

Deepen Financial Inclusion

What we want to achieve

- Bring financial services closer to the people through M-PESA
- Expand our M-PESA distribution network and accessibility
- Grow M-PESA retail and e-commerce payments

M-PESA

M-PESA in its current form is a payment network, allowing the banked and the unbanked people of Kenya to transfer funds real time between themselves and businesses, irrespective of the bank they belong to.

In March 2007, M-PESA was launched as a fast, safe, and affordable way to send and receive money via a mobile phone. Its growth since then has been nothing short of phenomenal.

As of 31 March 2013 there were over 17.1 million Safaricom subscribers actively using the M-PESA service, supported by a nationwide agent network of over 65,000 outlets.

M-PESA's convenience and low cost has provided financial inclusion to many Kenyans who do not have bank accounts. With the launch of M-Shwari, M-PESA customers can now save, earn interest and borrow. Through M-Shwari, subscribers conveniently transfer money, pay their bills, purchase goods and pay for services.

M-PESA has evolved from a mobile money transfer service into a payment platform with over 1,600 pay bill partners and 500 bulk payments partners.

M-PESA and Financial Inclusion

Government statistics estimate that Ksh 200 billion is currently sitting outside the formal banking system. These funds belong to people who have no access to formal banking and struggle to access traditional banking. It is with this in mind that Safaricom and Commercial Bank of Africa (CBA) partnered to launch **M-Shwari**.

M-Shwari is essentially a bank service that has made it possible for millions of Kenyans to save, earn interest and borrow money using their mobile phones.

M-Shwari customers can save as little as Ksh 1 (USD 0.012) and get loans from as little as Ksh 100 (USD 1.22). As an incentive to M-Shwari subscribers, there are no application forms, no ledger fees, no limits on the frequency of withdrawal, no minimum operating balance and no charges for moving money from M-PESA to M-Shwari and vice versa.

LAINISHA MAISHA NA M-SHWARI

TAZAMA PESA ZAKO ZIKIONGEZEKA • KOPA UNAPOHITAJI

NENDA KWA MENYU YAKO YA M-PESA; 'AKAUNTI YANGU' NA FANYA MENYU YAKO MPYA LEO!

cba M-Shwari Safaricom M-PESA

M-PESA and Innovation

In the year under review we launched new services in line with our promise to continuously innovate M-PESA.

- **M-PESA Cash in service:** This service was launched in partnership with Pesa Point. It allows customers to move money from their bank accounts to M-PESA accounts through PesaPoint's ATM's.
- **Faini Chap Chap:** This service offers traffic offenders a new system of paying fines through M-PESA. It is currently available at Milimani and Kibera law courts and plans to roll it out to 25 courts across the country are well on course. This service will reduce bureaucracy and limit queues at the courts.
- **Retail Distribution:** M-PESA retail distribution allows distributors of fast-moving consumer goods to receive payments for goods delivered via M-PESA hence eliminating the need for cash within the supply chain. The sales distribution team from the distributor only carries an M-PESA Till. Upon making payment, a notification is received by the sales team in real-time via SMS, allowing it to complete the transaction while at the customer's premises. Distributors can download electronic reports immediately payments are made, simplifying the reconciliation and audit process.

- **Lipa Na M-PESA Merchant Service:** This service makes it easier for merchants to accept payments via M-PESA. After payment, both the merchant and customer receive confirmations of the transaction via text in real-time. The service allows merchants to collect payments without worrying about the risk associated with carrying cash. The funds collected on a buy goods till cannot be transferred or withdrawn from the till and there is no loss even if the till is stolen or misplaced.
- **ATM withdrawal:** This channel provides customers access to their M-PESA funds. ATMs that give M-PESA account holders access to their accounts have increased from 700 to 1,000.
- **Purchase of data bundles via M-PESA:** This service is available to PrePay and post-paid customers.
- **M-PESA Statement on Safaricom webselfcare:** Customers can access M-PESA information without having to call the contact center. Under the webselfcare service, M-PESA customers are able to view their M-PESA statements dating back three months and request for M-PESA Start key

Safaricom Web Selfcare

Manage your Safaricom Account online



Log on to: <https://selfcare.safaricom.co.ke>

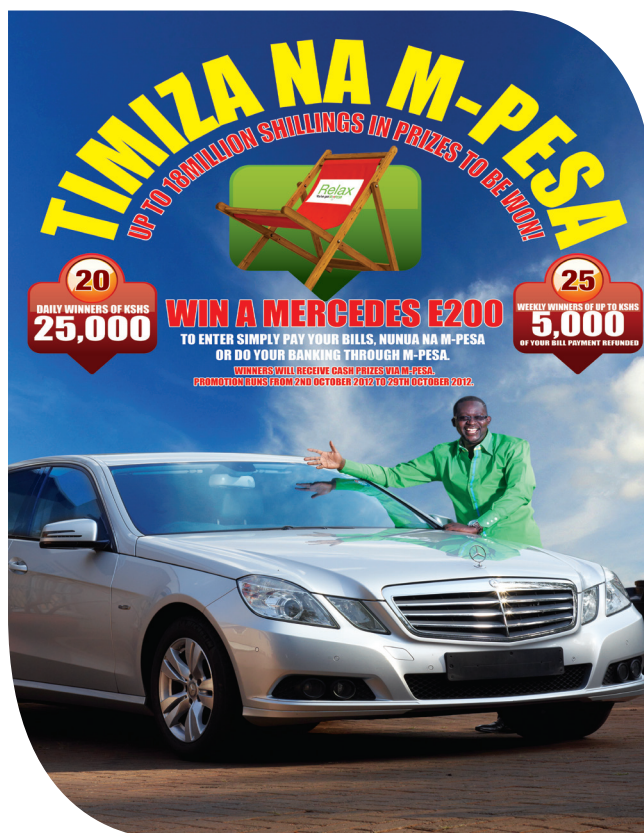


Timiza Na M-PESA

This promotion offered cash awards of about Ksh 18 million. One customer drove away in a brand new Mercedes E200 valued at Kshs 7.7 million.

Twenty customers were awarded with Kshs 25,000 each; 25 weekly winners were awarded Kshs 5,000 and another 25 weekly winners received Kshs 3,000 on their M-PESA accounts.

The objective of the campaign was to change the perception that M-PESA is merely a cash transfer service and underscore its importance as a convenient lifestyle tool.



M-PESA into the Future.

Going forward, the vision for M-PESA is;

- Drive the financial inclusion agenda.
- Drive micro payments in both Business to Customer (B2C) and Customer to Business (C2B) organisations.
- Continue to partner with more financial institutions.