

State of the Mobile Money Industry in Latin America and the Caribbean

2019



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



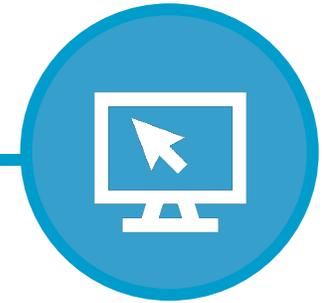
Mobile Money Deployment Tracker

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

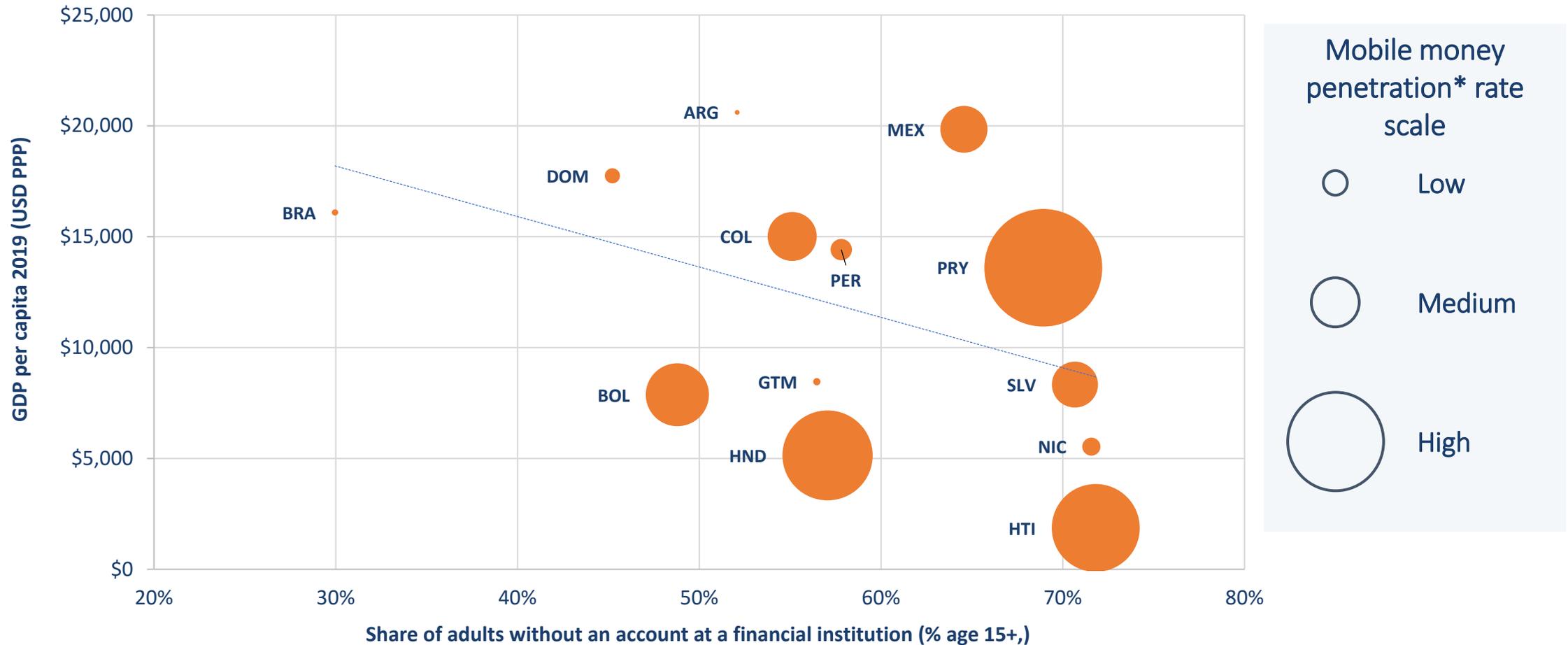
50m

NEW
REGISTERED
ACCOUNTS



In Latin America and the Caribbean (LAC), mobile money is reaching the poorest and most financially excluded

