GALLUP PAKISTAN
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FINDEV CYBERLETTER

24TH 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

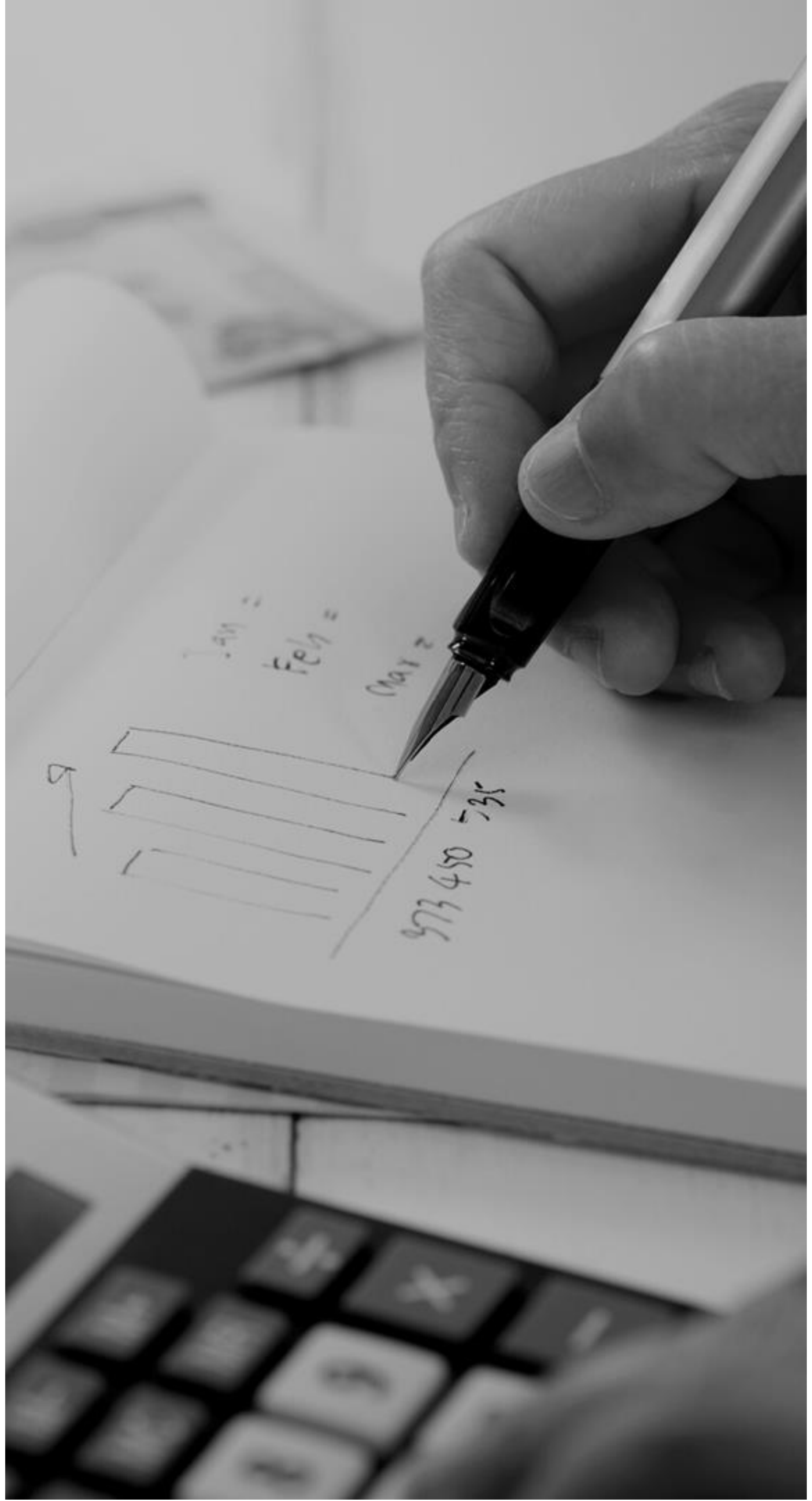
A diligent effort has been made to ensure that the content extracted from external sources has been cited and given due credit. In some cases, excerpts from the original articles have been extracted.

