

PRODUCT UP-SCALING SUPPORT – FACTSHEET

Product Up-scaling Support	SCBF 2017-02: Managing cash-flows: up-scaling KiWi's cash disposal solution
Country / Region	Mexico
Partner Financial Institution/s	KiWi Mexico
Grantee	eBOP SA
Overall Budget	CHF 200'800 (27% self-contribution)
SCBF Contribution	CHF 147'575 (73% SCBF funding share)
Date of Approval	16.5.2017
Duration	05.2017 until 04.2018, extended to 11.2018, and to 4.2019
Context	<p>KiWi is a cash-flow management tool for micro-merchants, to tide them over the day to day variability of their cash flows. The company started in 2014-2016, as a payment and cash register mobile app for micro-merchants. During this period, KiWi also piloted a "cash disposal" feature where merchants would get an immediate access to money, against future cards sales.</p> <p>This project is about up-scaling the KiWi "cash disposal" product, in order to reach a new step in making KiWi a cash-flow management facility. A success would mean that a new step has been achieved in micro-enterprise working capital financing, for at least three reasons:</p> <ol style="list-style-type: none"> 1) KiWi generates reliable and relevant data, and then use it to pre-approve "cash disposal"; 2) KiWi displays pre-approved loan in an app and disburses it almost instantaneously; 3) Get loans repaid through a direct withdrawal from cardholders payments (cardholders → KiWi → merchant). <p>This will lead to direct impact in Mexico, where less than 40% of the adult population has a bank account, and less than 10% of merchants accept cards payments. The objective is then to push KiWi in other emerging markets in order to maximize the impact of this innovation.</p>
Current Status of the MFI	KiWi's headquarters are in Switzerland, where IT and business development efforts are concentrated. The first country of implementation is Mexico, where KiWi Mexico has been created. The objective is to build a model in Mexico that is sustainable and can be replicated in other emerging markets.
Objective and Main Activities	<p>The main objective is to upscale the "cash disposal" product developed by KiWi in Mexico, in order to prove that a new loan product has been developed, and that it is both sustainable for the lender and meaningful for micro-merchants. First activities are related to product improvement, through more robust and automatized operations and risks management. Then the focus will be on scaling-up through marketing and sales.</p> <p>Upon project completion, KiWi Mexico should be in a position to give 600 "cash disposal" loans, proving that it is both sustainable and meaningful.</p>