

PRODUCT UP-SCALING SUPPORT – FACTSHEET

Product Up-scaling Support	SCBF 2014-03: KiWi eKiosk pioneering integrated cards & mobile payments for micro-merchants
Country / Region	Morocco
Partner Financial Institution/s	Lead: KiWi Morocco; Partners: Al Barid Bank; Al Amana
Grantee	eBOP SA (KiWi), Avenue des Alpes 3, c/o Maxime Monod, CH-1006 Lausanne
Overall Budget	CHF 325'900 (60% self-contribution)
SCBF Contribution	CHF 130'000 (40% SCBF funding share)
Date of Approval	11.04.2014
Duration	06.2014 until 01.2016
Context	<p>Financial inclusion is a priority for the Central Bank (Bank Al-Maghrib) and the Ministry of Finance, with an objective of 66% people banked by 2014. Central Bank's <u>strategic plan</u> makes clear that financial inclusion in one of its 4 main axes of work, innovative ePayment solutions being seen as one of the most important tools to further develop financial inclusion.</p> <p>Micro-merchants represent more than 80% of the total number of companies in Morocco. Most of them don't have a bank account, and almost none of them accept ePayments. Only 30'000 Points of Sale (POS) are installed in Morocco, mainly because the cost of current devices and their distribution are too heavy for a sustainable model at the bottom of the pyramid.</p> <p>KiWi built an ePayment solution adapted to the needs of micro-merchants, leveraging their mobile phones, improving usage and considerably reducing costs. KiWi also adapted its distribution channels for an optimum reach of micro-merchants, leveraging the field presence of MFIs (such as Al Amana). In addition, KiWi's solution goes far beyond traditional POS by transforming merchants into agents: selling air-time, accepting bill payment, doing cash-in and cash-out for savings and insurance products, among others. The solution generates new and diversified incomes for micro-merchants, reduces their risks and improves their liquidity management.</p> <p>KiWi will setup a dedicated company in Morocco and will start its activities in close collaboration with the postal bank "Al Barid Bank", a well-known partner of SCBF.</p>
Current Status of the MFI	KiWi Morocco is a greenfield subsidiary of KiWi and will be created in Q3-2014, once the KiWi product will be adapted to Morocco and ready for launch.
Objective and Main Activities	<p>SCBF support makes possible for KiWi to launch its eKiosk in Morocco, and specifically gives the opportunity to KiWi Morocco to go beyond cards acceptance by including Al Barid Bank's (ABB) mWallet into its eKiosk. This considerably reinforces KiWi's role as an interoperable channel for financial services, and contribute at the same time to the deployment of ABB's mWallet, a low cost ePayment solution targeting the low income population. Merchants get an even lower cost ePayment solution which works for them to receive payments from customers, but also works for payments to their own suppliers.</p> <p>The main focus of this support is to adapt ePayment technology and distribution to the specific needs and habits of Moroccan micro-merchants, in close collaboration with local partners.</p> <p>KiWi targets 3000+ micro-merchants by the end of the support, December 2015. Upon project completion, KiWi Morocco should be in a position to scale a fully tested solution, with the objective of reaching 80'000+ merchants in 2017.</p>