GALLUP PAKISTAN
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FINDEV CYBERLETTER

22ND EDITION

EDITOR'S NOTE

Welcome to Gallup Pakistan's FinDev Cyberletter. The principal purpose of this Cyberletter is to inform its readers of the latest developments in the financial industry across the globe, particularly in the realms of Financial Inclusion and Digital Financial Services (DFS), where efforts are being undertaken by both private and government sectors. This is the 22nd monthly issue of the FinDev Cyberletter series. Each issue of the FinDev Cyberletter will focus on a particular theme within the broader area of financial inclusion and related topics. This newsletter is divided into three main sections. The sections are:

1) **NEWS ROUNDUP** – This section will cover the latest happenings in the financial services industry in Pakistan.
2) **INITIATIVES** – Constant work is being undertaken by experts, governments and research organizations in order to enhance the understanding of, and to find solutions to the challenges encountered within the financial services industry. This section will aim to cover some of these research initiatives, both locally and internationally.
3) **DATA VISUALIZATIONS & STATISTICAL FIGURES** - Research backed by data not only increases its credibility but also helps paint an accurate picture of the situation at hand. This section will contain graphical representations of data on various relevant topics.

A diligent effort has been made to ensure that the content extracted from external sources has been cited and given due credit. In some cases, excerpts from the original articles have been extracted. To access the original articles, please click on the link provided at the end of each article. In case of any errors or omissions, we would like to apologize and would be eager to rectify the changes at the earliest. For feedback, comments or questions, feel free to write to us at caf@gallup.com.pk.

Warm Regards,
The Gallup Pakistan Financial Inclusion Team
Led by Bilal I Gilani (Executive Director, Gallup Pakistan)

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HOW DIGITAL FINANCIAL SERVICES AND E-COMMERCE CAN HELP CURB THE IMPACT OF COVID-19 ON PEOPLE'S LIVELIHOODS

Countries across the world have imposed unprecedented restrictions on mobility and social interaction to combat the spread of COVID-19. Indonesia is no exception. In April, the government of Indonesia announced the enactment of large-scale social distancing regulations (Pembatasan Sosial Berskala Besar, PSBB) and banned travel for the upcoming Eid holiday, when tens of millions of Indonesians typically return to their home villages to celebrate with family.

MASTERCARD MAKES MASSIVE FINANCIAL INCLUSION PLEDGE

Mastercard has expanded its worldwide commitment to financial inclusion by pledging to bring a total of 1 billion people and 50 million micro and small businesses into the digital economy by 2025. Driven by the Covid-19 crisis, the strategy will include a direct focus on providing 25 million women entrepreneurs with solutions that can help them grow their businesses.

MAMO PAY, A DUBAI FINTECH FOUNDED BY FORMER GOOGLE EMPLOYEES RAISES $1.5 MILLION TO REVOLUTIONIZE P2P PAYMENTS IN THE REGION

Dubai-based fintech Mamo Pay has raised $1.5 million in a seed funding round led by Global Founders Capital (a global VC with 15 offices across the world) with the participation of Global Ventures, VentureSouq, MSA Capital, Dubai Angel Investors, 500 Startups, and some angel investors, the startup told MENAbytes today.

PROGRAMMABLE FINTECH PAYMENTS STARTUP SILA RAISES $7.7M SEED TO WIPE OUT ACH

Fintech is white hot these days, with major acquisitions and funding rounds galore. It’s also a relatively new space, with startups only really breaching the thicket of regulations that defines the modern banking and finance world in the past few years.

NEWS ROUNDUP

This Section Covers The Latest Happenings From The Realm Of Financial Inclusion And Digital Financial Services Across The Globe.

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HOW DIGITAL FINANCIAL SERVICES AND E-COMMERCE CAN HELP CURB THE IMPACT OF COVID-19 ON PEOPLE'S LIVELIHOODS*

By Aliyyah Rusdinar Simone Schaner

Countries across the world have imposed unprecedented restrictions on mobility and social interaction to combat the spread of COVID-19. Indonesia is no exception.

In April, the government of Indonesia announced the enactment of large-scale social distancing regulations (Pembatasan Sosial Berskala Besar, PSBB) and banned travel for the upcoming Eid holiday, when tens of millions of Indonesians typically return to their home villages to celebrate with family.