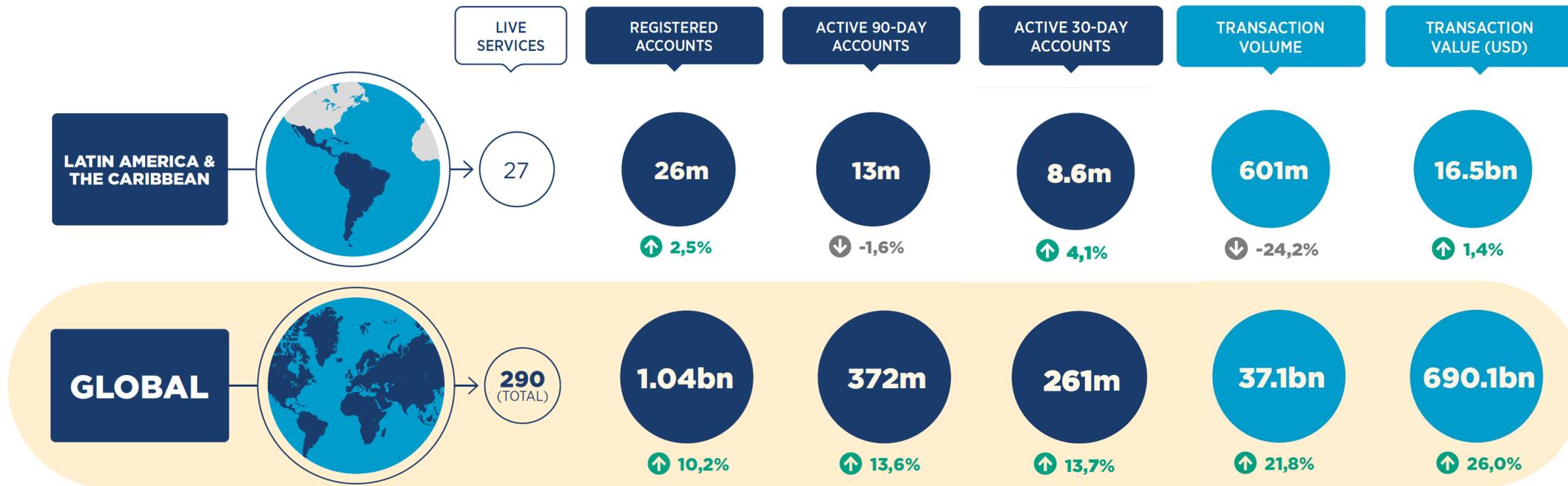
Financial inclusion, GDP per capita and mobile money penetration in LAC



*Mobile money penetration = Mobile money 90-day active accounts/adult pop in 13 out of 15 Mobile money countries

Source: GSMA Mobile Money data 2019 and World Bank, Findex 2017

Overall, the industry witnessed growth in the region in 2019



HIGHLIGHTS

- Over **26 million** registered mobile money accounts in 2019; up by 2.5% YoY.
- Activity rate of 48% in the region (90-day active), the highest in the world

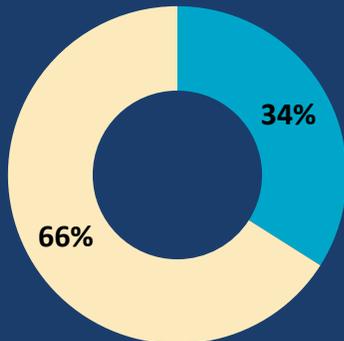
- Slight decrease in the number of deployments, due the competition (Brazil, Mexico) and burdensome regulatory environment (Nicaragua)
- Transaction values are growing, despite a drop in transaction volumes attributed to service closures

- 30-day active accounts have grown over 4% YoY
- Close to half of the region's adult population is unbanked or underbanked: a sizable opportunity for the mobile money industry

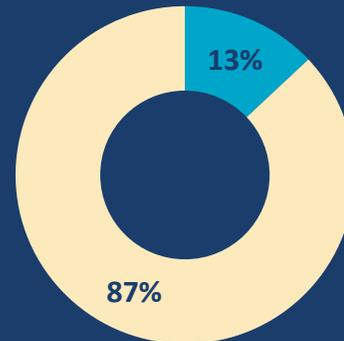
South America is home to over half of all registered accounts in LAC

