

State of the Mobile Money Industry in Asia

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.

GLOBAL 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



Asia makes up almost a half of all registered mobile money accounts globally



473mn
registered accounts

10% **growth from 2018**

Mobile money adoption in Asia made a significant contribution to global growth…



East Asia and Pacific

30 million new accounts

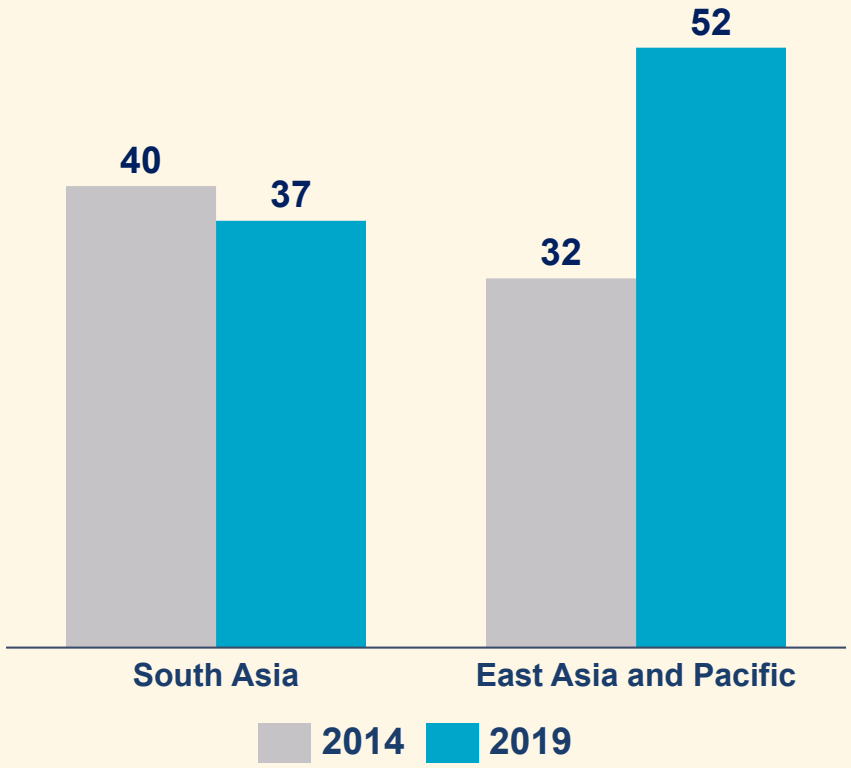


South Asia

12 million new accounts

…driven primarily by innovative and new market players

Number of Mobile Money Services



30%

South Asia

15%

