

A woman in a blue t-shirt and a colorful patterned skirt is walking away from the camera down a busy street. She has a baby strapped to her back in a woven basket and is carrying a large black pot in her right hand. On her head, she balances a tray filled with various goods, including a yellow bowl with a red floral pattern, a green container, and several bags. The street is paved with cobblestones and lined with shops and trees. In the background, a person is riding a motorcycle, and a white van is parked on the left. The scene is set in a bustling market area.

State of the Mobile Money Industry in Africa

2019

gsma.com/sotir

The GSMA's State of the Industry Report is based on a comprehensive set of databases



Mobile Money Deployment Tracker

Monitors the number of live mobile money services across the globe, collated using both primary and secondary sources on a monthly basis.



Global Adoption Survey

An annual survey designed to capture quantitative & qualitative information about the performance of mobile financial services around the world.



Mobile Money Estimates & Forecasts

Proprietary modelling approach to fill gaps in participation in the annual Global Adoption Survey and to estimate mobile money indicators at a global, regional and country level.

MOBILE MONEY IN 2019



Over 1bn

REGISTERED MOBILE MONEY ACCOUNTS



OVER

\$1.9bn
processed daily



by the
mobile money
industry



77

Mobile money deployments
Have more than

1m

90-day active
accounts

Compared
to 27
in 2014



INDUSTRY FIRST

57%
DIGITAL

Digital transaction values now
exceeding cash-in/out values

INDUSTRY FIRST



\$22bn
IN CIRCULATION

More money is circulating than
exiting the mobile money system



290

MOBILE MONEY DEPLOYMENTS



ARE LIVE IN

95

COUNTRIES



SUB-SAHARAN AFRICA

50m

NEW
REGISTERED
ACCOUNTS



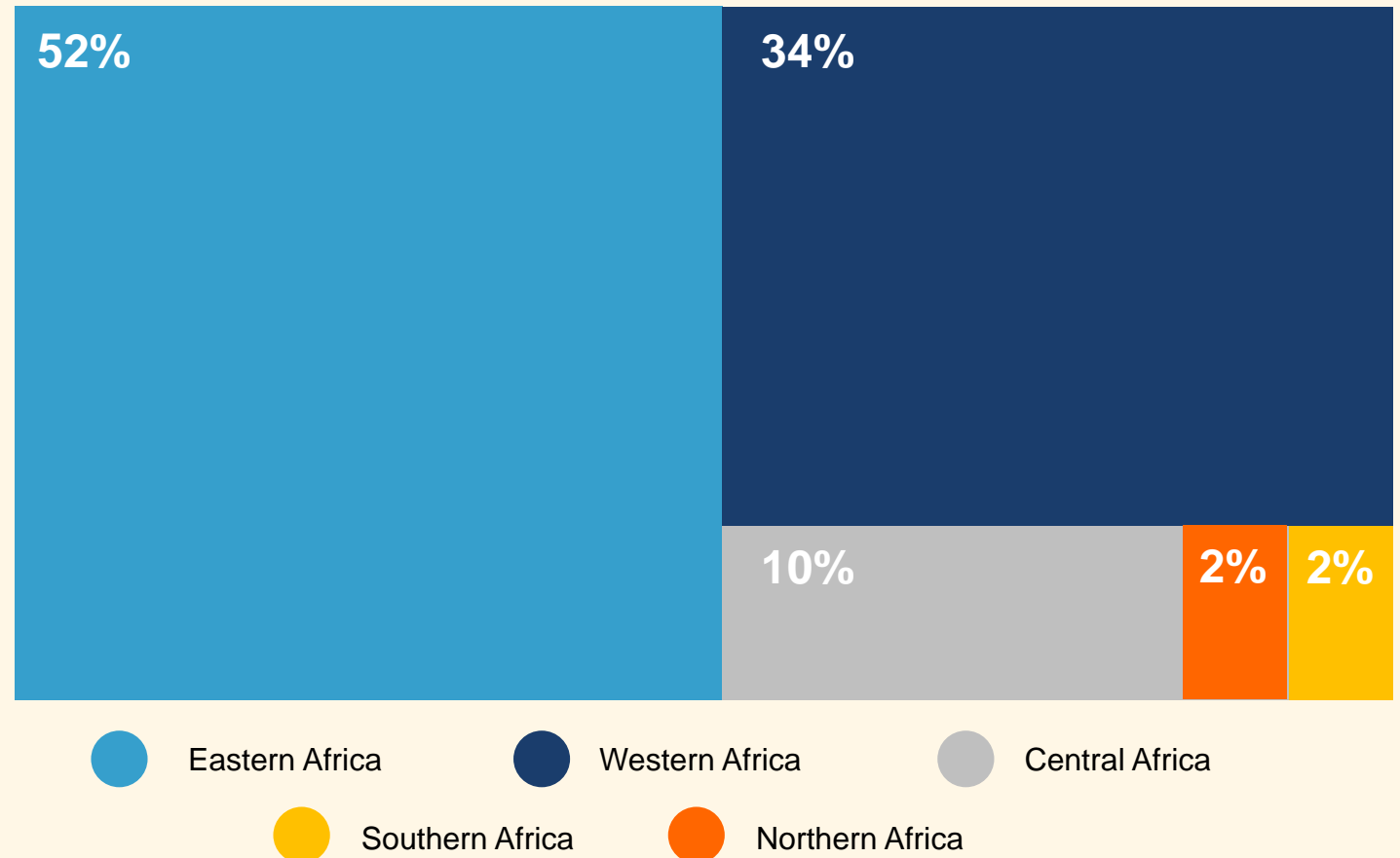
Africa is the enduring epicentre of mobile money