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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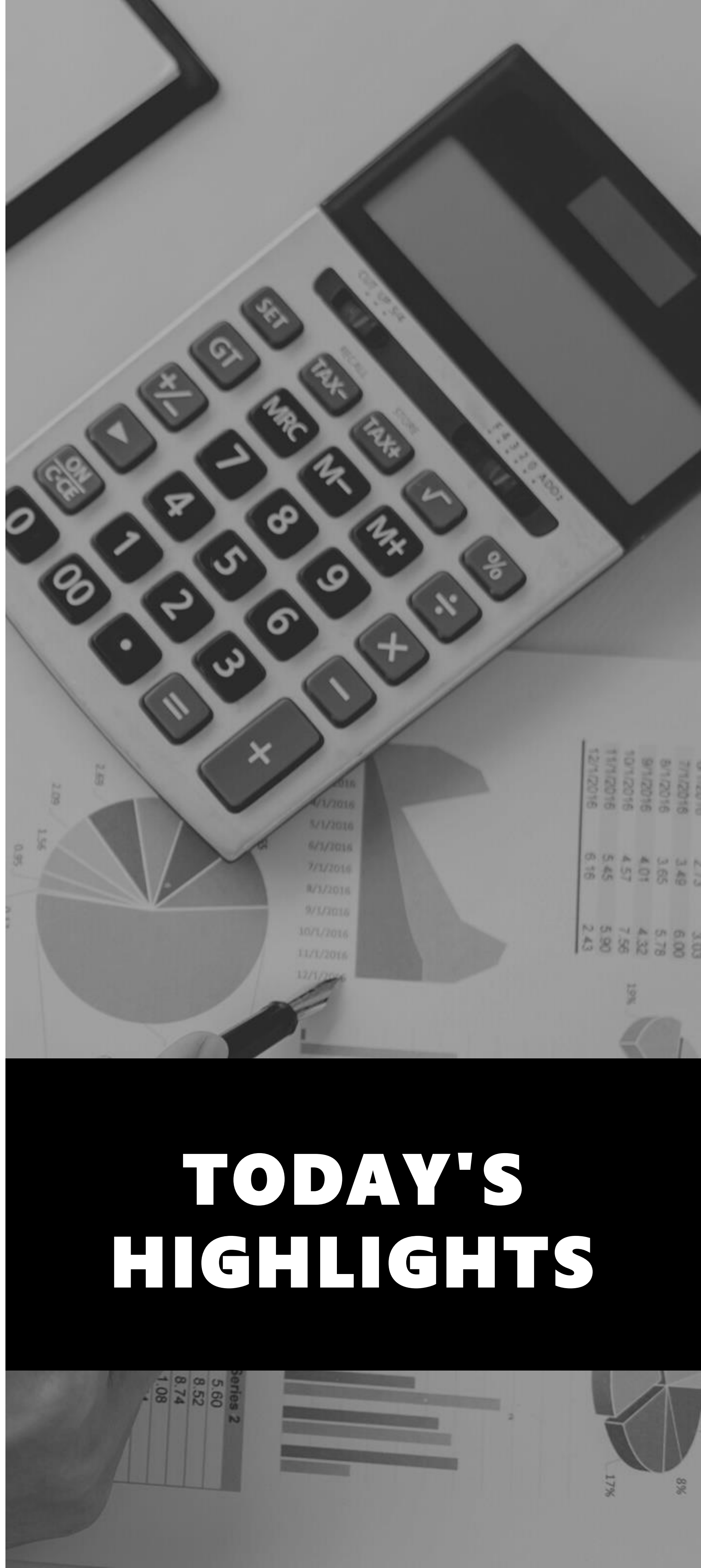


TODAY'S HIGHLIGHTS

ANOTHER STARTUP GETS APPROVAL FROM SBP TO OPERATE AS ELECTRONIC MONEY INSTITUTION

According to the company, TAG is a 'super app' which would allow its users to "open mobile wallets and get debit cards". Users would be able to perform transactions over the internet, including transferring money, paying bills or topping phone credit with a touch.