East Asia and Pacific

Share of total registered accounts in Asia

Mobile money is reaching an increasing number of people in the region

East Asia and Pacific



2014: 6%

2019: 32%

%

of adult population reached by mobile money

South Asia

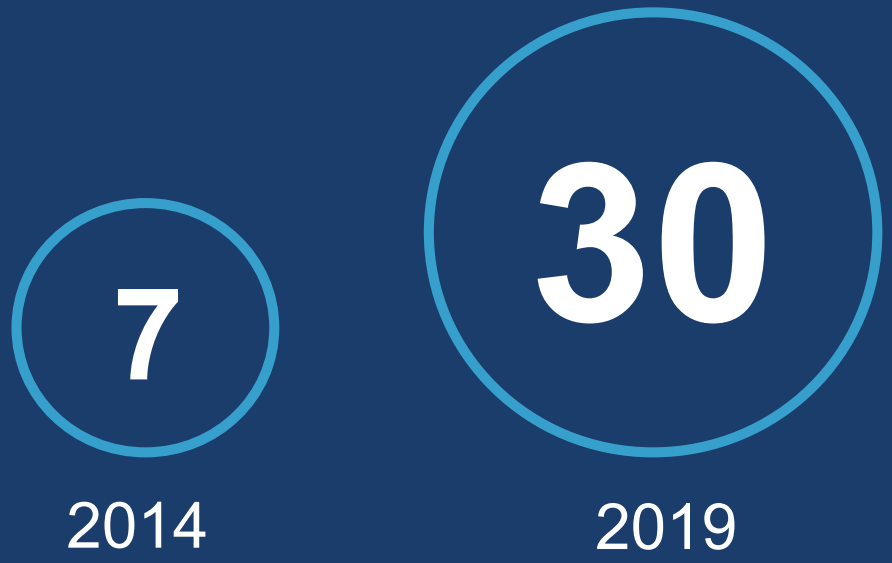


2014: 4%

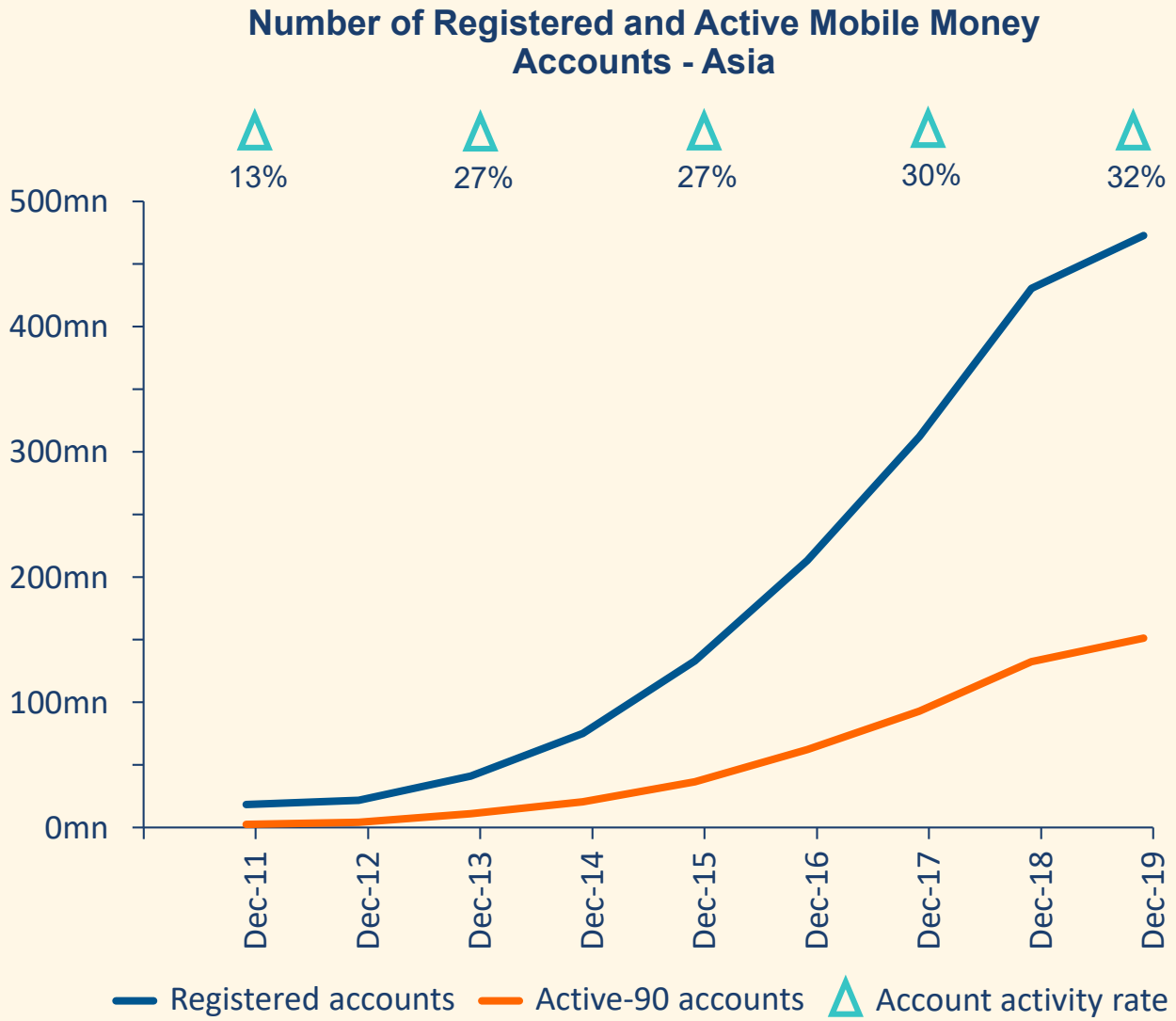
2019: 24%

Account activity in the region continues to grow

30 deployments now have over 1m active accounts (90-day) compared to 7 in 2014.



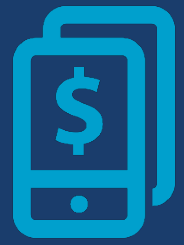
42 out of the 87 services in the region have an account activity rate greater than the regional average.