481m

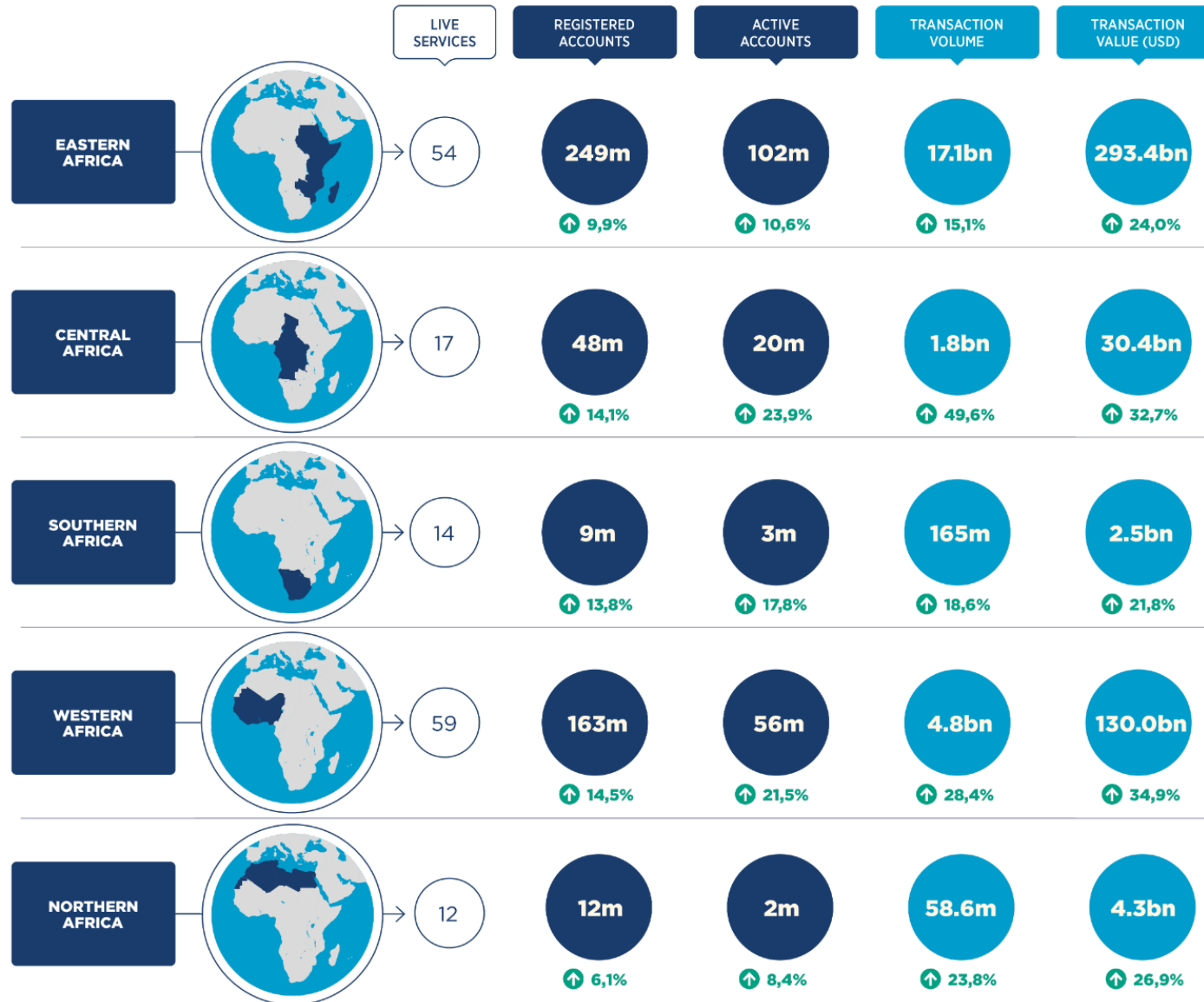
Registered accounts in 2019, up 12% YoY and making up 46% of global accounts