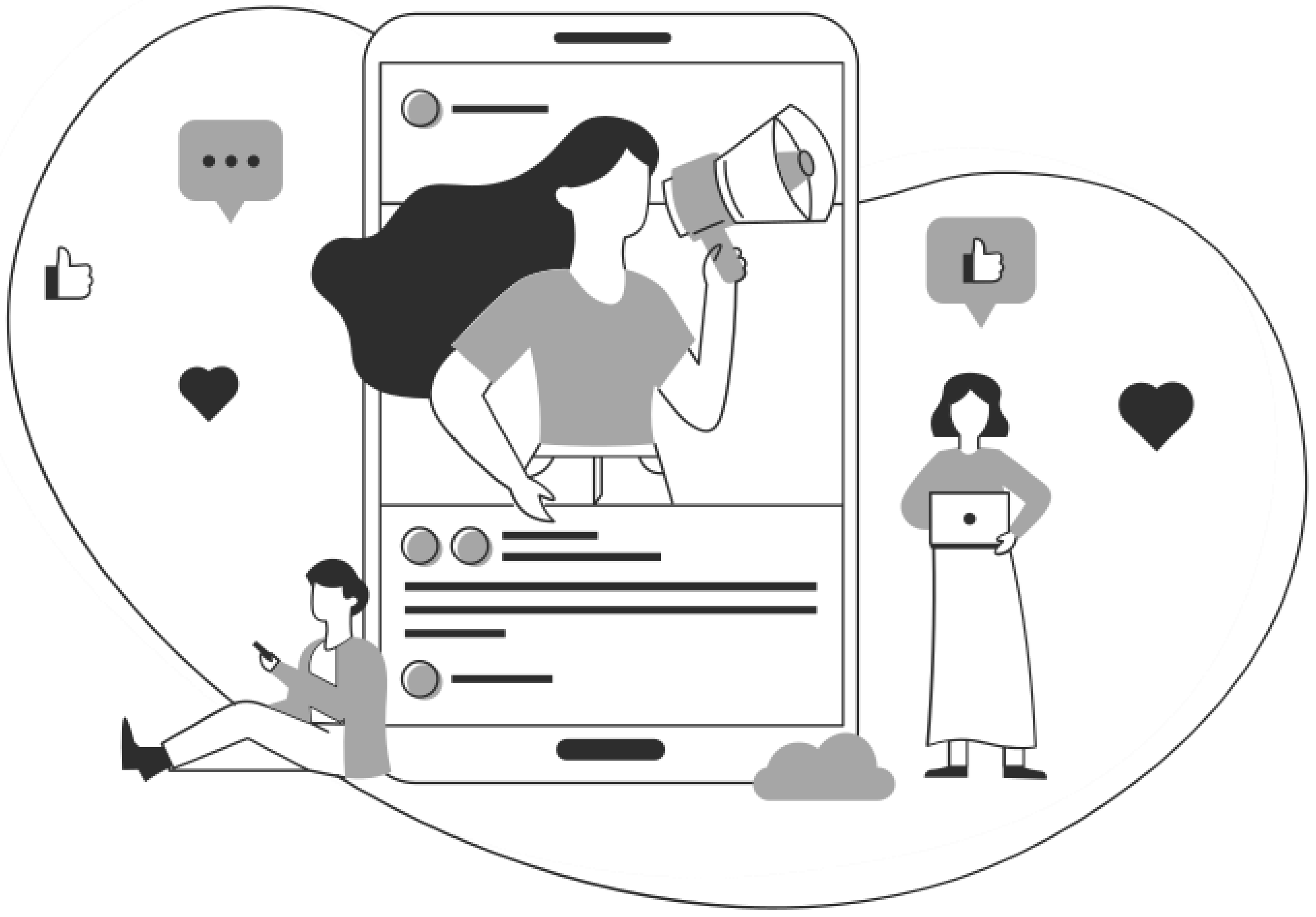
WHAT MAKES DIGITAL BANKING INCLUSIVE?

Banks no longer face the same limitations that prevented them from serving low-income customers 10 years ago. Digital banking has created new possibilities for reaching low-income customers. But are these digital banks really more inclusive?

BANK ALFALAH AND MASTERCARD LAUNCH ALFA VIRTUAL DEBIT CARD

Bank Alfalah has announced the launch of the Alfa Virtual Debit Card in collaboration with Mastercard in an endeavour to bring the bank closer to customers in the times of social distancing.