Agents remain the main gateway for digitising cash



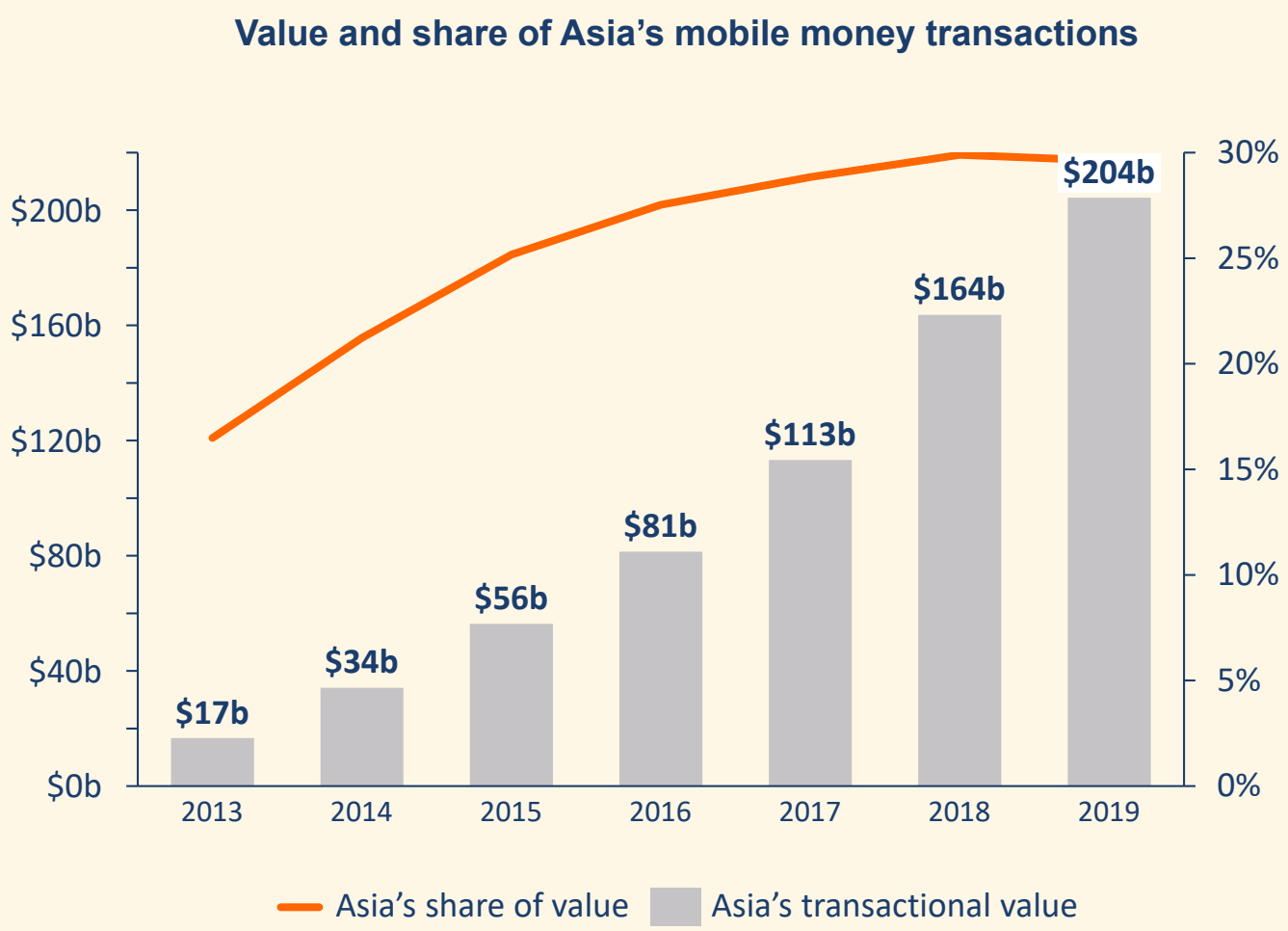
Asia’s agent network comprises of 4mn registered agents, 52% of all mobile money agents globally



In 2019, mobile money agents digitised $43bn of cash, a quarter of the value digitised globally

53% Average agent activity rate in the region

Asia has doubled its share of the value of all global mobile money transactions over the past 6 years