The region will surpass the **half a billion** accounts by the end of 2020

Distribution of registered mobile money customers in Africa (December 2019)



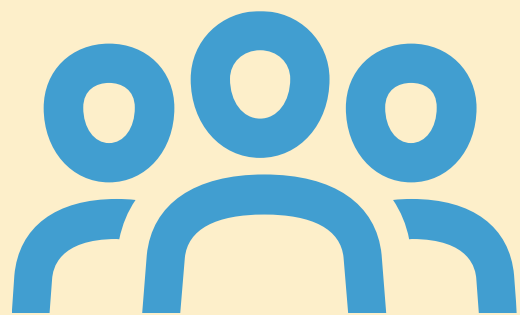
Impressive growth across Africa in 2019



HIGHLIGHTS

- Over **100 million** active mobile money accounts in 2019; up by 10.6% YoY.
- Over **5.2 million** money-enabled insurance policies issued in 2019
- The number registered accounts **grew by 100 %** through 2016-2019 – Reaching almost 50 million
- Growth led by Cameroon and Congo
- Southern Africa saw **growth-levels** resembling those of sub-Saharan Africa's other regions.
- Botswana saw several new entrants during 2019
- Strong growth across the region with the likes of **Senegal** is also growing fast
- Ghana** continues to impress; while much foreign investment entered **Nigeria**
- Northern Africa saw **strong growth** in transactional volumes and value
- New entrants** and renewed efforts in Morocco

More people in Africa are using their accounts more actively and as part of their daily lives



183m

Active accounts (90-day)

49% of global share

25% adult population penetration



2014



2019

40 deployments have over 1m active accounts (90-day) compared to 15 in 2014.

6

services have over 5m active accounts

Agents remain the main gateway for digitising cash in the region



3.4m

Registered agents
(44% of global agents)



56%

Active
(30-day)

A mobile money agent has **26** times the reach of ATMs and **58** times the reach of bank branches

Per 100,000 adults:

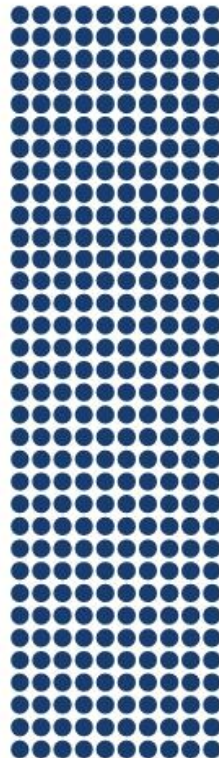
- **6** Banks
- **13** ATMs
- **340** Mobile money agents



Banks



ATMs



Mobile Money Agents



\$124bn

digitised value facilitated by mobile money solutions and agents in Africa annually

