Report of the joint EGTI/EGH sub-group
on the measurement of Mobile Money services

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1   Introduction

A joint subgroup was set up by the 11th Meeting of the Expert Group on Telecommunication/ICT Indicators (EGTI) and the 8th Meeting of the Expert Group on ICT Household Indicators (EGH) in September 2020, with the aim to study the practices of measuring mobile money services both from the supply and demand side in different countries and prepare a proposal to be presented in the next EGTI/EGH meeting.

The sub-group comprised of participants from 14 countries in the Africa, Arab States, Asia and the Pacific, Europe and the Americas regions, as well as from GSMA.

This document summarizes the discussions of the subgroup held during 2021, outlines the agreed definition and scope of mobile money services (section 2) applicable to both supply- and demand-side indicators and proposes supply-side (section 3) and demand-side (section 4) indicators to measure the adoption and usage of Mobile money services, accompanied by harmonized definition and detailed description of a proposed measurement approach, drawing from current practices that are broadly applicable to diverse countries.

2   General

2.1   Definition of mobile money services

A mobile money is a technology that allows people to receive, store, transfer money or make payments through a mobile phone.

2.2   Scope of Mobile Money services

- The service must be available to the unbanked
- The service must offer an interface for initiating transactions either through agents or a customer can do it by themselves on their mobile phones
- Mobile banking services that offer the mobile phone as just another channel to access a traditional banking product are not included.
- Payment services linked to a traditional banking product or credit card such as Apple pay and google wallet are not included.

3 Supply side: Proposed indicators and definitions

The subgroup proposed collecting the following 4 indicators:

3.1 Indicator: Number of mobile money active customer accounts

The number of customer accounts that have been used to perform at least one peer to peer (P2P) payment, bill payment, bulk payment, cash-in to account, cash-out from account, merchant payment, international remittance or airtime top-up from the mobile money account for the last 3 months.

Balance inquiries, PIN resets, and other transactions that do not involve the movement of value SHOULD NOT qualify a customer account as active.

3.2 Indicator: Number of domestic account-to-account P2P transfers

The total number domestic transfers that were made between two customer accounts processed.

3.3 Indicator: Value of domestic account-to-account transfers

The total monetary value of all domestic transfers that were made between two customer accounts processed.

3.4 Indicator: Number of Active agents (not including bank branches)

In the case of mobile money, an <u>agent</u> is a person or business that is contracted to facilitate transaction for users. The most important of these are cash-in and cash-out (i.e., loading value into the mobile money system, and then converting it back out again); in many instances, agents register new customers too.

<u>Active agents</u> are defined as agents that have facilitated at least one transaction within the past 3 months

4   Demand side: Proposed indicators and definitions

During the EGH/EGTI subgroup on mobile money indicators below is what was agreed for the mobile money at individual level.

a. That the reference period for the mobile money questions- household level be 3 months/ 90-day period. This would be ideal to match with the other household ICT indicators
b. That the questions been suggested here are a guidance for countries to start collecting and for reporting to ITU as for now. However, going forward, and if need be, ITU may start collecting these indicators
c. The age for those targeted were either 16 years or 18 years or country specific depending on the country's age that one receives an identification card which is often used to register mobile services including mobile money services.

Below were **seven (7)** proposed household indicators:

1. Proportion of individuals using a mobile money account
2. Proportion of individuals owning a Mobile money account
3. Proportion of individuals Mobile money account sharers at individual level
4. Barriers to mobile money account at individual level
5. Average number of mobile money account at individual level
6. Proportion of individuals using a mobile money account, by frequency
7. Proportion of individuals using a mobile money account, by type of activity

Below were **six (6)** proposed questions:

Mobile money account questions at individual level	Definition and notes
1. Does "name" use a mobile money account? Response: a. Yes b. No c. Don't know	Mobile money account refers to an account provided by service provider mostly telecommunication firm that enables one to send, receive, and pay transactions through a mobile phone. An active mobile money account is a mobile money account which has been used to conduct at least one transaction during the last 90 days (3 months). It excludes account that are tired to a mobile bank, sacco or any other financial institution. The mobile money account may be accessed through an app, or USSD through a mobile phone. The intent of this questions is to find out how many individuals use a mobile money account
2. Does"name" have an individual mobile money account? Response: a. Yes b. No c. Don't know	The intent of this question is to find out how many individuals own a mobile money account. Countries can go an extra mile and show a flash card which have logos and names of mobile money service providers for ease of understanding by the respondents. If possible, the flash card can exclude those tied to a bank. Alternatively, a list of the service providers can be read out while filtering out those related to a bank.
3. If No in Q1, does "name" use a mobile money account by belonging to a agent/ friend/family? Response: a. Yes, b. No, c. Don't know	This refers to those who don't a mobile money account but use one that belongs to their agent/family/friends.

4. If No in Q1, what are the reasons for not having his own mobile money account? (multiple responses allowed) a) Too young b) No phone c) No SIM d) No access to mobile network e) Service fee too high f) Don't want/need g) Trust issues h) Social / cultural issues i) Others (specify)	The intent of the question is to take stock of the challenges or reasons hindering individuals owning their own mobile money account
5. How many mobile money accounts does "name" have?	The intent of this is to have an average number of a mobile money account
6. How often does "name" use mobile money? a) Daily b) A few times a week but not daily c) A few times a month but not weekly d) Occasionally e) Biannual f) Annually g) Don't know	The intent of this question is to measure the frequency of mobile money account usage. Countries can filter out responses on biannual and annually at the time of analysis
7. What does "name" use the mobile money account for? (Multiple responses allowed) a) Sending money b) Receiving money c) As savings d) Pay bills e) Pay for purchases f) Business use g) Others (specify) h) Don't know	The intent of this question is find out or get in-depth understanding on the uses of mobile money account