Distribution of mobile money registered accounts in the region

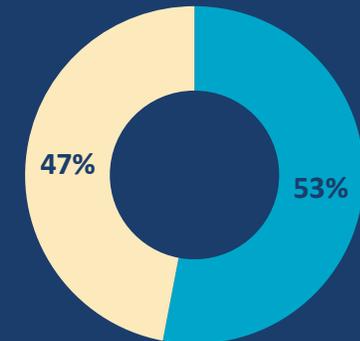
Central America



Caribbean

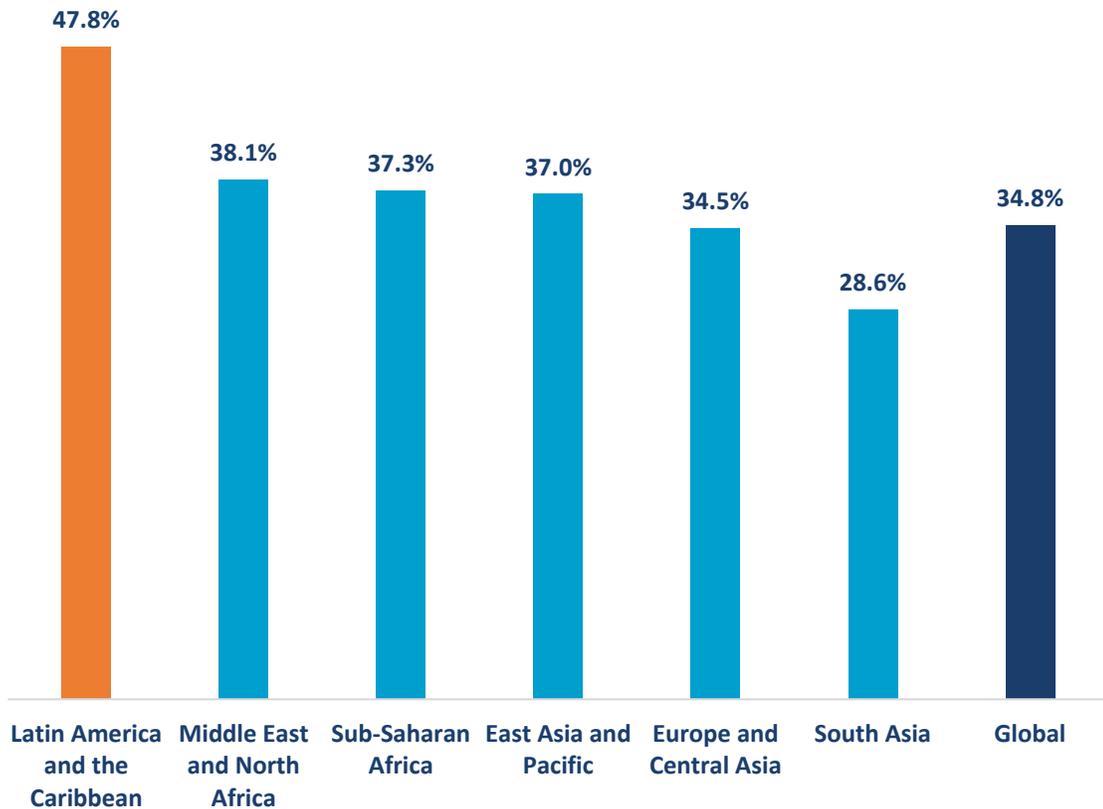


South America



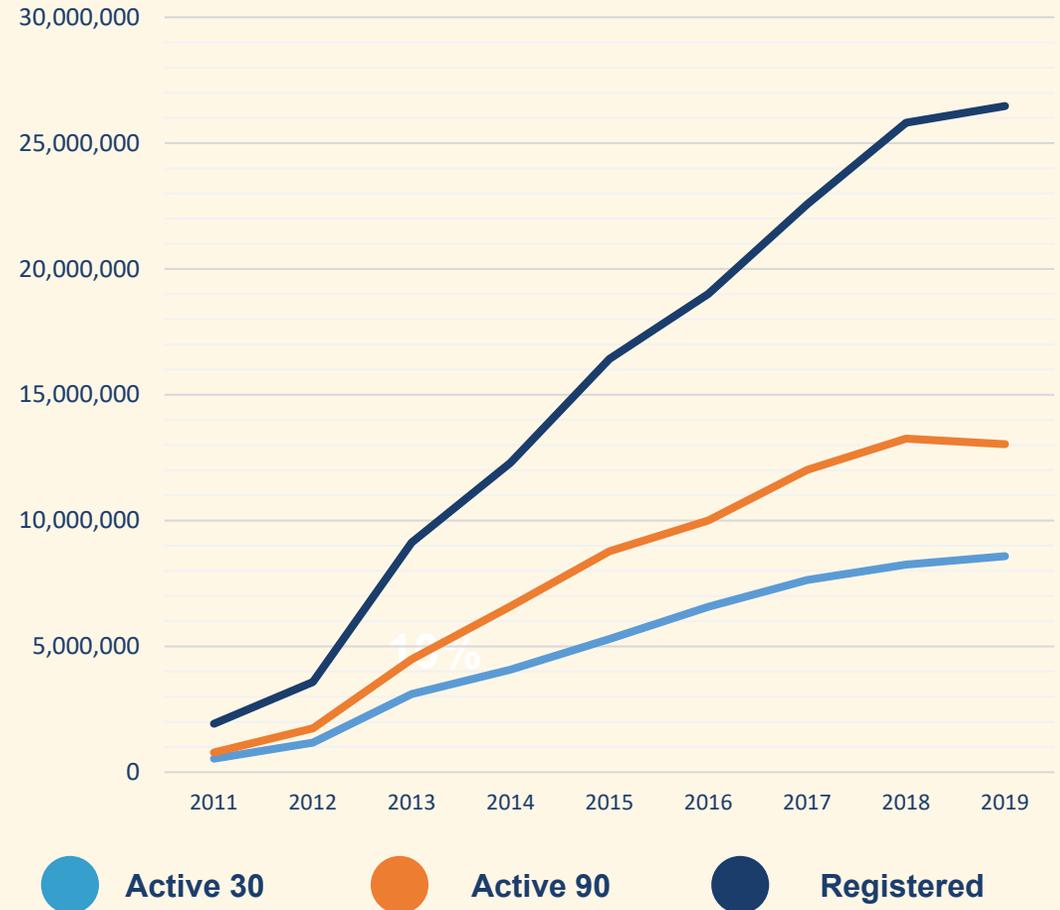
While mobile money uptake in LAC is comparatively low, the region has the highest activity rate globally