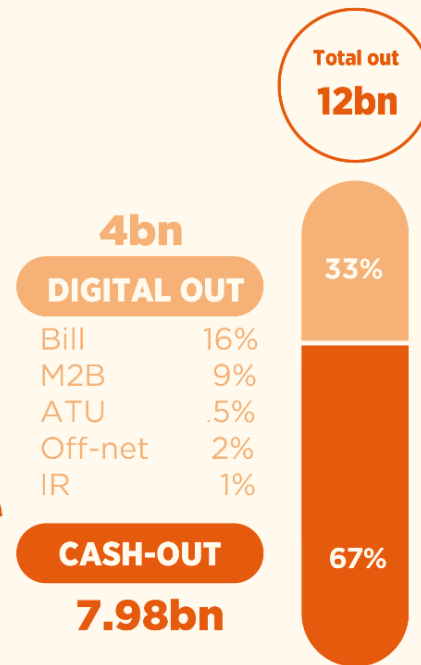
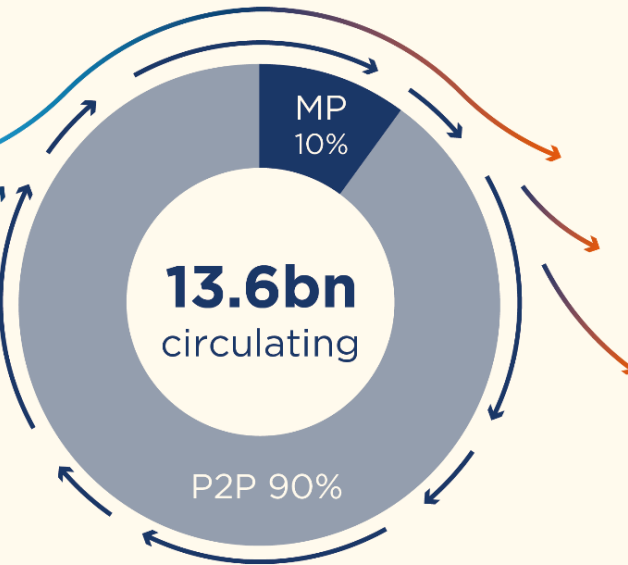
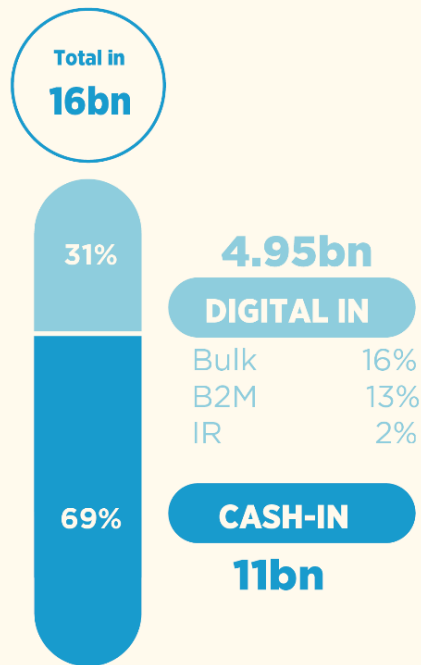
African mobile money industry has reached a digital threshold, driven by two key trends