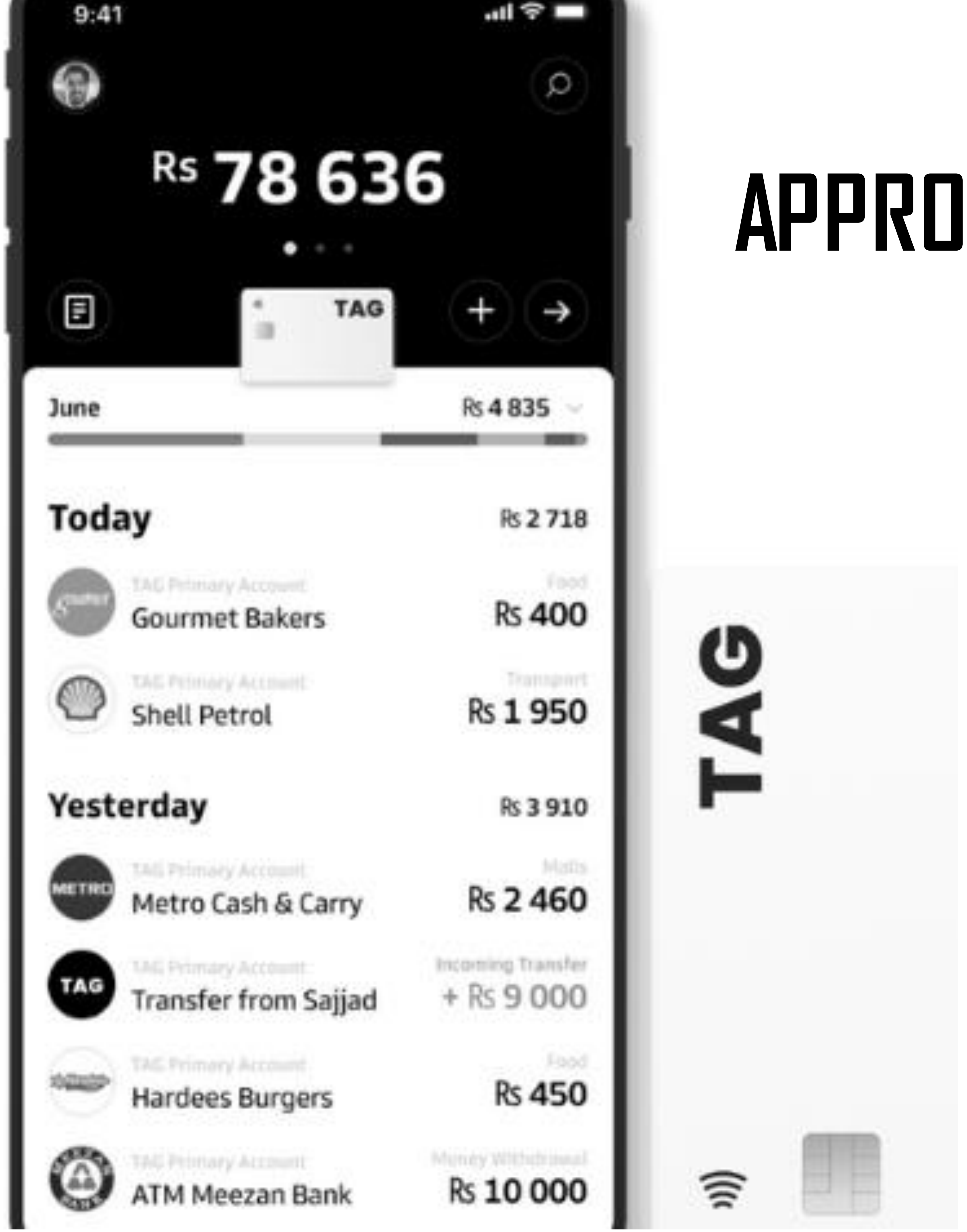
NEWS ROUNDUP



THIS SECTION COVERS THE LATEST HAPPENINGS FROM THE REALM OF FINANCIAL INCLUSION AND DIGITAL FINANCIAL SERVICES ACROSS THE GLOBE.

ANOTHER STARTUP GETS APPROVAL FROM SBP TO OPERATE AS ELECTRONIC MONEY INSTITUTION*

By Mutaher Khan



According to the company, TAG is a 'super app' which would allow its users to "open mobile wallets and get debit cards". Users would be able to perform transactions over the internet, including transferring money, paying bills or topping phone credit with a touch.

*Source: Published by DAWN, 3rd November, 2020
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THE PANDEMIC AND PAYMENTS: HOW DIGITAL AND CASH HAVE ALLOWED THE LEADING MONEY TRANSFER PLAYERS TO ADAPT*

By Daniel Webber

The pandemic has been a catalyst for digital growth across the money transfer sector. Yet it would be wrong to assume that this has caused the end of cash in international payments. Far from it - cash and the network of cash payout locations not only remains critical but has actually been a key enabler supporting the growth of the digital divisions and businesses across the sector.