***Source: Published in J-PAL, May 5th, 2020**
Click to here access full article

THREE FACTORS DRIVING THE RISE OF FINTECH AND WHAT THE BANKING INDUSTRY CAN LEARN FROM THEM*

By Frans Wiwanto

Two common questions I'm asked are: What factors have enabled the rapid rise of financial technology firms in the world, and what lessons can we derive from it?

While there is no universal definition of financial technology (or fintech for short), it is generally understood to mean companies that use technology to create innovative solutions that enhance the applications, processes, products or business models within the finance industry.

***Source: Published in Forbes, April 2nd, 2020**
Click to [here] access full article

Dubai-based fintech Mamo Pay has raised $1.5 million in a seed funding round led by Global Founders Capital (a global VC with 15 offices across the world) with the participation of Global Ventures, VentureSouq, MSA Capital, Dubai Angel Investors, 500 Startups, and some angel investors, the startup told MENAbytes today.

Founded by three former Google employees; Mohammad El Saadi, Asim Janjua, and Imad Gharazeddine, Mamo Pay is building a peer-to-peer payments app that will enable users to make/transfer payments to family, friends, and businesses with a few taps and zero fees.

By Zubair Naeem Paracha

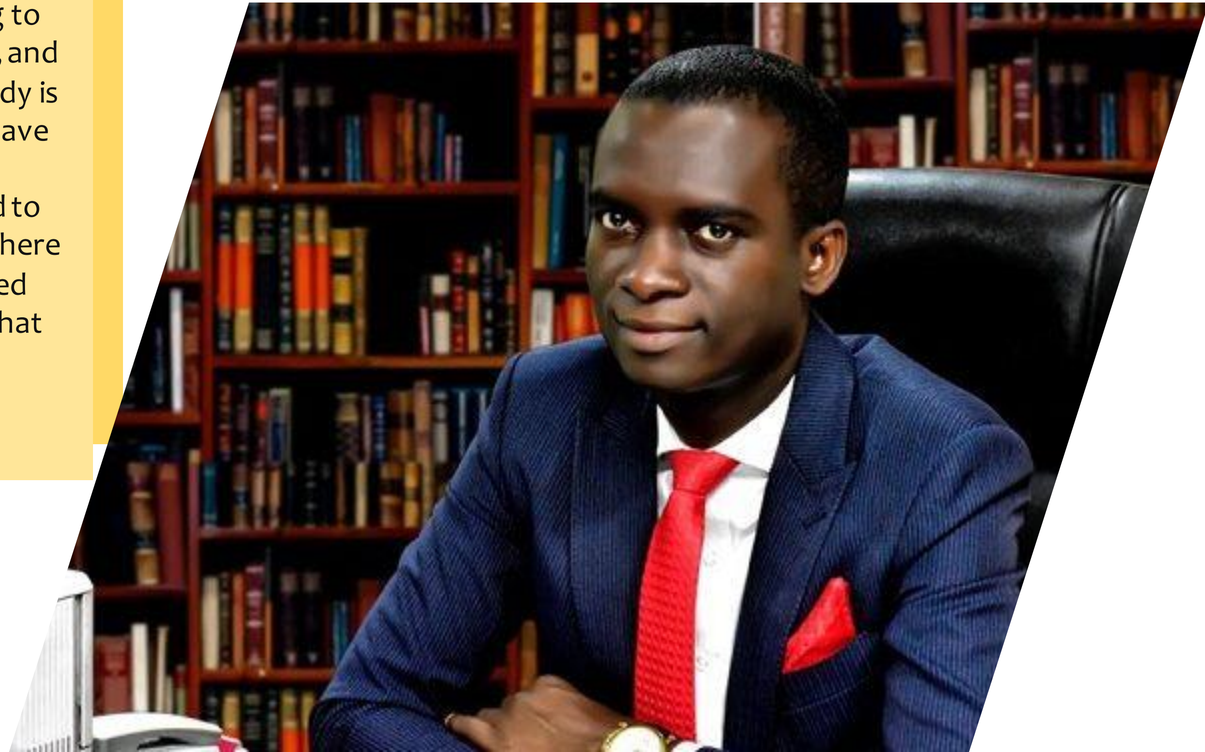
MAMO PAY, A DUBAI FINTECH FOUNDED BY FORMER GOOGLE EMPLOYEES RAISES $1.5 MILLION TO REVOLUTIONIZE P2P PAYMENTS IN THE REGION*

***Source: Published in menabytes, April 7th, 2020**
Click to here access full article

MICROFINANCE BANKS BETTER POSITIONED TO GROW SMALL BUSINESSES*

Microfinance is supposed to drive the growth of SMEs, but that is just one side of the story. If somebody is going to drive the growth of SMEs the person needs resources, and the resources must come from somewhere. If somebody is going to drive the growth of SMEs, the person must have resources to do that.

