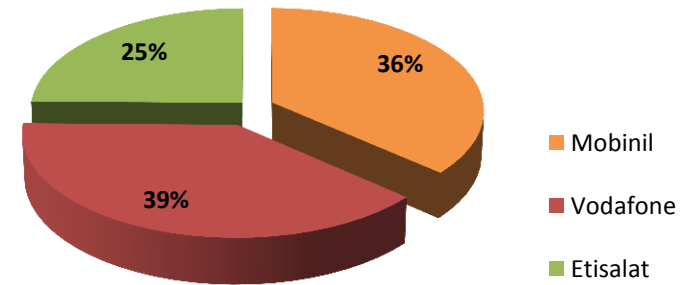
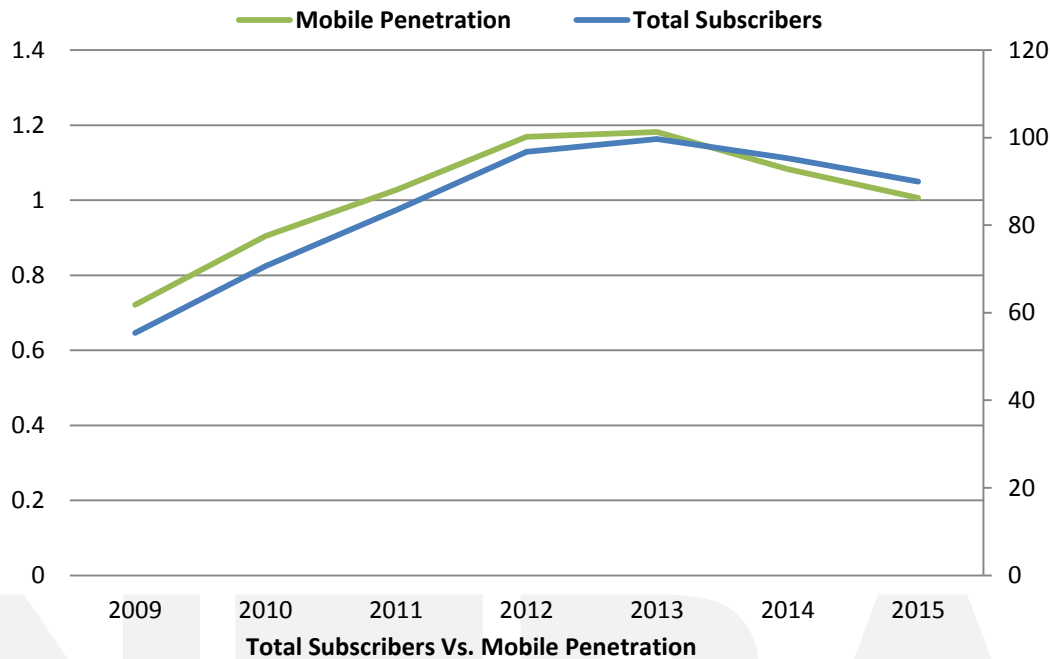


Mobile Payment in Egypt

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There are three mobile players in the market with very close market shares and 100% penetration rate.



Mobile Market Shares - Subs

Overview on the banking sector in Egypt

- The financial sector is a substantial part of the Egyptian economy, accounting for 3.25% of GDP in 2014, while Insurance and social security generated another 3.56% of GDP.
- The Central Bank of Egypt (CBE) is the regulatory body responsible for setting and coordinating monetary and banking policies.

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Overview on the banking sector in Egypt – Cont'd

Egyptian banking sector in figures (by end of 2014)