*Source: Published by Forbes, 21st October, 2020
Click to here access full article

WHAT MAKES DIGITAL BANKING INCLUSIVE?*

By Arisha Salman, Ivo Jenik

Banks no longer face the same limitations that prevented them from serving low-income customers 10 years ago. Digital banking has created new possibilities for reaching low-income customers. But are these digital banks really more inclusive? After all, just because digital banks can reach low-income customers doesn't mean that they will.

*Source: Published by CGAPs, 2nd November, 2020

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MEASURING THE INFLUENCE OF FINANCIAL SERVICES ON REACHING THE SDGS*

By Daryl Collins, Liz Larson

Financial tools – in much of the world we use them every day and often do not even remember that they are there. They work as a support system underpinning our lives – connecting one node to another, moving money, holding money, helping us to budget.

*Source: Published by CGAP, 5th October, 2020

Click to here access full article

FINTECHS WILL REMAIN CONFUSED ABOUT WHICH FINTECHS TO USE, UNTIL THEY UNDERSTAND THIS…*

By Conchur Gill

Much of the discussion on the FinTech phenomenon in recent years has referred to FinTechs coming to market with differentiated products and innovative business models to challenge incumbents.
Excitement about the growth potential of these companies has led to some confusion, especially on the issuer side of things.

*Source: Published by Finextra, 2nd November, 2020
Click to here access full article

GETTING A PIECE OF THE PAYMENTS PIE: HOW ALL B2B TECH PLATFORMS ARE IN PAYMENTS*

By Nikhita Hyett

It’s now common knowledge that the COVID-19 pandemic has triggered a huge shift in the world of payments, resulting in the rise in contactless, mobile, and ecommerce-based transactions. But over the last couple of years, there’s been an even bigger payments revolution happening, hidden in plain sight.

*Source: Published by Finextra, 4th November, 2020
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BLOCKCHAIN: OPTIMISING PAYMENTS OR DISRUPTING THEM?*

By William Girling

A foundational technology in the last 10 years of development within financial services (FS), blockchain is essentially an integrated network of individual, immutable records of information called ‘blocks’. The ‘chain’ refers to a publicly accessible network through which the data contained in the blocks can be utilized. Fundamentally, blockchain records basic transaction details such as currency and the amount exchanged, the date and time of transaction, and who participated in an exchange.

*Source: Published by FinTech, 9th October 2020
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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.

INITIATIVES

BANK ALFALAH AND MASTERCARD LAUNCH ALFA VIRTUAL DEBIT CARD*

By Press Release

Bank Alfalah has announced the launch of the Alfa Virtual Debit Card in collaboration with Mastercard in an endeavour to bring the bank closer to customers in the times of social distancing. The virtual card eliminates the need to visit a branch, present any physical documentation or in-person interaction to application as customer verification is performed digitally.

Bank Alfalah

mastercard

*Source: Published by DAWN, 2rd November, 2020
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NAYAPAY AND VISA PARTNER TO FAST-TRACK DIGITAL PAYMENTS IN PAKISTAN*

NayaPay has joined the Visa Fintech Fast Track program, speeding up the payment company’s integration process with Visa and enabling NayaPay to leverage the reach, capabilities, and security of the Visa global payments network.

Through the Fast Track program, NayaPay has access to Visa’s growing partner network, technology and resources to accelerate innovation in digital payments in Pakistan.

*Source: Published by DAWN, August2020
Click to here access full article

DATA VISUALIZATIONS

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.

GENDER-WISE SEGREGATION OF BB ACCOUNTS*

PROVINCE	MALE	FEMALE	TOTAL	SHARE WITHIN PROVINCE		SHARE ACROSS PAKISTAN	
				MALE	FEMALE	MALE	FEMALE
Punjab (Incl. ISB)	25,961,282	7,809,802	33,771,084	76.9%	23.1%	49.4%	14.9%
Sindh	7,999,805	2,677,929	10,677,734	74.9%	25.1%	15.2%	5.1%
KPK	4,911,742	1,084,383	5,996,125	81.9%	18.1%	9.4%	2.1%
Balochistan	899,972	140,679	1,040,651	86.5%	13.5%	1.7%	0.3%
Azad Kashmir	688,826	176,088	864,914	79.6%	20.4%	1.3%	0.3%
Gilgit-Baltistan	154,956	16,758	171,714	90.2%	9.8%	0.3%	0.0%
Total	**40,616,583**	**11,905,639**	**52,522,222**	**77.3%**	**22.7%**	**77.3%**	**22.7%**