Mobile Money Ecosystem in Africa

TREND

1

Digital transactions make up the majority of mobile money flows



TREND

2

More value is circulating in the mobile money system than exiting

*Digital transactions:
Digital in + Digital out + Circulating value

Transaction values, USD,
December 2019

INDUSTRY FIRST

53%
of transactions
are now digital

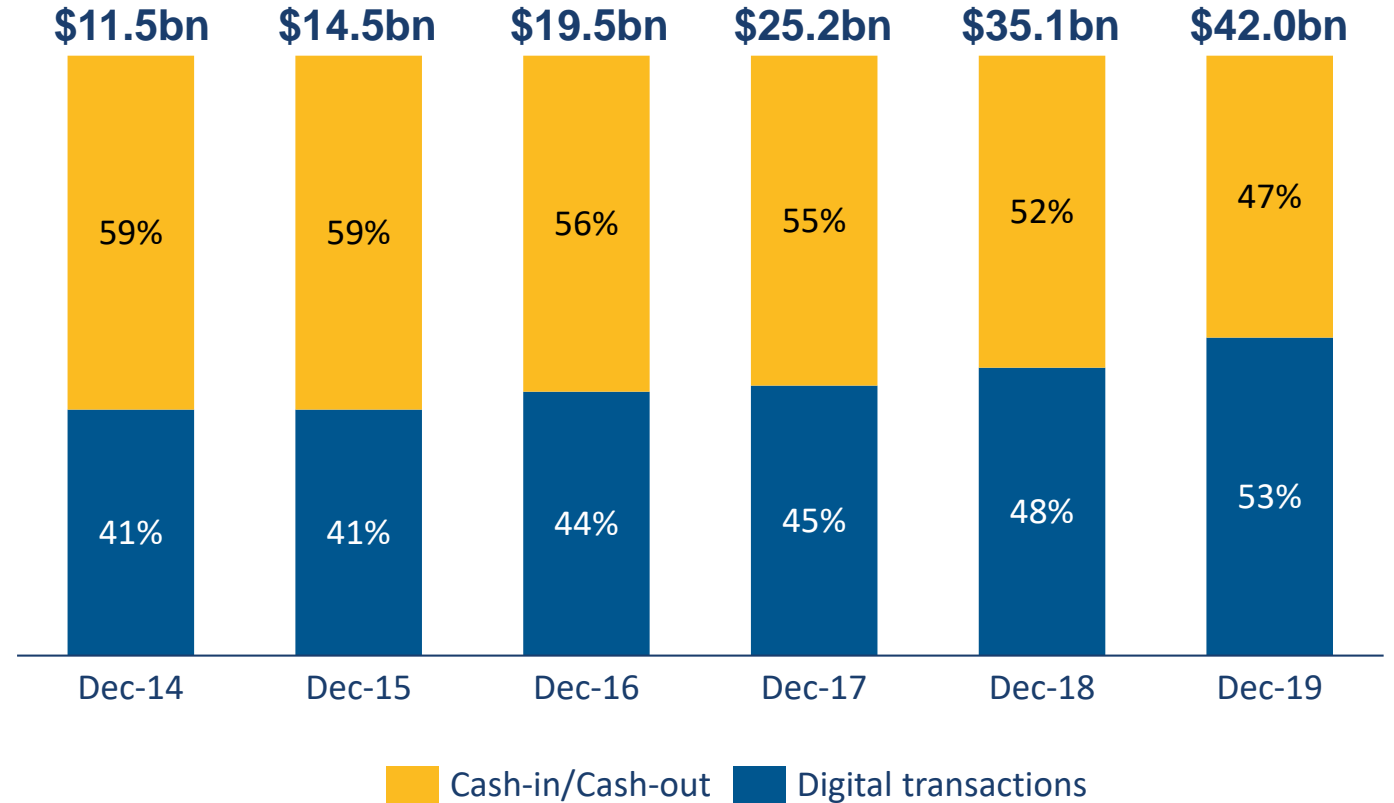
37%
CAGR since
2014

TREND

1

Digital transactions make up the majority of African mobile money flows

Mix of Mobile Money Transaction Values



TREND

1

Mobile money is increasingly integral to the African financial ecosystem

27

35

27 of 35 markets are interoperable

Interoperability with banks



On average mobile money services with bank integration are connected to 10 banks

Account-to-account (A2A) interoperability

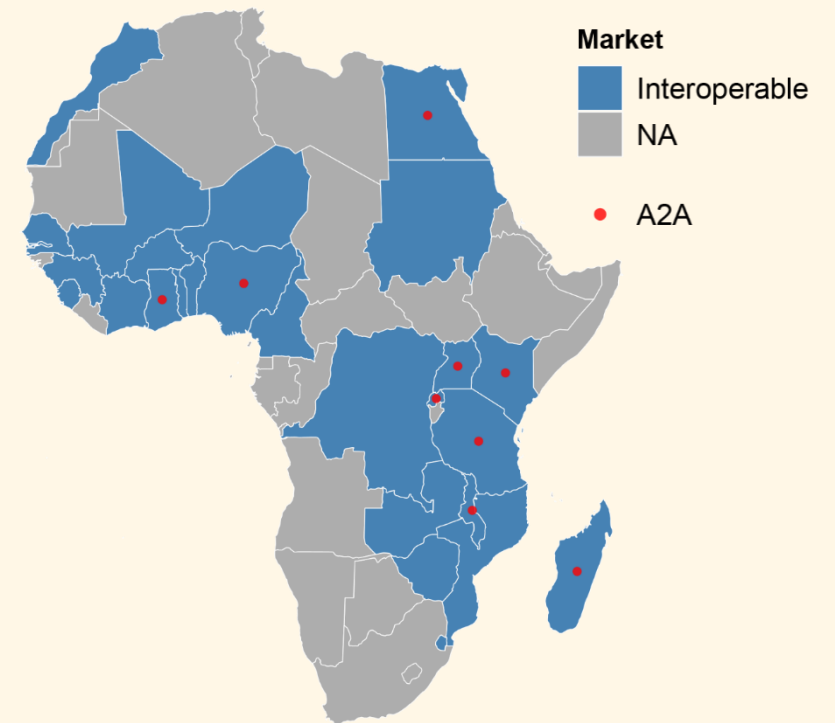


Interoperable P2P transfer volumes grew by nearly 25%

Complementing traditional banking



Value of flows to and from bank accounts grew by 32%



TREND

1

Beyond interoperability, mobile money is extending beyond borders



\$6.1bn

mobile money-enabled international remittances processed in Africa

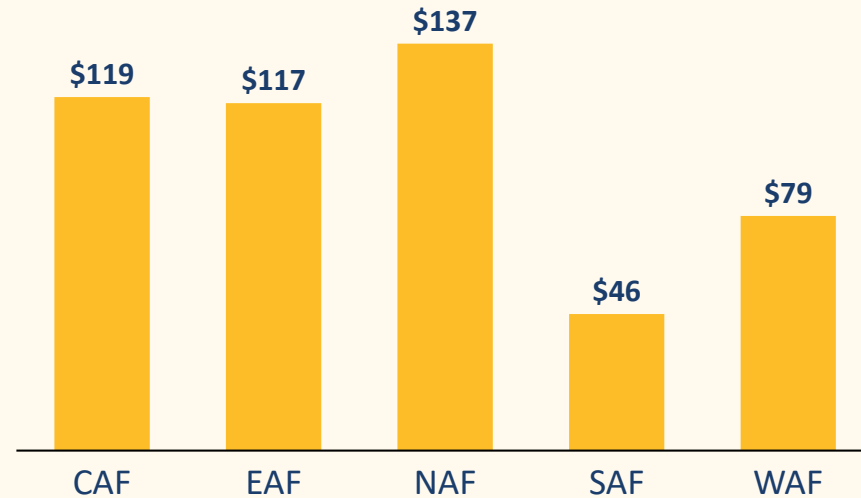
58% of countries offer inbound international remittances

Injecting
\$4.9bn
into receiving economies

36% of countries offer outbound international remittances

