

Mobile wallets now have cross-network reach

A partnership between network providers and a fintech company now allows mobile wallet transactions across networks and across borders in sub-Saharan Africa.

There are mobile money services available in nearly every market in Sub-Saharan Africa, with 33 markets featuring two or more networks (GSMA, 2015). However, the majority are confined to a domestic market with almost no interoperability between networks in either a single country or across borders.

Without interoperability, mobile operator customers cannot send money to another consumer on another network in their country, nor to a person in another country. Money transfer operators face greater friction in lowering distribution costs and allowing consumers to make international remittances to and from wallets. Financial institutions seeking to offer services ranging from airtime top-ups to micro-insurance to the unbanked, and merchants who want to allow consumers to pay using their mobile wallet, need to integrate with each mobile money network.



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This severely inhibits the potential of financial services providers to drive efficiencies, contribute to economic growth and include those currently financially excluded.

[MFS Africa](#) is now connected to 120m mobile wallets across the subcontinent, through partnerships with mobile network operators including Airtel, Econet, MTN, Orange, Tigo and Vodafone.

“Interoperability, especially across domestic borders, is the key to unlocking the next wave of mobile financial services. For many service providers, it has been unclear if interconnection will actually lead to the desired network effects in their payments business. But this is changing as the financial ecosystem across Africa realises that scaling is essential for digital payments to boost economic growth,” said Faisal Khan, a global authority on cross-border payments. “There is a growing realisation, evidenced in certain markets, that mobile money needs to follow the lead of the credit card industry 40 years ago. It needs to move from a fragmented landscape of closed, proprietary systems to an open, consolidated one to meet the needs of consumers, businesses and governments.”

The MFS Hub allows these service providers to facilitate transactions across networks, across borders and across currencies via a single API ensuring compliance with all necessary regulations.

“It is proven that interoperability can bring many benefits, helping the wider ecosystem to reduce costs, deliver greater customer value through enhanced functionality and convenience, and increase choice for end customers,” says Dare Okoudjou, founder and CEO of MFS Africa. “The simplicity and sheer scale of the MFS Hub means we are the ideal partner for service providers looking to improve service access, accelerate customer acquisition, and expand rapidly into new markets, without the headaches around foreign exchange and regulatory compliance. This is an important milestone in our mission to connect African people to each other and the global economy.”

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