*Source: Published by State Bank of Pakistan, Branchless Banking Statistics for Quarter Apr-Jun 2020,
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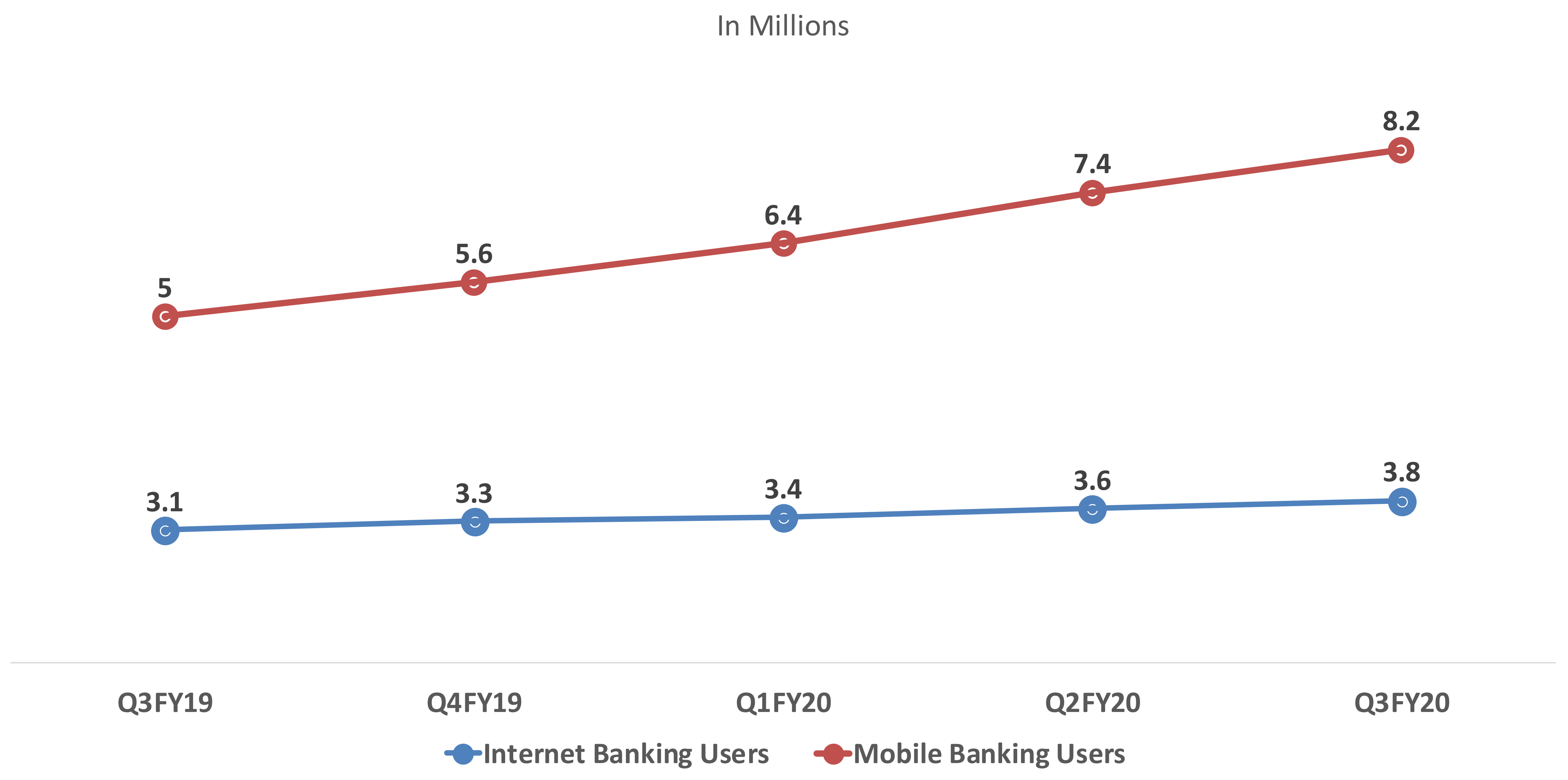
INTERNET BANKING vs. MOBILE BANKING USERS*



*Source: Published by Payment Systems Review (January-March, 2020 - State Bank of Pakistan

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