Average value of international remittance transactions

Dec-2019



TREND

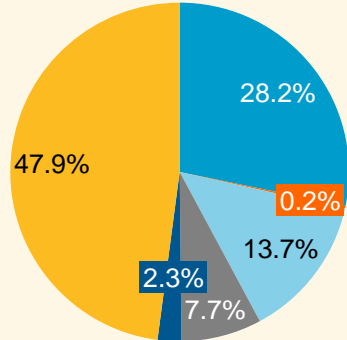
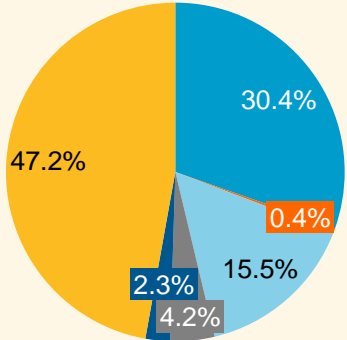
1

For the first time, airtime top-ups now make up less than 50% of total volume in the region

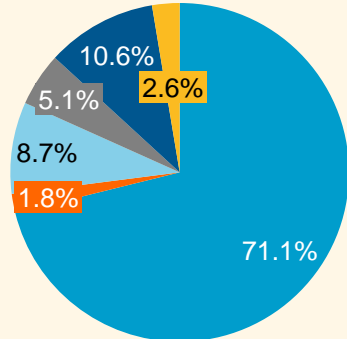
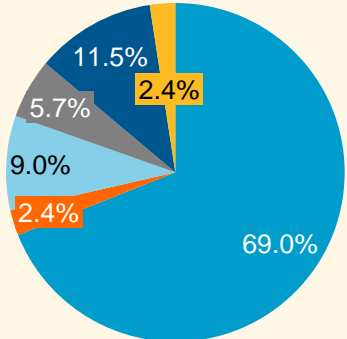
AFRICA BREAKDOWN

GLOBAL BREAKDOWN

NUMBER OF TRANSACTIONS (2019)



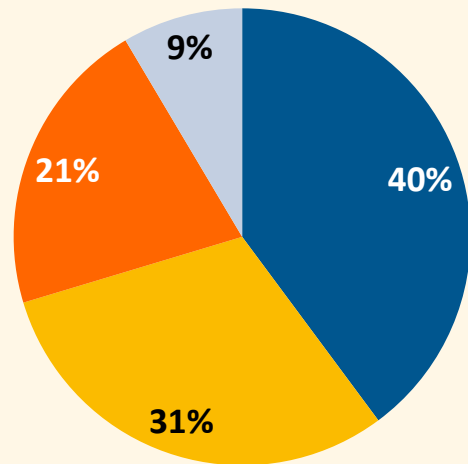
VALUE OF TRANSACTIONS (2019)



- P2P Transfers
- Bill Payments
- Bulk Disbursements
- International Remittances
- Merchant Payments
- Airtime Top-Ups

Ecosystem transactions are increasingly driving essential and impactful services in Africa

Mix of Sub-Saharan Africa Ecosystem transaction values (Dec 2019)



■ Bulk disbursement ■ Merchant payment
■ Bill payment ■ International remittance



Over a third of monthly accounts receive salaries via mobile money



73% of mobile money providers partner with agribusinesses and cooperatives*



Utilities account for 61% of mobile money bill payments



Mobile money providers in the region are on average integrated with 35 government agencies

* Based on 41 services which participated in the GSMA Global adoption survey and responded to the question "Do you partner with organisations in the agricultural sector?"