$204bn

transacted through mobile money



30%

of the value of all mobile money transactions are carried out in Asia

DIGITAL TRANSACTIONS

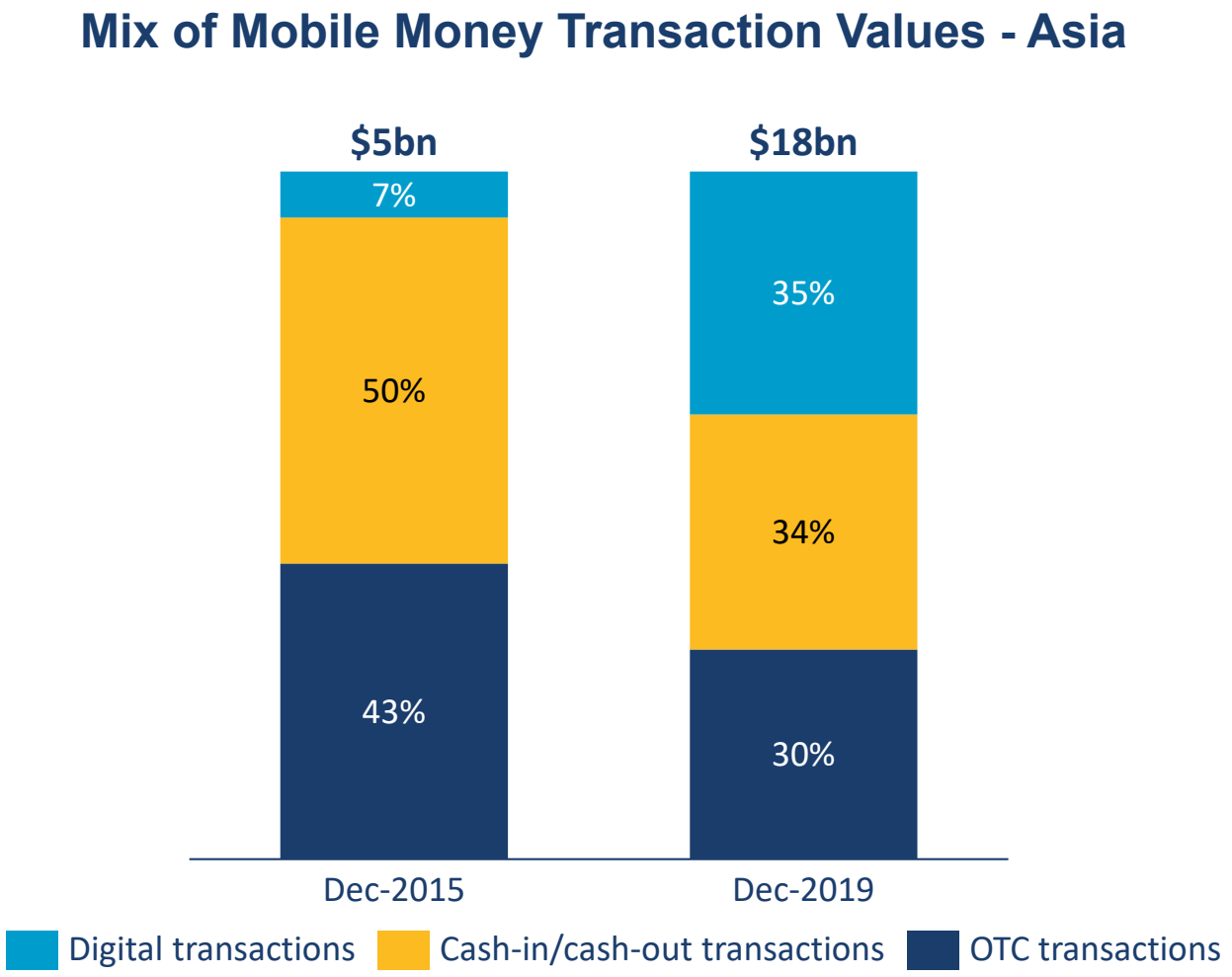
x5

THE VALUE SHARE IN 2015

36%

growth since 2015

Asia's mobile money transactions have become increasingly digital...



…primarily due to mobile money becoming increasingly integral to the financial ecosystem

11 | 22

Half of all Asian mobile money markets are interoperable

Interoperability with banks



Mobile money to bank account flows make up 17% of the value of outgoing transactions