Customer 90-day activity rate*



*Mobile money activity rate = 90-day active accounts/Registered

Mobile Money Accounts in LAC



Despite a number of services scaling, growth has been hampered due to increased competition and burdensome regulatory environment

15
Countries



11

2011

31

2015

27

Q4 2019

27 deployments compared to 11 in 2011.

7

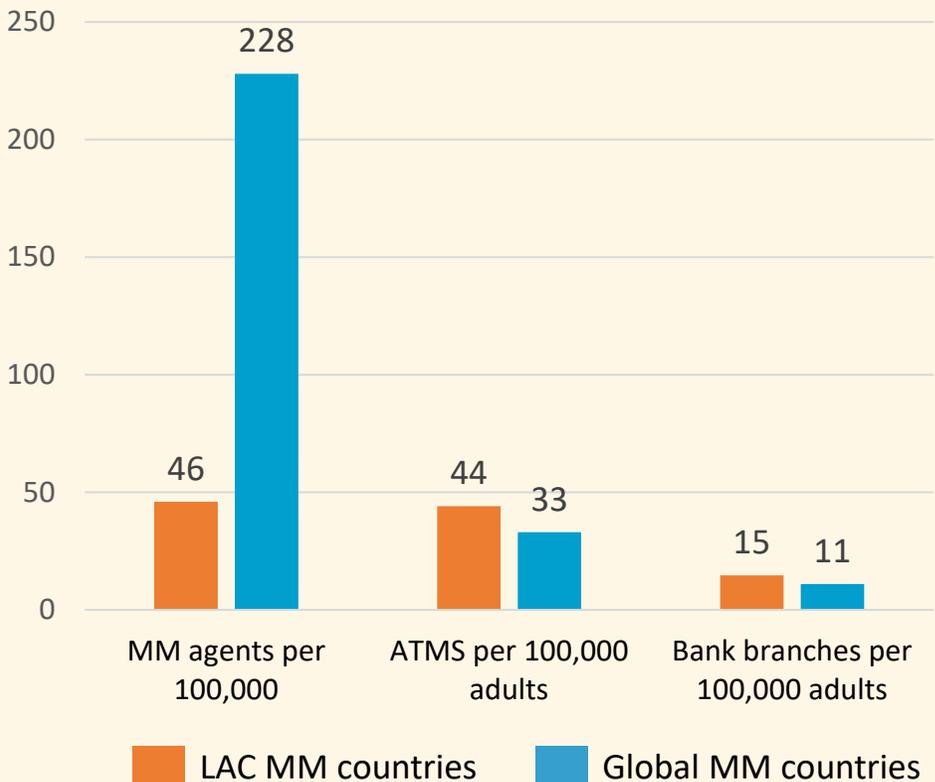
services have over
1 million registered
accounts

Agent reach is almost on par with ATMs, but agent activity outperforms the global average



127k Registered agents

Reach of agents, ATMs and bank branches



In Latin America and Caribbean, per 100.000 population, **Mobile Money Agents** have slightly higher reach than **ATMs** and **36%** more than **banks branches**.