TREND

2

More value is circulating in the mobile money system than exiting

INDUSTRY FIRST



\$13.6bn
IN CIRCULATION

P2P transfers



THE VALUE
IN 2017

34% year on year growth for merchants

TREND

2

Bridging the gap between offline customers and online merchants in Africa



E-commerce transactions trebled in value



E-commerce transactions are now 2.8% of mobile money retail transactions in the region, up from 0.3% in 2018



Social Media

Social interactions



E-commerce

Transactions



Social Commerce

'Intelligent shopping'

Mobile money playing a key role in cultivating a formal savings culture in Africa



\$196m+

transferred to
mobile money-enabled
savings accounts



8.9m

unique customers
saved via mobile
money

June 2019



\$264

saved per unique
customer annually

Commercial sustainability and viability of mobile money in Africa



64% of respondents have a positive EBITDA



52 per cent of unique Africa respondents reported EBITDA >25% compared to 38 per cent in 2018

29%

respondents reported a significant increase in EBITDA



57% of the mobile money services contribute more than 15% to their respective total MNO revenues

Across the continent there is a changing regulatory environment in mobile money



Mobile Money Taxation

Poorly designed taxation regimes continue to adversely impact mobile money growth and are seen to have a huge impact on marginalised groups



Data localisation

Adopt more holistic data protection laws which allow data to be stored in the cloud and shared across borders to reduce infrastructure costs and ensure adequate protection



e-KYC

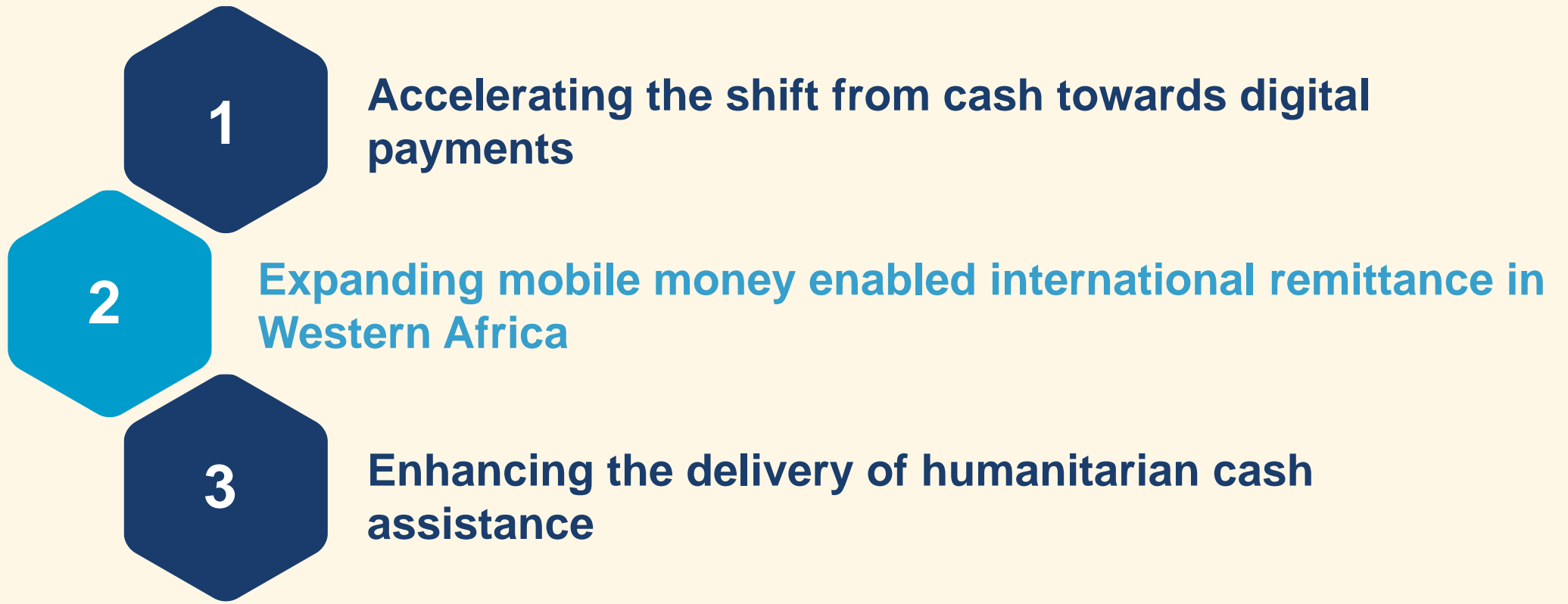
Several African countries have digitised their national ID systems and regulators are operationalising e-KYC to drive efficiency in the mobile money adoption process