The value of flows to and from bank accounts grew by 28%

Mobile money account-to-account (A2A) interoperability

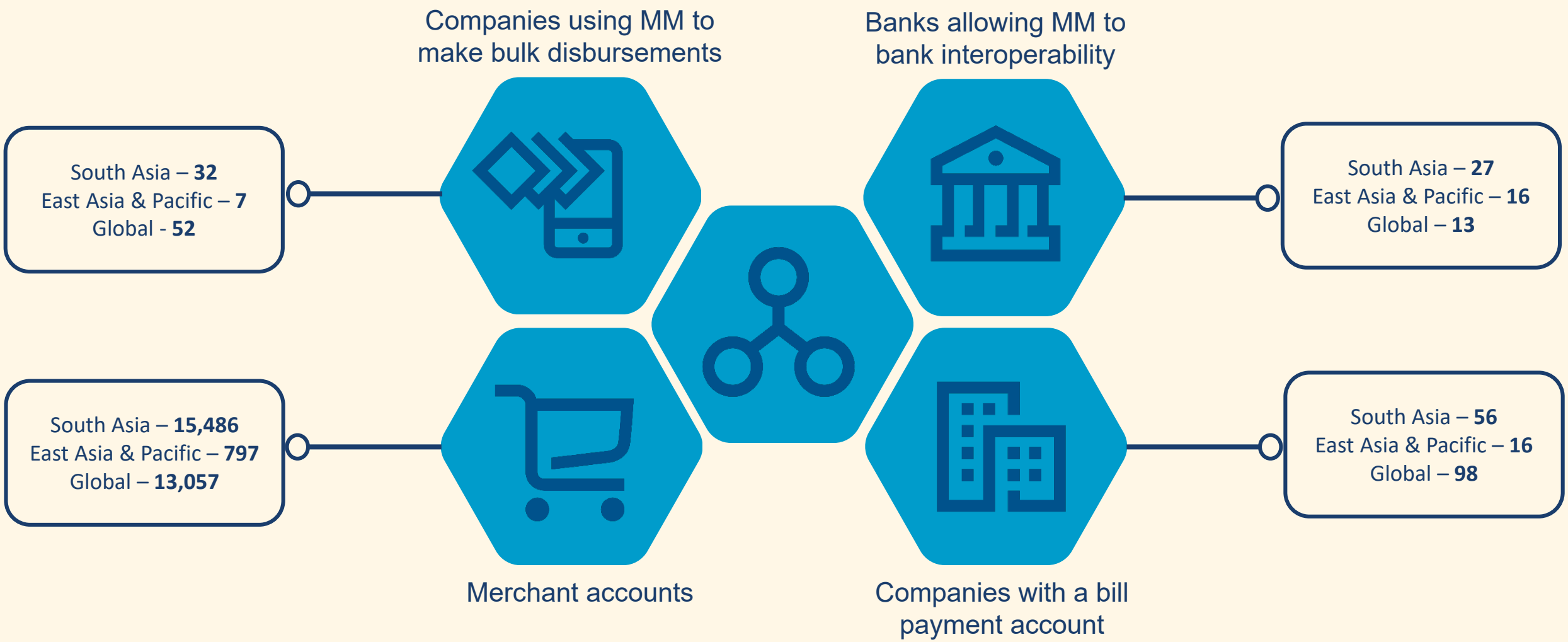


Mobile money A2A interoperability is live in 6 markets

The volume of interoperable P2P transfers more than doubled

…and through partnerships with banks and seamless integrations with third parties

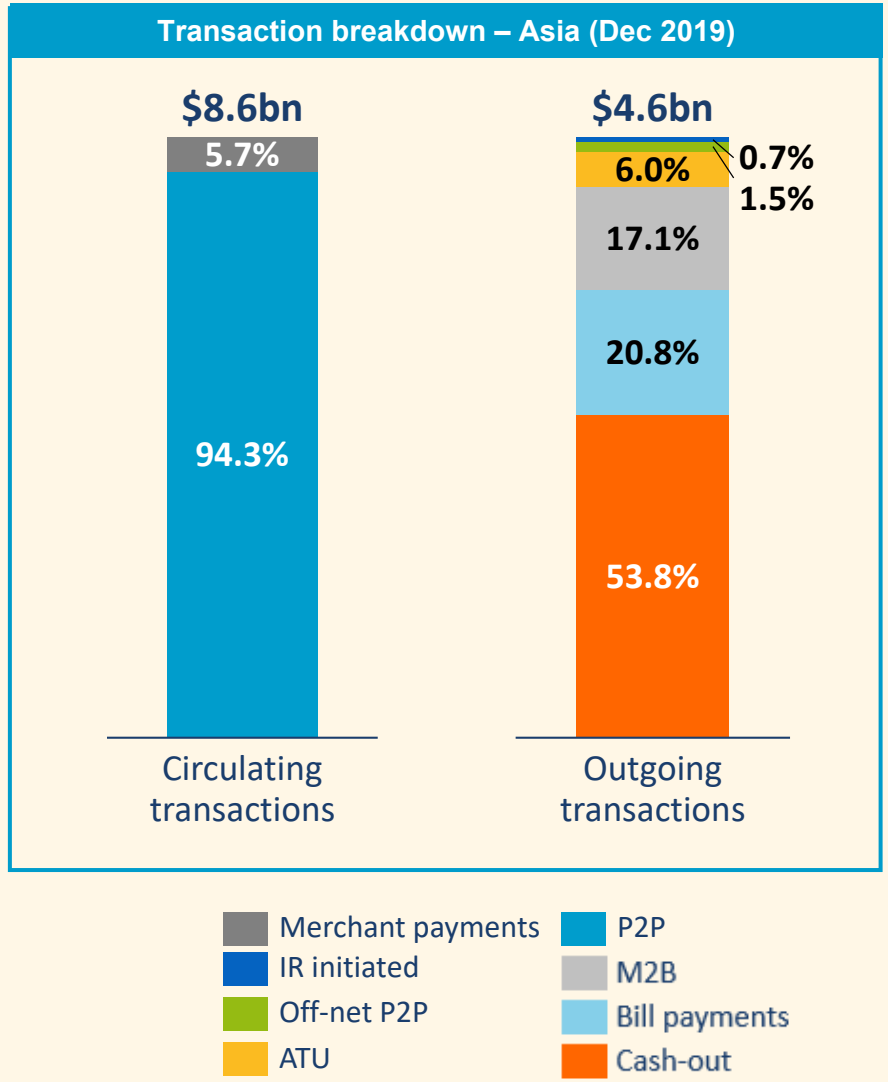
Number of Mobile Money Integrations



Almost twice the amount of value is circulating Asia's mobile money system than exiting

