Activity rate = 90-day active accounts / Registered accounts
Mobile money has supported the digitisation of more cash in Latin America

Evolution of incoming transaction values per month, 2013 vs 2016

Global

<table>
<thead>
<tr>
<th>2013</th>
<th>Latin America</th>
</tr>
</thead>
<tbody>
<tr>
<td>38.3%</td>
<td>47.6%</td>
</tr>
<tr>
<td>13.2%</td>
<td>2.7%</td>
</tr>
<tr>
<td>45.1%</td>
<td>47.1%</td>
</tr>
<tr>
<td>3.4%</td>
<td>2.7%</td>
</tr>
</tbody>
</table>

Incoming transactions US$ 3.8 billion

Incoming transactions US$ 8.4 billion

Incoming transactions US$ 75 million

Incoming transactions US$ 259 million

Source: GSMA data
Operators stand to take advantage of a significant opportunity for growth by increasing the adoption of mobile money.

90-day activity rate on GSM customer base per mobile money deployment, June 2016

57 million
the number of 90-day accounts mobile money services could gain if they convert 10% of their subscribers to active MM users

90-day activity rate

Deployments with a high activity rate

Deployments are arranged by activity rate in descending order. High-activity deployments start on the left, moving towards low-activity deployments on the right.

Source: GSMA data.
Activity rate calculation: active 90-day mobile money customers / unique mobile subscriber for every operator