



## PAGE 3: B. ABOUT YOU

**Q1: Respondent details**

Name	N/A
Organization	FHI 360
Email Address	N/A
Phone Number	N/A

**Q2: Country or Customs territory** UNITED STATES

**Q3: Organization** Public sector

## PAGE 4: C. ABOUT YOUR CASE STORY

**Q4: Title of case story**

Food Security— Mobile Money Accelerator Program (MMAAP)

**Q5: Case story focus** E-commerce development and efforts to bridge the "digital divide".

**Q6: Case story abstract**

The Malawi Mobile Money Accelerator Program (MMAAP) was a four-year long project that seeks to accelerate the development of the digital payments ecosystem in Malawi and contribute to achievement of food security objectives. The program, which ended in November 2016, linked a range of public and private initiatives into a coordinated set of activities designed to promote broad adoption and use of mobile money in Malawi. Its focus was on reaching selected unbanked and underbanked market segments.

The program supported and advanced the growth of mobile money in Malawi by supporting pilot projects as well as targeted technical assistance to key public and private sector stakeholders. The primary objectives of this project were:

- Test platforms and models for increasing mobile money enrollment and adoption, focusing on select unbanked or underbanked market segments;
- Enhance product development and service delivery through the creation of dedicated transaction environments for service providers to test and modify offerings; and
- Disseminate lessons learned for a more comprehensive base for mobile money acceleration.

**Q7: Who provided funding?** Other (please specify) USAID

**Q8: Project/Programme type** Single country

**Q9: Your text case story**

In October 2012, USAID and FHI 360 launched the Mobile Money Accelerator Program (MMAAP), which aimed to scale the usage of mobile money to boost financial inclusion in Malawi. The project focused on several components:

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- Increasing the demand for mobile money services through public awareness campaigns, financial literacy training, and research and pilot activities;
- Strengthening the mobile money ecosystem through training, hands-on technical assistance, and dialogue to the public and private sector; and
- Strengthening the legal and regulatory framework to enable mobile money.

The program sought to harness rising digital economies and new business models for financial services by coordinating a set of public and private initiatives to promote broad adoption and use of mobile money in Malawi, with an emphasis on reaching selected unbanked and underbanked market segments. Across each of its activities, MMAP reflects a market facilitation approach to working with its partners, since no single actor has the ability to drive growth in digital finance.

Activities were broken into five broad categories:

1. **Technical Assistance.** Working in close collaboration with the development community, regulators, and other key stakeholders to ensure the capacity exists to monitor a larger mobile money ecosystem and user base;
2. **Capacity Building.** Integrate capacity building efforts into all activities, with a special focus on ensuring that the Mobile Money Coordinating Group (MMCG) is a sustainable industry body that continues to develop the digital finance ecosystem independent of donor support;
3. **Ecosystem Development.** Support the performance and continued expansion of the digital financial services sector, driven currently by two mobile money service providers -- Airtel and TNM -- and their bank partners. One key area of focus will be on building agent capacity and liquidity;
4. **Transition to Cash-Lite.** With the renewed demand by government to transition to government-to-people (G2P) payment streams, utilize the Payment Innovations Costing Utility Analysis and other transacting mapping tools to explore new opportunities for digital payments. These tools are crucial in developing a case for the transition of various payment streams and discerning the true impact of mobile money initiatives; and
5. **Pilots.** Based on research outcomes, launch different mobile money models to test the efficacy of using mobile money for targeted development purposes and provide necessary data for advocating for future policy changes and program decisions. Through a phased grants design and execution process, funding and technical assistance was provided to local implementing partners selected to execute these activities.

The project trained nearly 10,000 people in digital and financial literacy, conducted eight pilots to digitize payments, held 31 road shows and 11 community mobilization meetings, increased the number of mobile money transactions per quarter in Malawi from 582,000 in 2013 to more than 16 million in 2016, and collected over 8,500 waypoints—including mobile money agents, financial services, mobile telecom, agriculture, and more—to facilitate investment in the ecosystem.

#### Mobile Money Coordinating Group

The program's technical assistance included assessments of the market, regulatory framework and the current mobile money ecosystem in country. MMAP also provided technical assistance to and facilitated partnerships within the active MMCG. This group's members include mobile network operators, the Reserve Bank of Malawi, USAID, the World Bank, and key stakeholders in the local banking sector. This model has since been replicated in other markets.

#### Agent Capacity Building

MMAP worked with private sector service providers to develop the ecosystem both at the central level and in targeted geographies. The project:

- Delivered agent network development and expansion workshops for banks, multinational organizations, and regulators;
- Organized "experience sharing sessions" for TNM and Airtel mobile money agents;
- Developed a liquidity management tool and delivered training to key distributed file system (DFS) service providers; and carried out mystery shopping exercises to assess capacity of agent network.

#### Transitioning to Cash Lite

The project supported eight pilots to transition cash payment streams to digital payments. Partners included agriculture value chains, the government of Malawi, financial institutions, and USAID implementing partners. Additionally, the project partnered with social cash transfer programs to provide digital and financial literacy training to program beneficiaries to prepare them to receive their payments via mobile money.

**Q10: Lessons learnt**

In 2012, there were 200,000 mobile wallets in Malawi. Today, that number has grown to more than 2.5 million. Not only has the number of mobile wallets skyrocketed in Malawi, but a MMCG has been incorporated into the government's National Payments Council, and there have been inroads to digitizing payment streams within the Malawian government and agricultural value chains. These substantial advances in digital finance were driven by the USAID-funded MMAP. The project successfully reached its primary objectives of testing models for increasing mobile money adoption, increasing financial inclusion, and enhancing product development and service delivery. Now that the project has ended, local implementers still have plans for mobile money in Malawi. More specifically, they have identified interoperability as an issue they hope to address in the upcoming year. The project set a stable foundation to achieve interoperability and take mobile money to the next level in Malawi.

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