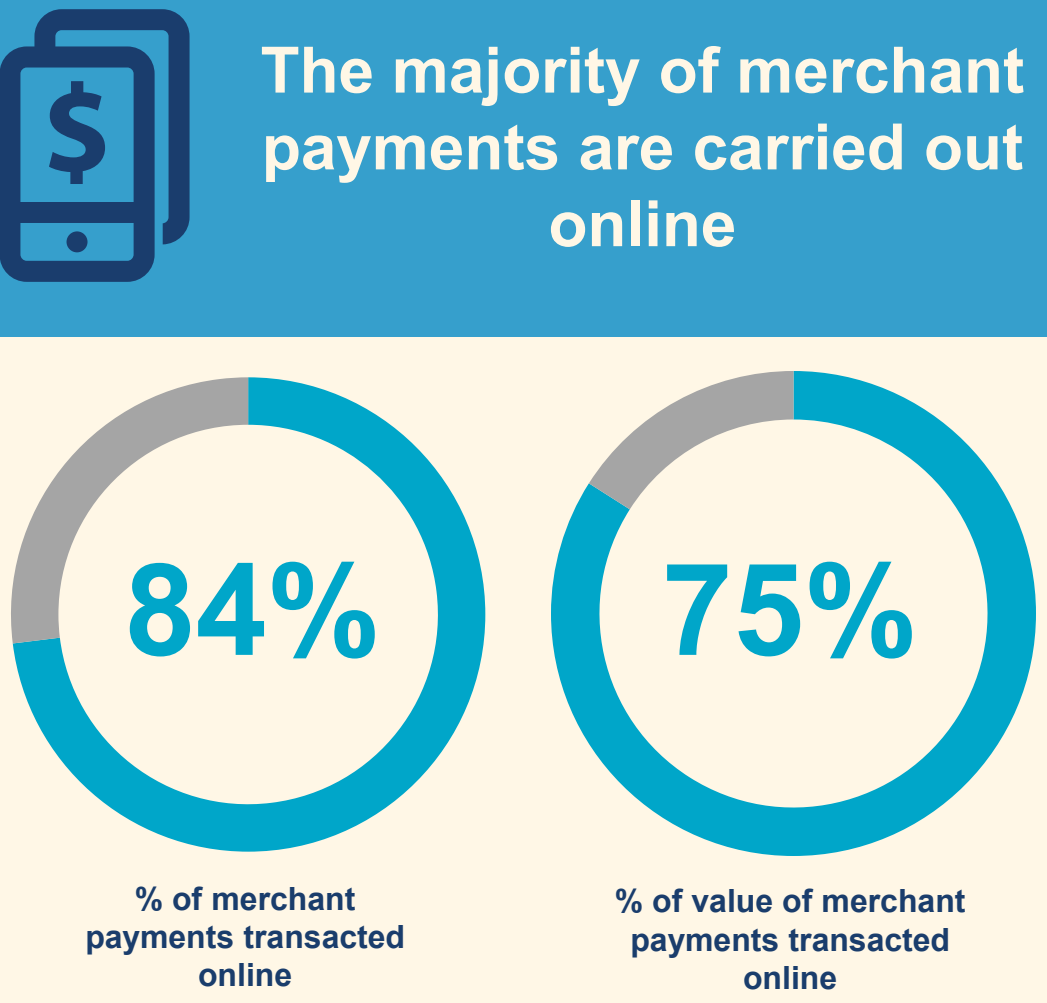
$8.6bn
IN CIRCULATION

$4.6bn
OUTGOING



Asia's rapid mobile internet and smartphone adoption has helped boost merchant payments and e-commerce

The majority of merchant payments are carried out online



Smartphone penetration increased from 43% to 69% over just 3 years

Asia is the only region where more merchants offer QR code payment technology rather than USSD