Globally, a mobile money agent has **7** times the reach of ATMs and **20** times the reach of bank branches



67% **Active**
(30-day)

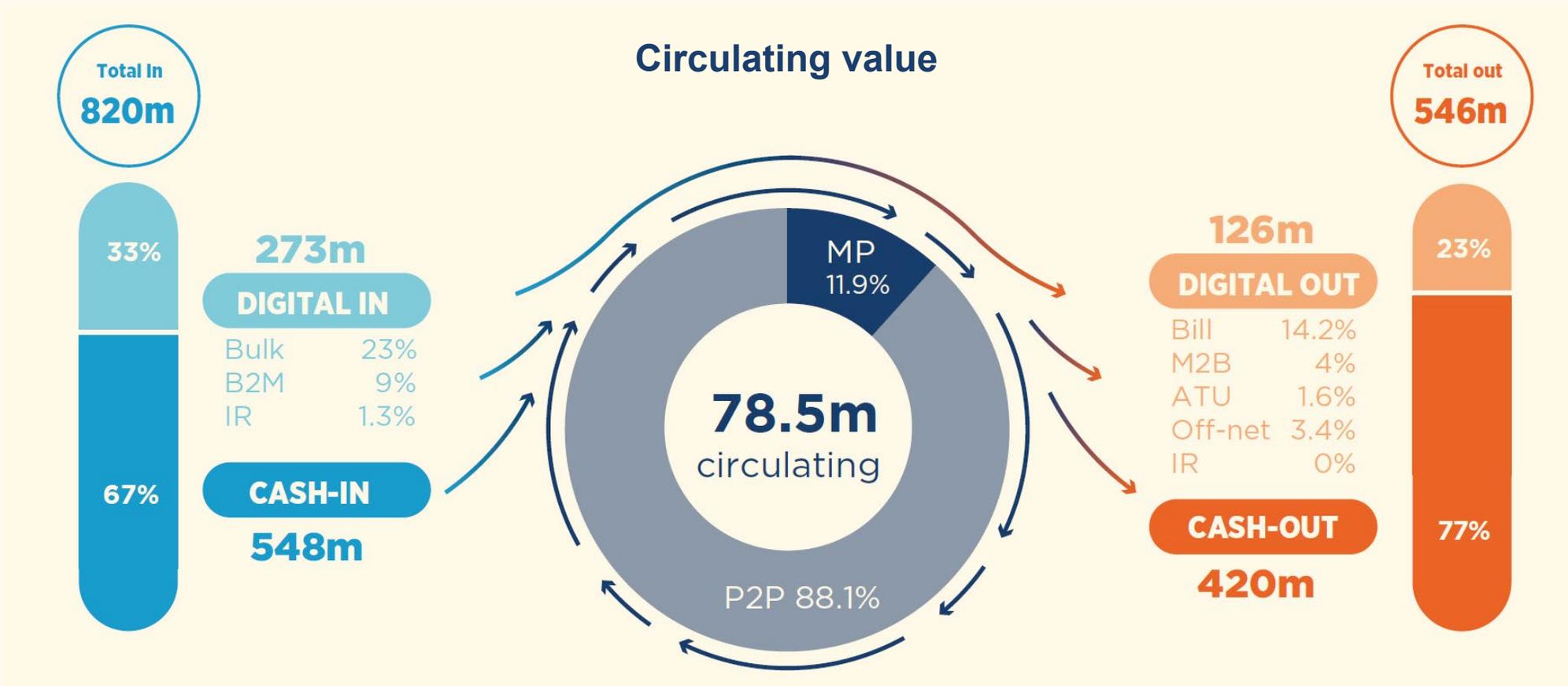
LAC agents
(December 2019)



54% **Active**
(30-day)

Global agents
(December 2019)