Interoperability

As the industry adopts national switches, regulators should involve industry players in this process to enable successful mobile money interoperability

Looking ahead, we see three main areas for future growth of mobile money in Africa





Despite the peak in digitisation across the region, the threshold hasn't reached for all services yet



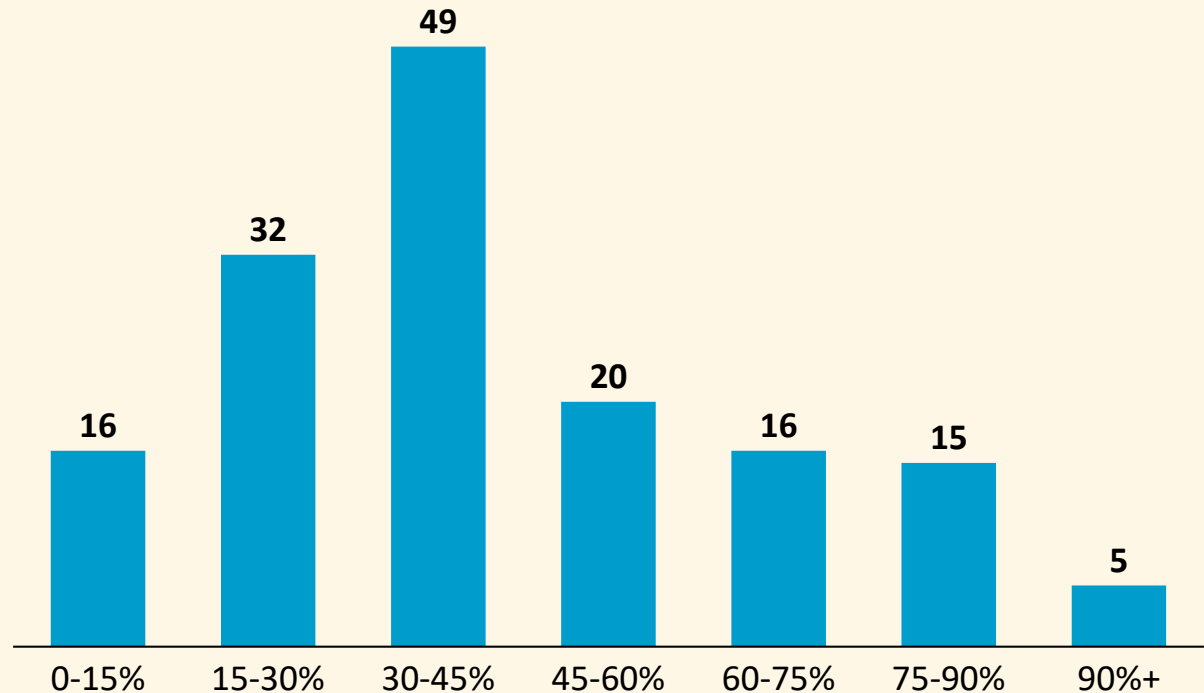
\$22.6bn

Digital transactions processed in Dec-19

69%

of services still heavily reliant on Cash-in/Cash-out transactions

Distribution of digitisation levels among African deployments





While International remittances shines in West Africa, there is still a sizeable opportunity for expansion



40%

of mobile money enabled international remittances are sent and received in Western Africa



**Averaging
\$79**

worth of mobile money enabled international remittances per transaction



\$3.2bn*

worth of formal remittances processed in West Africa

3

Mobile money provides a superior modality for humanitarian cash delivery in Africa with opportunity to reach more people



25m*

**Forcibly displaced
people in the
region**

On average



11

**humanitarian
organizations partnered
with a mobile money
service**



1.7m

**Digital cash assistance
delivered to over 1.7m
unique mobile money
accounts**



Download the report



gsma.com/sotir



[@GSMAMobileMoney](https://twitter.com/GSMAMobileMoney) #SOTIR19



mobilemoney@gsma.com