Regulatory frameworks became more enabling in 8 markets

Country	2018 Index	2019 Index	Change	Authorisation	Consumer Protection	Transaction Limits	KYC	Agent Network	Infrastructure & Investment
Thailand	80	80	0.0	80	70	80	80	80	80
Afghanistan	80	80	1.0	80	80	80	80	80	0
Malaysia	80	80	3.0	80	80	80	80	80	0
India	80	80	0.0	70	70	70	80	80	80
Philippines	80	80	0.0	80	0	80	80	80	70
Singapore	0	80	19.5	80	80	80	0	80	70
Cambodia	80	80	0.8	80	70	80	0	80	0
Solomon Islands	80	80	-0.7	0	80	80	80	80	0
Mongolia	80	80	0.0	80	80	80	0	80	0
Indonesia	70	80	1.0	80	80	0	80	80	0
Papua New Guinea	0	70	17.9	80	80	0	70	80	70
Nepal	70	70	0.0	80	0	80	80	70	0
Myanmar	70	70	0.0	80	80	70	0	80	0
Pakistan	80	70	-5.4	80	80	70	0	80	80
Vietnam	70	70	1.0	80	80	80	0	0	0
Sri Lanka	70	70	0.0	80	80	0	0	70	0
Samoa	70	70	0.0	80	0	80	80	70	70
Maldives	70	70	0.0	70	80	80	0	80	0
Fiji	0	0	0.0	0	0	80	80	80	0
Bangladesh	0	0	2.7	0	80	0	0	70	80
Timor-Leste	0	0	0.0	0	70	80	0	80	80

Score 80 to 100 Score 70 to 80 Score 0 to 70

All countries now require mobile money providers to keep 100% of e-money liabilities in liquid assets

Pakistan & Singapore now allow non-banks to issue e-money and provide mobile money services

Afghanistan and Cambodia launched National Financial Inclusion strategy

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



1. Taking financial inclusion beyond access and usage
2. Increasing consumer awareness of mobile money amongst women
3. Extending the reach of mobile money across borders