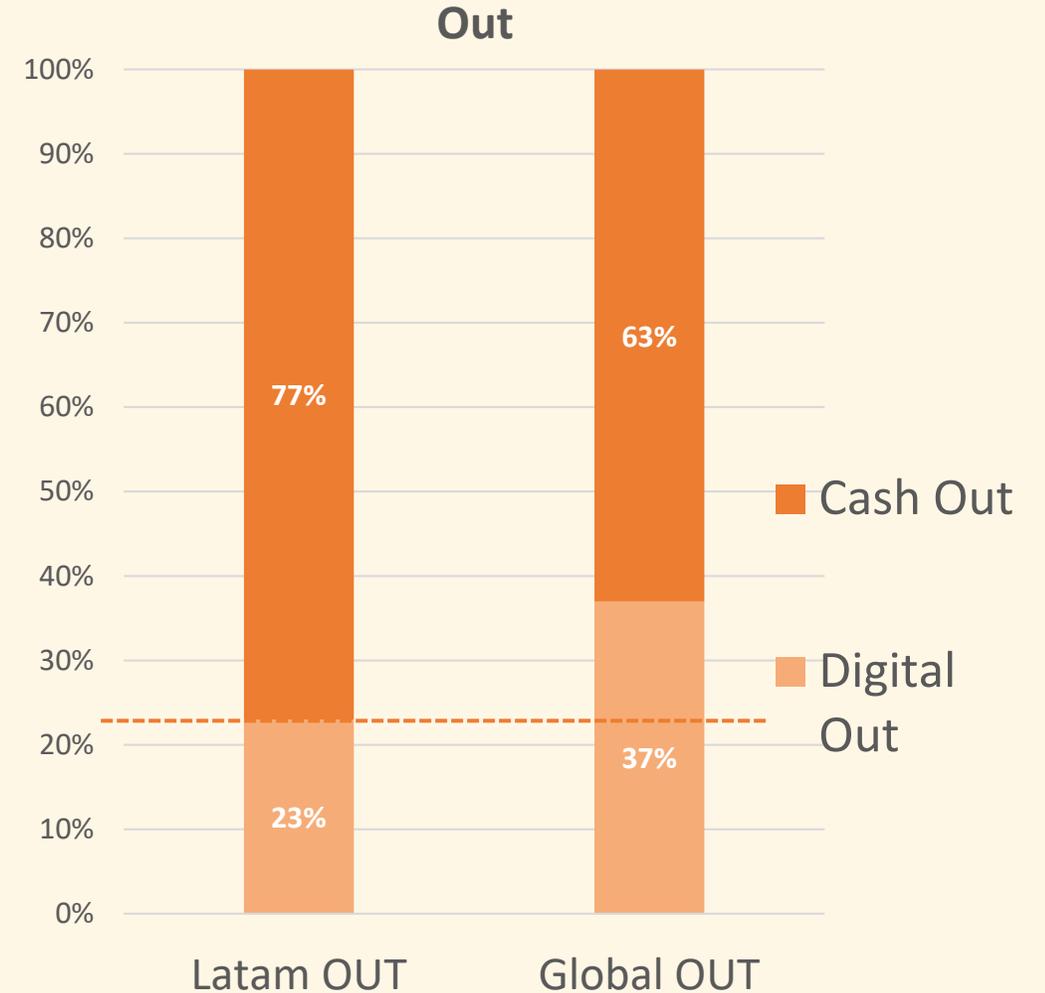
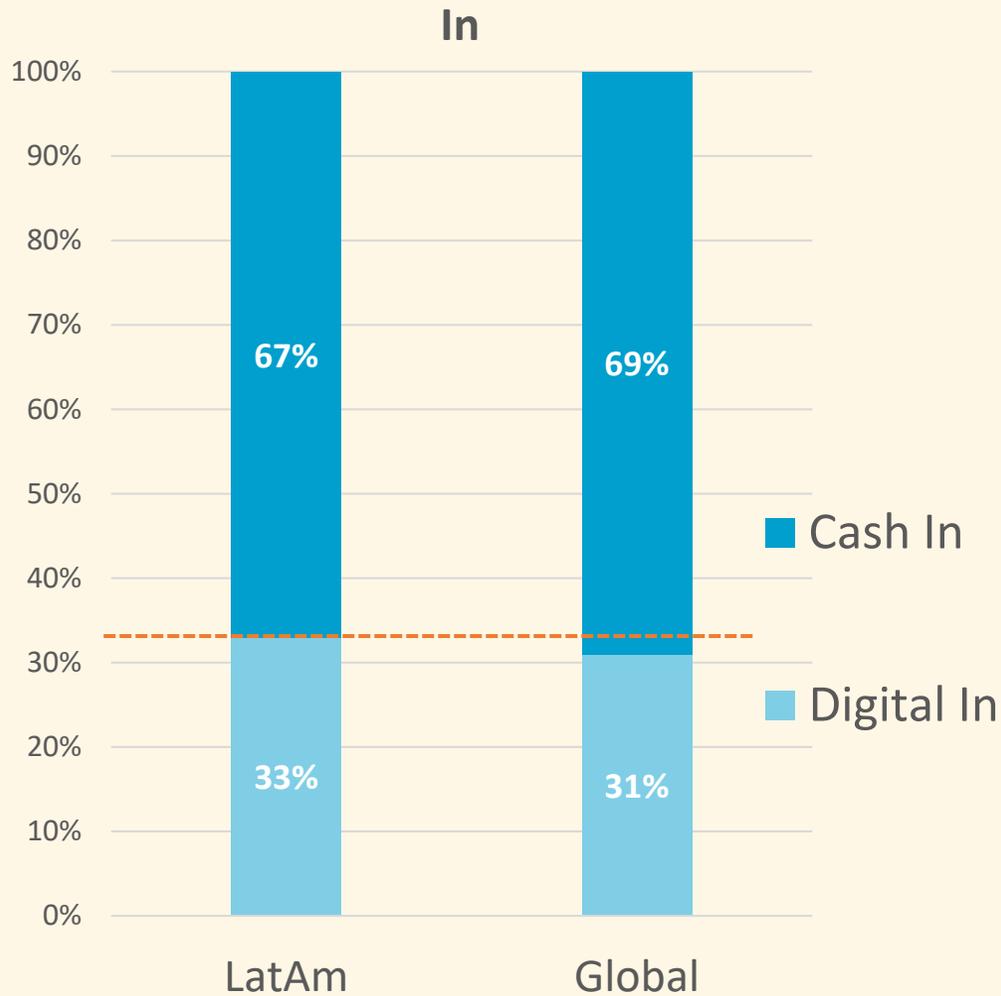
The majority of transactions in the region are still cash-based...