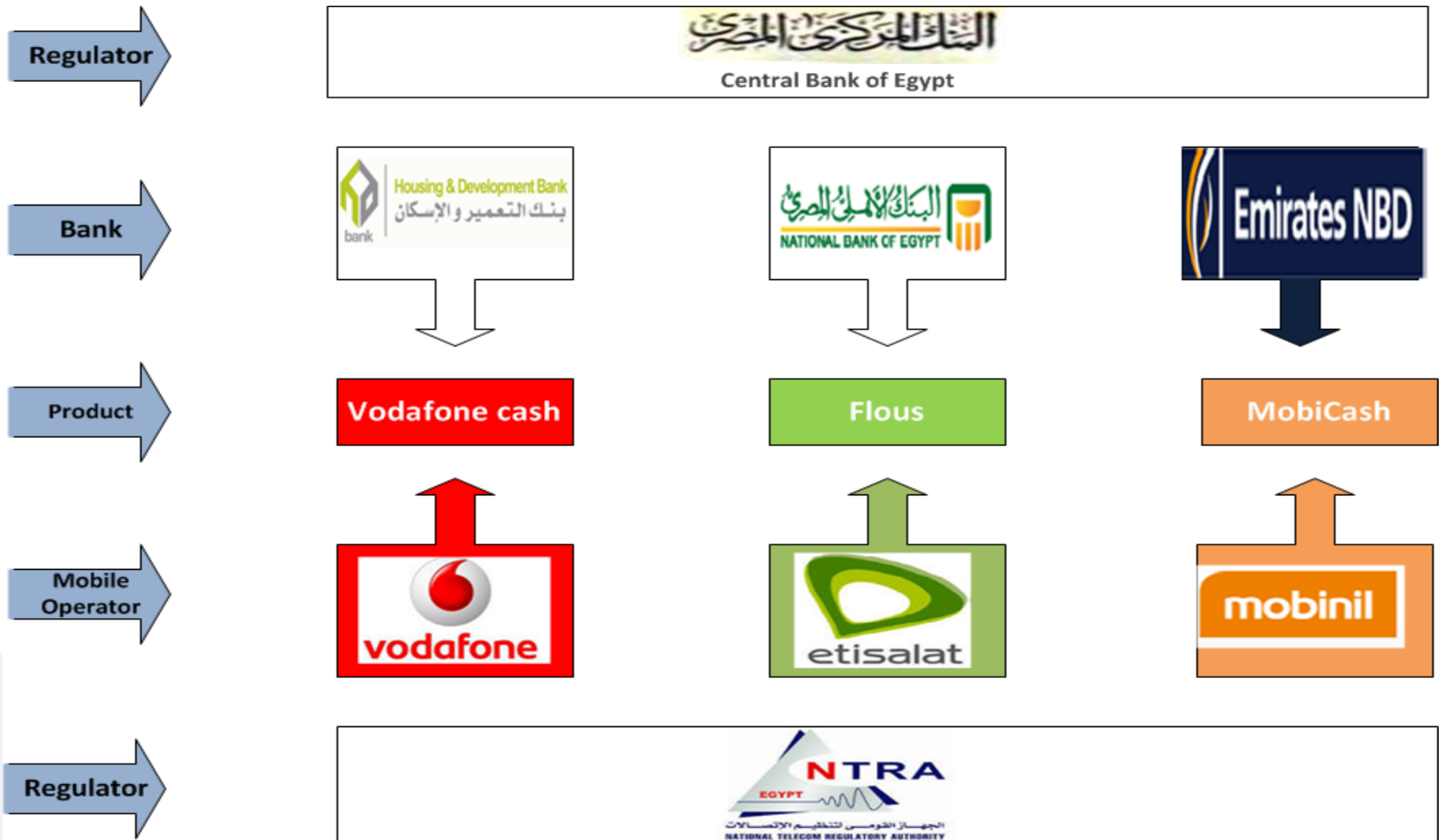
No. of Banks	40
No. of branches	3651
No. of Employees	105,246
No. of debit cards	14,525,218
No. of credit cards	2,458,283
No. of ATM machines	7,290
No. of POS	50,808

Source: Central Bank of Egypt CBE

Mobile Payment Status in Egypt

- The mobile payment service was launched in April 2013.
- Four mobile wallets have launched; Vodafone Cash, Flous, MobiCash, and PhoneCash.
- There is no interoperability between Operators.
- There should be a bank involved.
- There are 4 Million user using this mobile payment service.

Mobile Payment stakeholders in Egypt



Mobile Payment regulations in Egypt

- No credit of any kind may be offered through the system.
- Electronic money units shall be issued to a system user only against an equivalent cash amount deposited by that system user.
- E-Money units may be transferred only between mobile accounts or between a service provider account and a checking account belonging to the same service provider.
- The system shall allow transfers to similar mobile accounts managed by other banks.
- The maximum daily withdrawal limit must be defined for one account not to exceed 3,000 EGP. The maximum account balance must be defined not to exceed 5,000 EGP.

Most of the barriers to the widespread adoption of mobile money services are connected to heavy regulations.

- Regulations dictates that cell phone providers can only offer mobile transfers through a bank.
- The maximum amount of money able to be transferred is 5,000 EGP monthly, with a maximum daily limit being placed at 3,000 EGP.
- Only individuals—not businesses—can use the service in Person-to-person (P2P) model.
- Restrictions about distribution channels because service can be distributed via bank branches and mobile shops only where the use of agents is still very limited and subject to approval.

The development of the mobile money market to date is still relatively small-scale, but the mass market potential is considerable.

- 65% of the population lacking access to formal banking, Egypt has enormous potential for the mobile money industry.
- There are a huge number of Microfinance loans that could enhance the service if their payments were introduced through mobile payments
- Only about 4 million subscriber use the service in a nation of 88 million people and about 100 million mobile line. This is a little bit below expectation, but not very far.

Still there are lots of actions and steps towards increasing and expanding the usage of mobile money services in Egypt

- Awareness
- Customer Intelligence: Understanding customers' needs
- Interoperability between service providers
- Introduce businesses to the solution not only P2P
- The microfinance loans

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Thank you

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