

DIGITAL FINANCIAL SERVICE INTERVENTIONS



INTRODUCTION

The Digital Financial Services (DFS) Lab of a2i works with government bodies, development partners, financial service providers, and other stakeholders to promote digital financial service and to create DFS access points for the rural poor and unbanked. The lab attempts to expand and deepen digital financial inclusion through citizen-centric product and service innovation, payment digitalization, financial literacy, and policy and regulatory reform. The aim of the lab is to create a cash-light inclusive financial ecosystem in Bangladesh.

110 BILLION+

Transactions
performed through
AGENT BANKING



2.37 MILLION

Beneficiaries
account through G2P
DIGITIZATION



702 MILLION+

Bills collected
through Ekpays



INTERVENTION 1: AGENT BANKING

Rural and underserved communities face significant challenges in accessing financial services. They still need to travel significant distances, spend considerable amounts of money and time to receive financial services as their nearest bank branch is often too far away. To overcome this scenario, a2i has intervened with Digital Center based agent banking model where agents of digital center become a bank agent to offer financial services to hard-to-reach customers. Already 4300+ UDC provides agent banking facility in the union level access point. Agent banking has been successful to deliver financial service where establishing traditional bank branches are often not cost-effective. A2i played a pivotal role through policy advocacy in introducing agent banking in 2013 by Bangladesh Bank. With the combination of technology and agent network, agents are now capable of providing banking services in rural areas to the marginalized & deprived community.

📍 OBJECTIVES:

- Include unbanked rural population into the formal banking system.
- To provide access to various financial services through the agent point.
- To create an easily accessible financial access point network throughout the country
- To save time and money of citizens by availing financial services from nearest agent point



IMPLEMENTING PARTNERS:



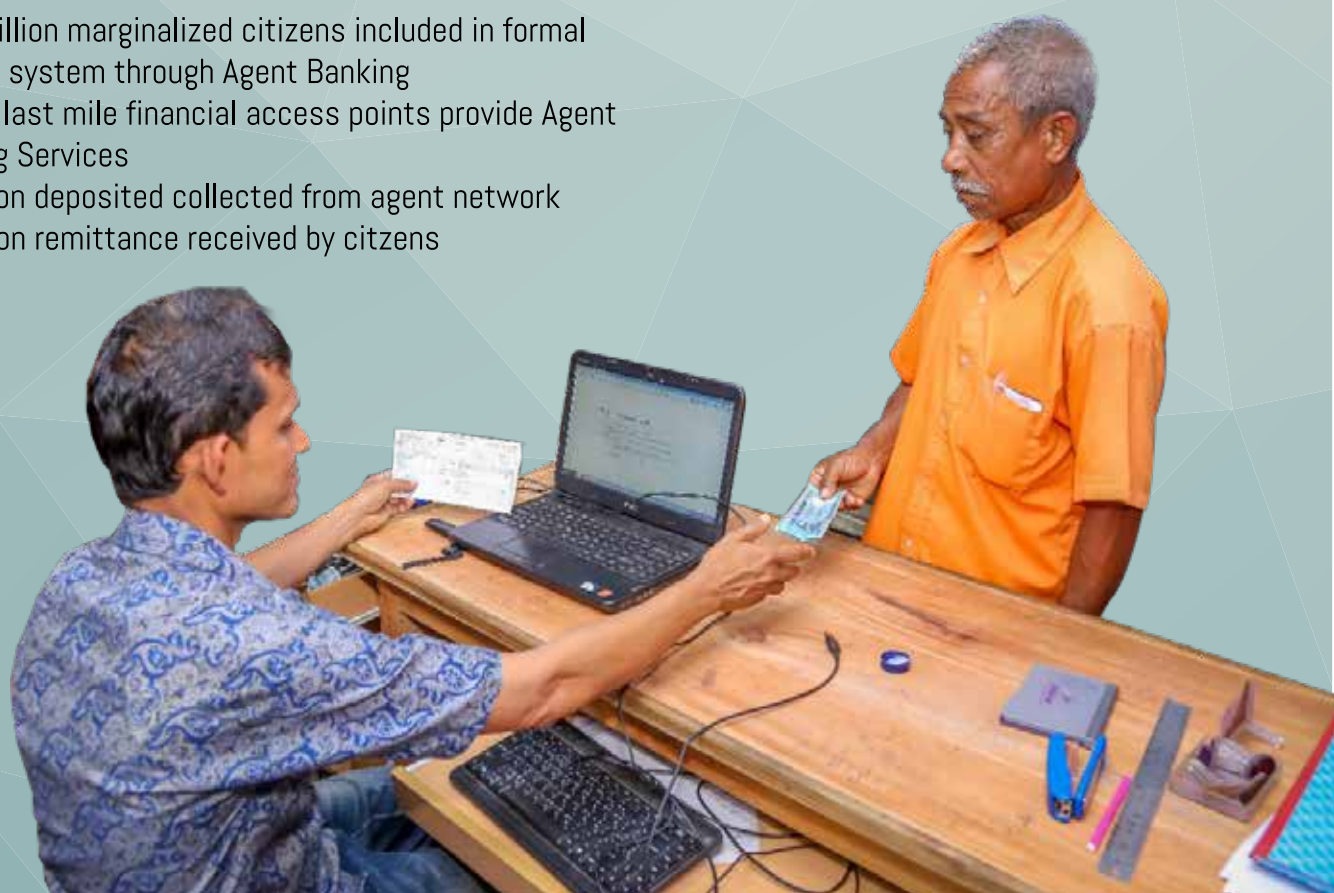
PERIOD:

2016-2020

- Bank Asia
- NRBC Bank
- Modhumoti Bank
- NRB Bank
- City Bank
- BRAC Bank
- UCB
- Premier Bank
- Trust Bank
- Eastern Bank

🚩 KEY ACHIEVEMENTS

- 2.13 million marginalized citizens included in formal financial system through Agent Banking
- 4300+ last mile financial access points provide Agent Banking Services
- 48 billion deposited collected from agent network
- 11 billion remittance received by citizens



INTERVENTION 2: G2P PAYMENT DIGITIZATION

A2i in collaboration with Bill & Melinda Gates Foundation is facilitating the digitization of social safety net payments as part of the government's overarching plan to digitize all G2P payments to provide affordable, more efficient, and appropriate inclusive financial services for all. The honorable prime minister inaugurated the first payment of the project on 16th August 2018 and disbursed payment to 115,088 (2 % of total beneficiaries) beneficiaries electronically through BEFTN system. The entire G2P digitization process is mapped in collaboration with the Finance Division. Digitization of the manual SSN payment process will significantly reduce Time & Cost in SSN payment system for both beneficiaries and government.

OBJECTIVES:

- To analyse the current practice and process of Social Safety Net (SSN) payment and identify the intervention area;
- To test electronic beneficiary management system through NID verification;
- To test direct transfer mechanism from government treasury to beneficiary account
- To identify the necessary technical and policy issues for digital payment system;
- To identify the potential business case for financial service providers for digital SSN payments

IMPLEMENTING PARTNERS:

- Department of Social Services (DSS)
- Department of Disaster Management (DDM)
- Ministry of Liberation War Affairs (MOLWA)
- Ministry of Women and Children Affairs
- Bill and Melinda Gates Foundation
- Bank Asia
- Modhumoti Bank
- NRB Commercial Bank

PERIOD:

2016-2020

KEY ACHIEVEMENTS

- 2.37 million beneficiaries included in the digital payment system
- 4,632 million BDT amount disbursed digitally
- 2500+ awareness campaign program held to educate beneficiaries about the digital payment system
- 5760 field officers received capacity development training on Digital Social Safety Net program



INTERVENTION 3: EKPAY

Ekpay is the first-of-its-kind dedicated bill payment platform in Bangladesh to provide citizens a secure utility, institutional, treasury bill payment solution. This one-stop payment solution offers citizens to make payment for a wide range of services like utilities, education, municipalities, insurance, and treasury bill payment with multiple payment channels like cards, MFS, internet banking, agent point, and others. EkPay aims to digitize all payments with its user-friendly features and agent network throughout the country considering low-income users and unbanked population. This citizen-centric intervention directly address the distress making payments from multiple payment points standing in long queue.

OBJECTIVES:

- Facilitate Bangladeshi citizens to pay their monthly utility bills with ease & convenient any time of the day
- Enable easier process of bill collection for service providers/billers
- Create access to all possible payment points for the bill payers.
- Lower the huge dependency on paper printing for the payment processes and record keeping
- Ensure higher level of security and accountability to the both billers and bill payers.

IMPLEMENTING PARTNERS:

Billers

- DESCO
- DPDC
- Dhaka WASA
- KWASA
- Jalalabad Gas
- Karnaphuli Gas
- Titas gas
- BTCL

Financial Service Providers

- Bank Asia Limited
- Eastern Bank Limited
- Brac Bank Limited
- Dutch- Bangla Bank Limited
- The City Bank Limited
- bKash
- Rocket
- Nagad
- Dmoney
- Amex
- Visa Card
- Master Card

PERIOD:

2017-2020

KEY ACHIEVEMENTS

- More than 400k citizens benefited so far
- 50k + syndicated agents in operation
- 16+ services integrated
- 702+ million bill collected through the platform
- Users can use any card (credit, debit, prepaid), MFS, Wallets, Internet Banking and Cash to make payments instantly from a convenient location