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

Transaction values, USD,
December 2019

...with over a third of incoming transactions being digital

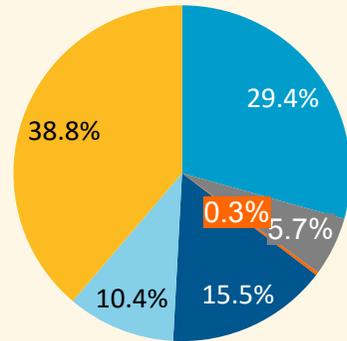


Transaction values, USD,
December 2019

The LAC transaction mix distinguishes itself with prevalent ecosystem share

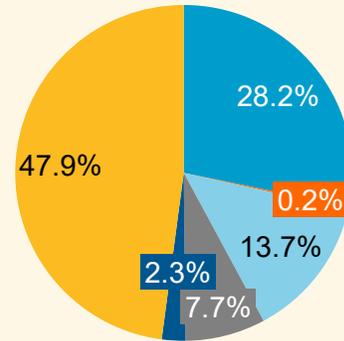
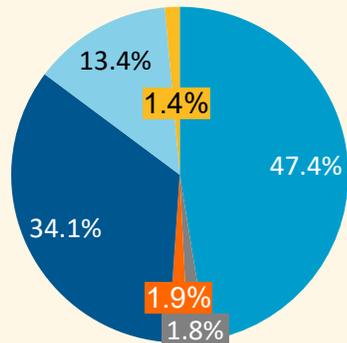
LAC BREAKDOWN

NUMBER OF TRANSACTIONS
(December 2019)



GLOBAL BREAKDOWN

VALUE OF TRANSACTIONS
(December 2019)

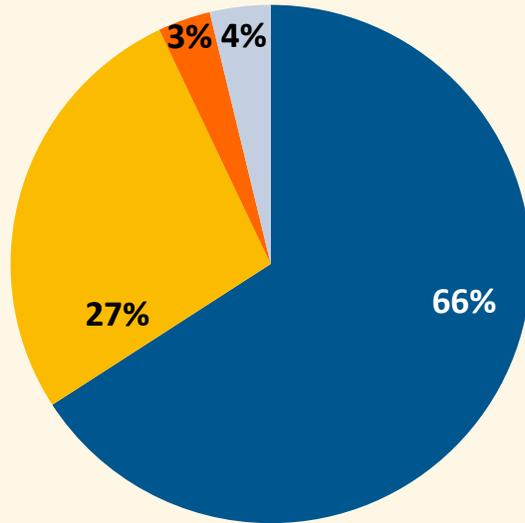


- P2P Transfers
- Airtime Top-Ups
- International Remittances
- Bill Payments
- Merchant Payments
- Bulk Disbursements

Ecosystem transactions

Ecosystem transactions in LAC are driven by bulk disbursements, a tool of choice for social cash transfers

Mix of LAC Ecosystem transaction values
(Dec 2019)



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



2/3 Ecosystem transactions are bulk disbursements



37.5% of mobile money surveyed providers partner with agribusinesses and cooperatives



Utilities account for 45% of mobile money bill payments in our survey.

