

How Mobile Money is Reshaping Financial Inclusion in Bangladesh

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In recent years, Bangladesh has seen tremendous growth in digitalization, which is gradually changing the shape of the country's socioeconomic parameters and propelling it into the digital age.

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As a key driver, the Mobile Financial Services (MFS) operators are helping to develop Bangladesh into a digital economy. It has successfully brought a substantial number of previously unbanked poor populations into the formal banking system. These populations, residing in both rural and urban areas, were long denied access to traditional banking services.

In 2012, Dutch Bangla Bank Limited pioneered mobile banking services in the country, marking the beginning of a decade-long journey. The central bank also started issuing licenses for MFS to boost the financial inclusion of all.

Currently, 10 banks and 3 subsidiary companies are providing MFS as an alternative payment channel. The MFS providers include Rocket, bKash, MYCash, Islami Bank mCash, Trust Axiata pay (tap), FSIBL FirstPay SureCash, Upay, OK Wallet, Rupali Bank SureCash, TeleCash, Islamic Wallet, Meghna Pay, and Nagad.

The launch of Bangladesh's first National Financial Inclusion Strategy 2021-2026 is a major step towards achieving financial inclusion for all.

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BANGLADESH MFS INDUSTRY AT A GLANCE



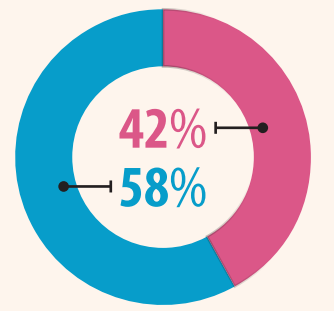
Bangladesh leads Asia in mobile money account ownership. [GSMA 2023]



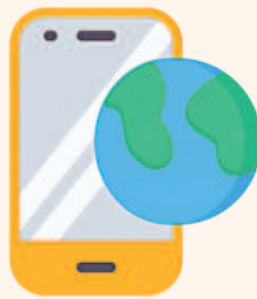
Number of MFS providers: 13



MFS accounts: 22 Crore [As of Nov 2023]



FEMALE
MALE



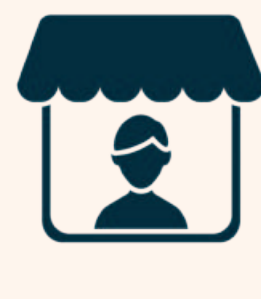
Share of the world's total mobile money accounts: 11.93%



Daily Average Cash-in Transaction: Tk 1,134 crores [2023]



Daily Average Cash-Out Transaction: Tk 1,028 crores [2023]



Merchant Payment Per Day: Tk 162 crores [2023]



MFS Utility Bill Payments Per Day: Tk 90 crores [2023]

touching millions through bKash



Pivotal role in women empowerment

Women from households using bKash earn 86%^[1] more comparing to non-bKash using families. In terms of ownership of financial assets, 'bKash using women' are 20%^[2] ahead of non-bKash users.

Parity in financial services

About 44%^[3] of the bKash users are women.

Awareness in education and healthcare

Households using bKash are more conscious about education and healthcare, thus, spend more in these areas.

Enabling families to increase income

Per capita income of families using bKash is 5.8%^[4] higher than non-bKash users. They are also more efficient in tackling disaster-induced situation.

*According to BIDS study on 'Impact of Mobile Financial Services in Bangladesh - The Case of bKash' Source: [1 & 2: Page 104], [3: Page 71], [4: Page 109]

