

Case study

Standard Chartered



**Reliable and secure
payment from any
location**

Standard Charters has
partnered with M-Pesa to
provide a sound and secure
mobile payment service for
the developing countries

The future is exciting.
Ready?



vodafone
business

Banking on the Future

Mobile Innovation through Collaboration

The explosive growth in mobile phone users in emerging markets, has enabled individuals in remote locations to access financial services using their mobile phone. Mobile money services are available in 85% of countries where the number of people with an account at a financial institution is less than 20%.

Standard Chartered has brought the benefits of mobile money ecosystems to companies through a strategic partnership with Vodafone. Mobile wallet services form part of the Bank's broader digital strategy and brings mobile payment and collection functionality to companies across Kenya and Tanzania, supported by Vodafone's extensive mobile network.

The banking partner

A global bank

For over 150 years Standard Chartered Bank has been at the forefront of banking across Africa, Asia and the Middle East. A truly global bank with over 80,000 employees, and offices and outlets in more than 70 countries – servicing 16 markets in Africa. Standard Chartered remains committed to being 'Here for good' and 'Here for Africa' with products and services which deliver sustainable benefits to Africa's economies and people. With such a broad network and in such a competitive industry, staying true to its strategy of 'focusing on the basics of banking' is not always about sticking to traditions, but also about investing in digital technology and transforming banking for the future.

“Cash-dominant communities are a challenge for companies or businesses who want to send or receive money from individuals in a timely, secure and affordable manner.”

The challenge

Doing business in cash-dominant economies

Cash remains the primary method for consumer-to-business (C2B) and business-to-consumer (B2C) transactions in many emerging markets. One reason for this is that access to traditional banking facilities remains low. Even for individuals in remote areas with bank accounts, accessing branches, ATMs or even retailers who accept debit or credit cards, is difficult.

Cash-dominant communities are a challenge for companies or businesses who want to send or receive money from individuals in a timely, secure and affordable manner. The working capital cycle for these businesses is often longer than ideal, and reconciliation of payments and collections is a manual process. While these communities may not have access to branch infrastructure, they do have access to mobile money.

The solution

A reliable and secure payment platform

As a leading international bank in emerging economies, with a strong on-the-ground presence, Standard Chartered is committed to forging partnerships with leading telecom providers in local markets to deliver robust, secure and convenient mobile money solutions to complement the Bank's offering.

Vodafone's M-Pesa is the world's most successful mobile money deployment, with over 18mn active users in Kenya. Likewise in Tanzania, over 5.8 mn active users utilise the platform.

In the 2016 financial year, M-Pesa processed transactions valued around USD60 billion across East African markets. With the success and proliferation of M-Pesa, Standard Chartered has partnered with Vodafone's affiliates - Safaricom in Kenya and Vodacom Tanzania - to enable companies to disburse or collect funds to and from individuals, wherever they may be located across the country.

Standard Chartered offers mobile wallet services (Straight2Bank Wallet) via M-Pesa through its award-winning Straight2Bank platform.

¹World Bank, Global Financial Inclusion Database (2015), Account at a financial institution (%age 15+) [2014].

Source: http://www.gsma.com/mobileforddevelopment/programme/mobile-money/what-is-the-availability-of-mobile-money-services-in-2015#_ftn1

“In 2015, the Bank committed to \$3 billion in strategic investments globally over the next three year period - a commitment which has seen Africa benefiting with a multi-market upgrade of digital and mobile banking platforms. Our partnership with Vodafone enables us to deliver an enhanced, digital customer experience to companies, freeing up internal resources to focus on other strategic priorities. This sustainable partnership demonstrates our promise to be Here for Africa.”

Namita Lal, Global Head Mobile Money & eCommerce

The solution

Continued

Straight2Bank Wallet allows companies who bank with Standard Chartered to make payments directly into individuals’ M-Pesa wallets. Funds within an individual’s mobile wallet can then be cashed out at any of the M-Pesa agents around the country, be used to purchase goods and services, or to transact with other mobile money users. Similarly, the solution allows individuals to use their M-Pesa wallet to pay for services or goods from Standard Chartered’s corporate clients. The payment is routed to Standard Chartered via M-Pesa, for crediting the corporate client’s bank account.

This is a more efficient process eliminating the cost and risk of fraud and theft associated with cash and manual payments. This innovative digital solution enables Standard Chartered and

Vodafone to support financial and economic inclusion, a key priority for many African governments committed to increasing sustainable economic development. Mobile wallets present a unique and compelling opportunity for companies in emerging markets to transact with individuals in both rural and urban areas. These companies are typically from sectors such as social development, consumer goods, insurance, healthcare, education, logistics and commodity buyers.

Standard Chartered is extending its mobile wallet services to other emerging markets across Africa, Asia and the Middle East as companies realise the enhanced security and operational efficiencies associated with mobile wallets.

“Standard Chartered Bank has partnered with Vodafone M-Pesa to create a simple way to give people safe and secure access to their money in developing countries. Together, we’re supporting communities, businesses and NGOs to adopt digitisation and that’s leading to increasing financial inclusion. We are very proud to be part of this journey.”

Erik Brenneis, CEO of Vodafone Global Enterprise

Mobile Wallet Payment / Collection Solution Overview



“We are excited to continue working together with Vodafone to deliver innovative and practical solutions which support long term economic growth and development across the continent.”

Namita Lal, Global Head Mobile Money & eCommerce

Partnering for the long term

Pushing the limits of innovation

The partnership between Standard Chartered and Vodafone has allowed both companies to tap into the rapidly evolving mobile money opportunities and bring benefits to their respective customers. The partnership is further strengthened by the potential to expand the collaboration to other markets, such as Ghana. Together Standard Chartered and Vodafone are helping to push the limits of innovation to deliver the next generation of mobile financial services.

This collaboration is just a small part of the well-established relationship between Standard Chartered and Vodafone, spanning 17 years of working together. Standard Chartered and Vodafone have a strong understanding of trends and the needs of emerging markets, especially in Africa, gained from many years of operating experience.

Benefits for Standard Chartered corporate clients

- Payments/Collections directly into/ from mobile wallets, inclusive of unbanked or under-banked individuals
- Eliminates costs and risk of fraud and theft associated with cash payments handling
- Increases end-to-end visibility and control of transactions
- Improves working capital cycles and gives certainty in settlement date
- Streamlines back-office and reconciliation processes

About Standard Chartered:

Here for good

- Headquarters: London
- Employees: over 80,000
- For more information please visit
- www.sc.com



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