Interoperability with traditional and 'neo' banks will be key in stimulating the growth of mobile money in LAC

7 of 15

Mobile money markets are interoperable

Mobile money account-to-account (A2A) interoperability



Bolivia, Peru and Mexico

Bridging mobile money and traditional banking

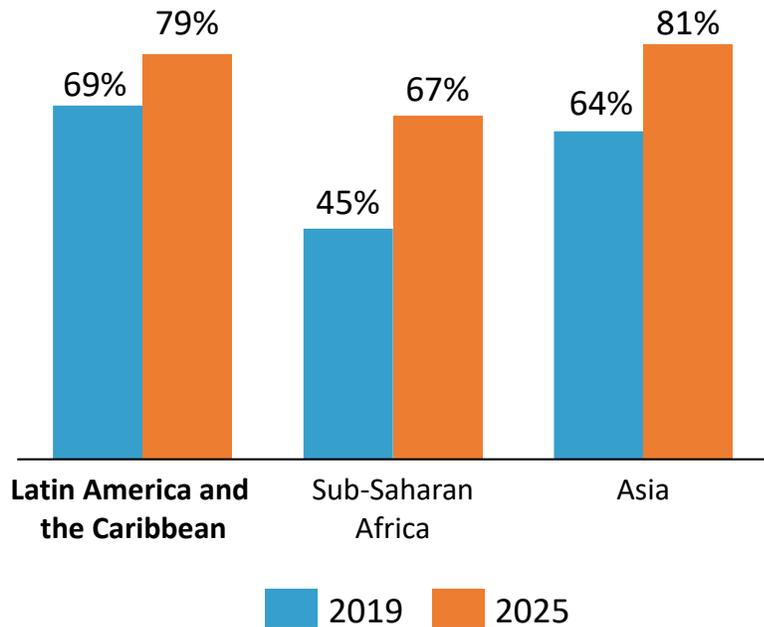


Value of flows to and from bank accounts grew by 17% between 2018 and 2019



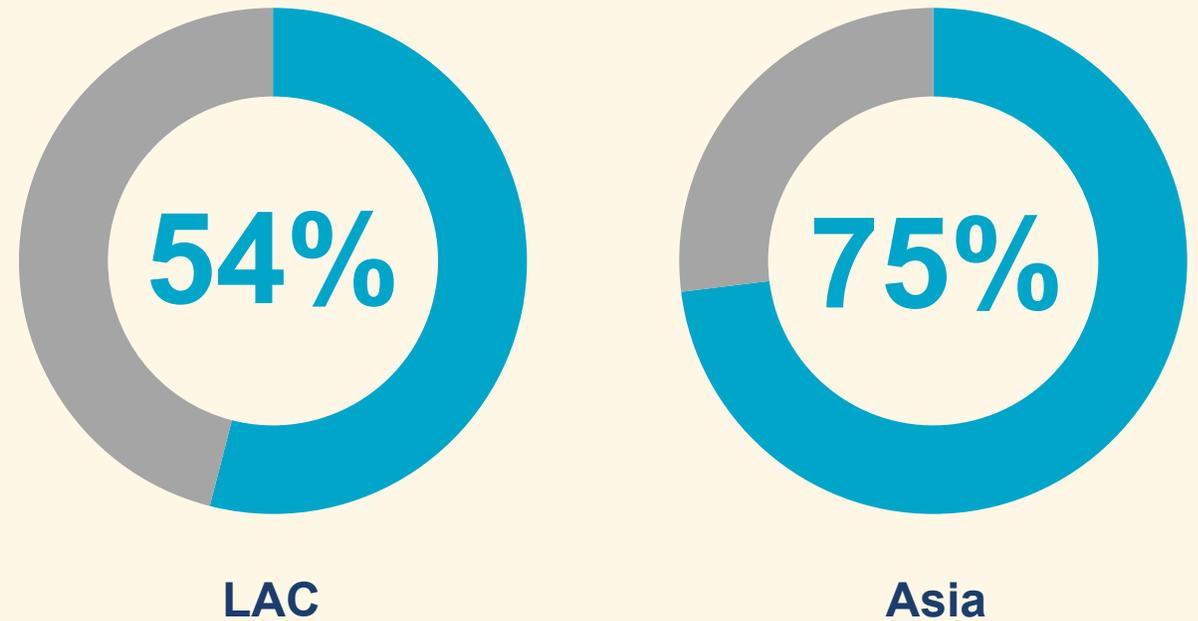
A higher smartphone penetration presents an opportunity for scaling e-commerce and partnerships with the region's thriving 'super apps'

Smartphone penetration forecast



Source: GSMAi

% of value of merchant payments transacted online



Source: GSMA Mobile Money

International remittances present a sizeable untapped opportunity in the region



30%

of mobile money services in LAC offer international remittance products

Only

0.13%

international remittances via mobile money in LAC

Average monthly international remittance flows...

\$8.1bn

...via formal channels*



...via mobile money

\$10.3mn



*Source: 15 countries - World Bank

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





Download the report



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