The question now is where is the resources supposed to come from? I think the fundamental problem we have here is that as a civilised society, we have not really defined what the role of Microfinance banks should be and what do they need to be able to play that role.



*Source: Published in The Nation, May 10th, 2020
Click to here access full article

MASTERCARD BRINGS FINTECH EXPRESS TO EUROPE*

Mastercard has brought its Fintech Express programme to Europe, providing easy access to a customised set of rules, relevant resources and digital-first services to help startups add payments to their suite of products. Fintech Express aims to shorten the time taken for fintechs to launch new payment services from months to a matter of days.

The scheme is part of Mastercard Accelerate, a bundle of startup and growth programmes launched in October last year to help firms grow their business by tapping in to the Mastercard ecosystem.

***Source: Published in Finextra, June 2nd, 2020**
Click to [here] access full article

WHEN DIGITAL TRANSFORMATION IS THE ONLY WAY*

By Peter Zornio

Manufacturers have long relied on advanced digital technologies that enable remote monitoring and assistance to protect workers in 4D — dull, dirty, dangerous and distant — environments. While no one expected this would one day include the effects of a healthcare crisis, it's more important than ever today to remotely execute tasks that keep essential facilities operational while also protecting workers. Confronted with the harsh realities of fewer employees able to work in the traditional hands-on manner, companies have been forced to adopt newer, better and more productive methods — remote and virtual technology tools — and will never look back.

***Source: Published in Forbes, June 1st, 2020**
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THE INITIATIVES

Constant Work Is Being Undertaken By Experts And Research Organizations To Enhance The Understanding And Find Solutions To Challenges Encountered Within The Financial Services Industry. This Section Covers Some Of These Research Findings.

MASTERCARD MAKES MASSIVE FINANCIAL INCLUSION PLEDGE*

Mastercard has expanded its worldwide commitment to financial inclusion by pledging to bring a total of 1 billion people and 50 million micro and small businesses into the digital economy by 2025.
Driven by the Covid-19 crisis, the strategy will include a direct focus on providing 25 million women entrepreneurs with solutions that can help them grow their businesses.

***Source: Published in Finextra, May 11th, 2020**
Click to here access full article

PROGRAMMABLE FINTECH PAYMENTS STARTUP SILA RAISES $7.7M SEED TO WIPE OUT ACH*

By Danny Crichton

Fintech is white hot these days, with major acquisitions and funding rounds galore. It's also a relatively new space, with startups only really breaching the thicket of regulations that defines the modern banking and finance world in the past few years.

So it is fascinating to watch how Shamir Karkal, one of the original fintech entrepreneurs, is coming back for a second round in this still-nascent industry.

Karkal co-founded Portland-based Simple back in 2009, a company that was among the first of a wave of startups now generally known as "neobanks."