1 Mobile money-enabled adjacent services are still nascent across the region

$19m

worth of digital loans processed in June 2019

Over

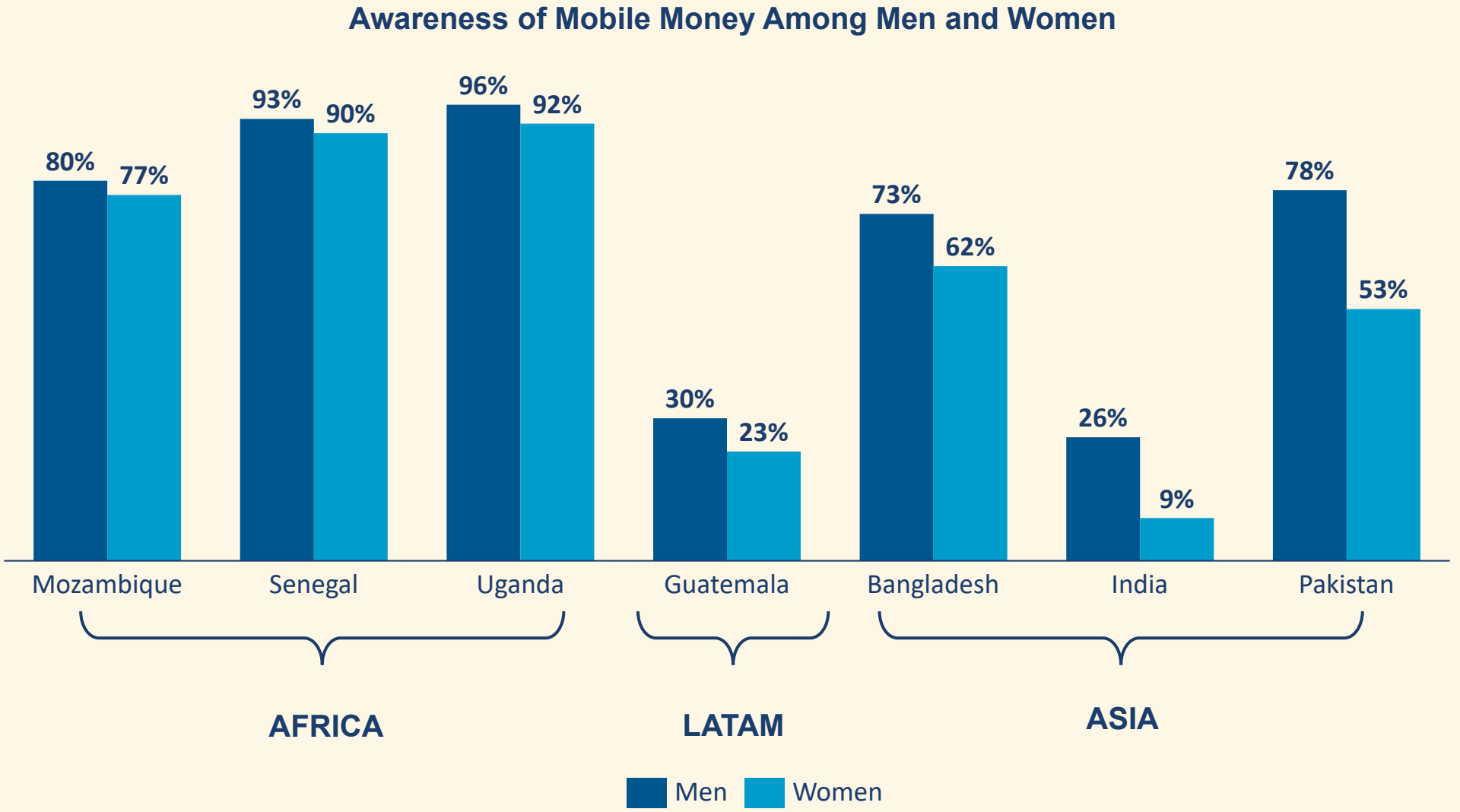
17m

unique customers saved via mobile money

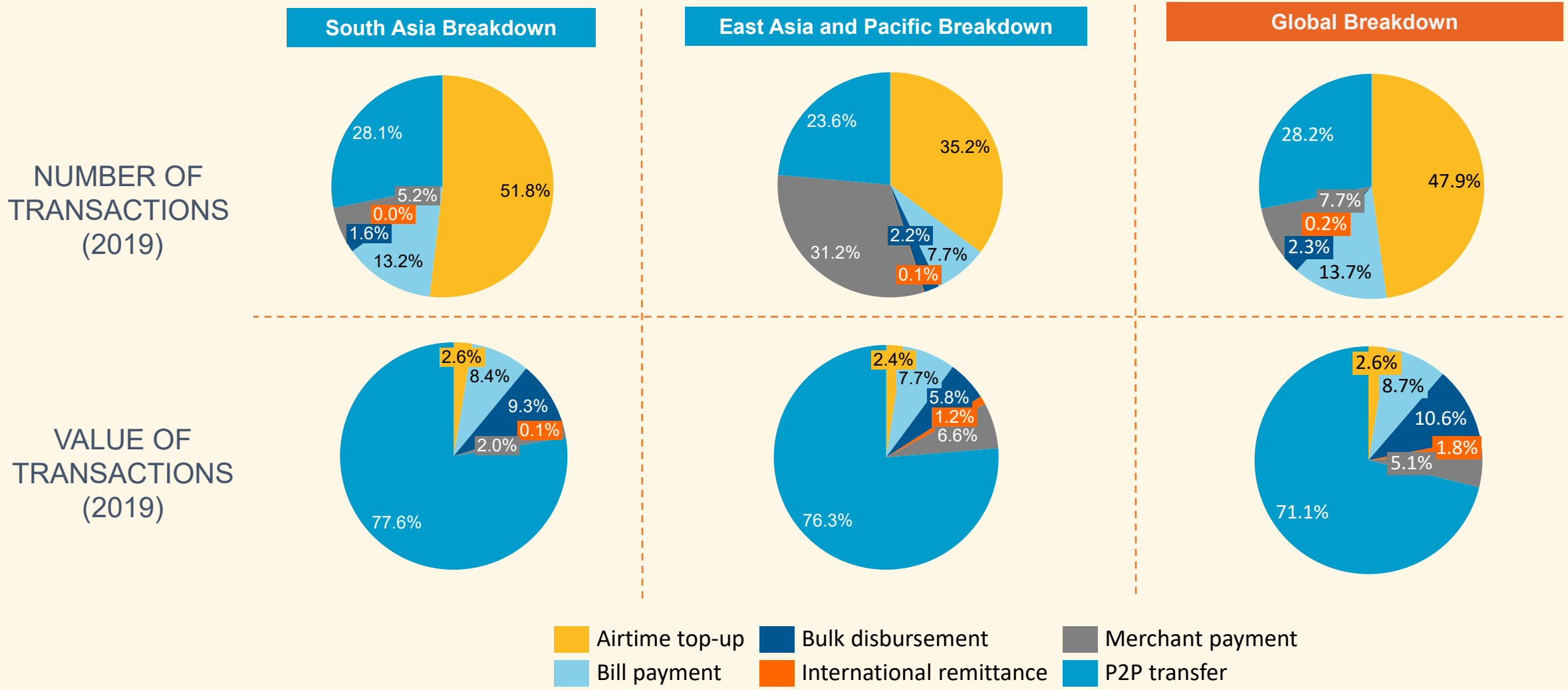
47

mobile-enabled insurance services across **9** countries

2 The awareness gender gap is widest in Asia



Across regions, the transaction mix varies with opportunity to further digitise ecosystem transactions



3 International remittances present a sizeable untapped opportunity in the region

40% of mobile money services in Asia offer international remittance products

47% of these services offer inbound international remittances

Only **17%** offer outbound international remittances

Average monthly international remittance flows…

$35bn …via formal channels

…via mobile money **$85mn**

*Source: World Bank

Mobile money is central to the mobile industry's contribution to many of the Sustainable Development Goals





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