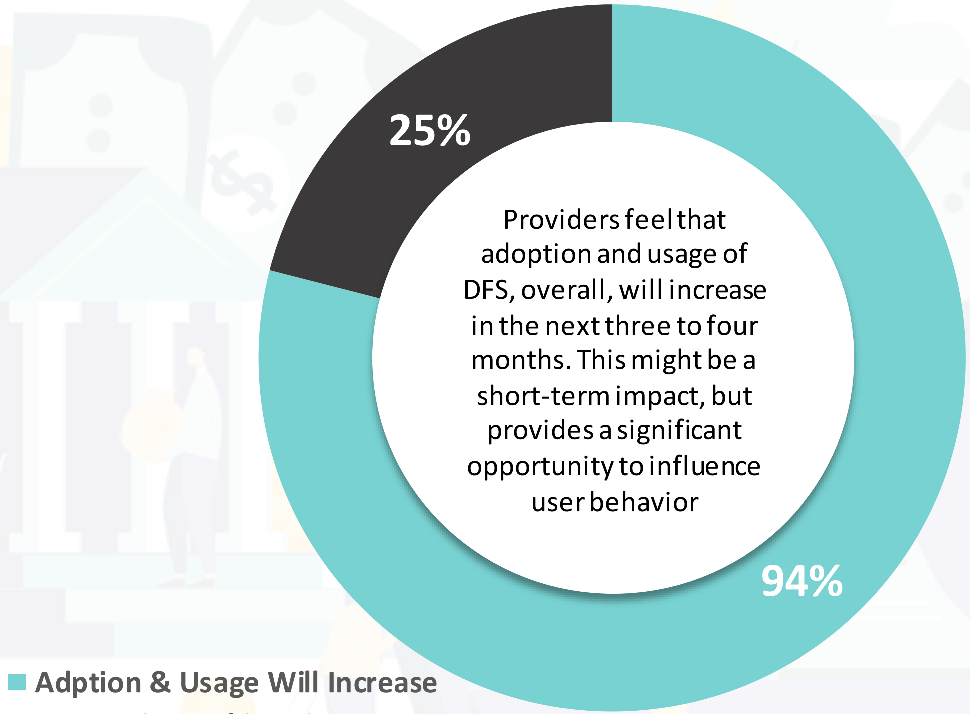
***Source: Published in techcrunch, April 8th, 2020**
Click to here access full article

DATA VISUALIZATION

Research Backed By Concrete Data Not Only Increases Its Credibility But Also Helps Paint An Accurate Picture Of A Particular Situation. This Section Contains Graphical Representations On Various Topics.

COVID- 19, A CATALYST FOR HIGH ADOPTION AND INCREASED USAGE*

VIEW ON COVID 19 IMPACT ON DFS

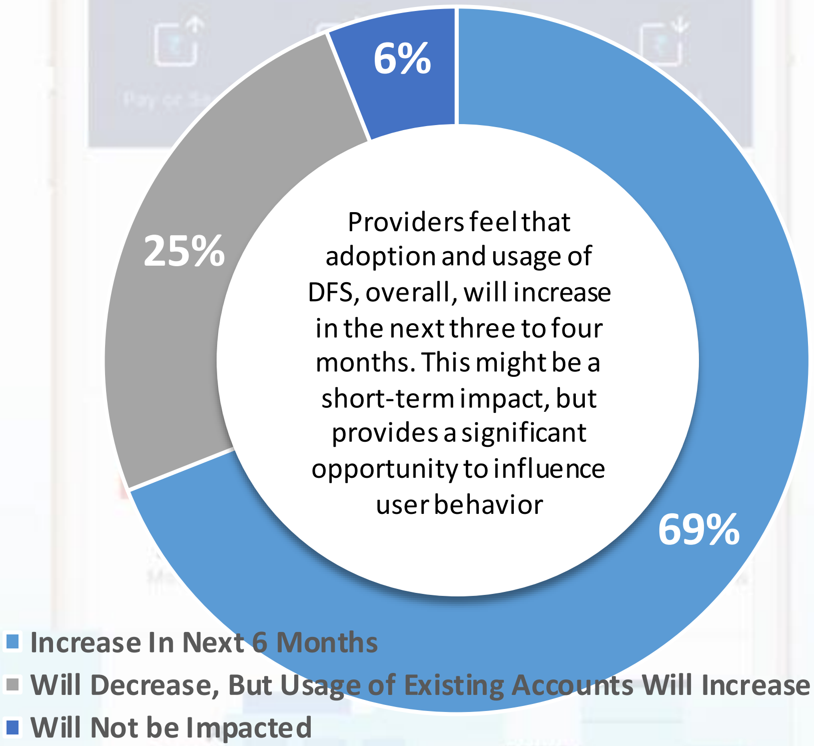


*Source: COVID 19 and its Impact on Pakistan's Digital Financial Services Landscape – Karandaaz Pakistan

Click here to access full report

COVID- 19, A CATALYST FOR HIGH ADOPTION AND INCREASED USAGE*

VIEW ON MOBILE WALLET ADOPTION



*Source: COVID 19 and its Impact on Pakistan's Digital Financial Services Landscape – Karandaaz Pakistan

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Contact Us

www.gallup.com.pk/

/GallupPak

@GallupPak

caf@gallup.com.pk