



Digital Financial Services during Covid-19: A New Way of Working with Government

Brad Jones, CEO
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WAVE money

Creating a fairer future for Myanmar



SECURE

RELIABLE

CONVENIENT

EXTENSIVE COVERAGE

1. Going the extra mile for inclusion

Making a difference in the lives of sectors previously unbanked and those that were marginalized.

2. Driving Digital Inclusion

Benefiting from mobile technology – lasting social impact that sees the people from anywhere in the country – from the mega-cities to the most far-flung villages

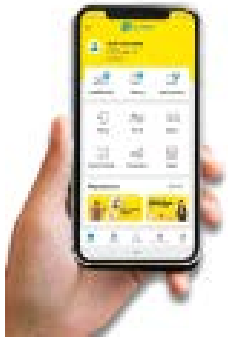
3. Securing the future today

Aim to invest in innovation and local talent development for the long-term to drive our future success and support Myanmar's economic growth.

Key results from our business (January – Dec 2020)

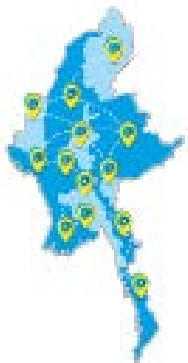


1 Outsized impact on Myanmar's economy



- Transferred over **MMK 12 Trillion, (USD\$8.7 Billion)** in 2020 (**11.5%** of Myanmar GDP)
- **No. 1** in driving mobile money adoption that went from 0.8% in 2016 to **92%** in 2019 for money transfer

3 Wealth creation for partners



- **68,000+** agents (91% of country coverage)
- **MMK 88 Billion (USD\$65 Million)** injected into Myanmar's economy as **agent commission** paid out and **USD\$50 Million** in loans.

2 Financial inclusion



- **5.4 million+ unique customers.** 3.9 million OTC MAU and 1.5 million on WavePay MAU.

4 COVID-19 relief efforts



- EU's Myan Ku Fund to provide funds of **USD\$5.9 Million** to 50,000 female garment workers impacted by COVID-19.
- Donated over **MMK 68 Million** to MAM and PSI Myanmar to provide humanitarian aid in 13 states.
- **USD\$24 Million** disbursed to cash transfer beneficiaries under government and NGO programs
- Reached **300,000** beneficiaries through Government and NGO Programs



Strong regulatory support for a cashless economy, which is stressed upon even more since the Covid-19 outbreak



- Ensuring banks and MFS had their **Business Continuity Plans**
- Ensuring sufficient levels of liquidity in the market
- **Permanently doubled the daily transaction limit** for level 2 to 1,000,000 kyat



- Deeming Mobile Money Service Providers as an **“essential service”**
- Legally allowing Wave Money’s extensive network of more than 68,000 agents to stay open
- **Myanmar’s COVID Economic Relief Plan (CERP)** explicitly promotes the use of mobile money to combat the COVID-related challenges. Wave Money and other providers mentioned by it.

Wave Money's COVID-19 Initiatives Highlights

Driving Financial Inclusion



Partnered with **Myanmar Agricultural Development Bank** to disburse loans for farmers



Partnered with the **Social Security Board** to disburse medical and COVID-19 quarantine relief



Supported **Doh Eain and MultiVerse Advertising's "I Do Nation"** project through cash disbursement to Yangon's street vendors affected by COVID-19



Supported **EU's Myan Ku Fund** to provide funds of **7.9 billion MMK** to **50,000 female garment workers** impacted by COVID-19



Supported the **Free Cash Program for The Needy (FCPN)** project initiated by Myanmar famous actor **Zenn Kyi**.

Supporting Vulnerable Communities



Donated more than **68 Million MMK** to **MAM** and **PSI Myanmar** to provide humanitarian aid



Raising funds for the **National-Level Central Committee on Prevention, Control and Treatment of COVID-19** through **WavePay App**



#StayStrongMyanmar

Essential Service, leading digital payments for COVID-19 action

- All **Wave Money** shops were legally permitted to remain open during the pandemic
- All COVID-19 related disbursements were made free-of-charge to help organizations delivering aid to vulnerable sectors
- Collaborated with various government departments, including the Department of Social Welfare and MADB, to disburse cash to mothers for better antenatal and postnatal nutrition.
- **WavePay** app doubled the wallet balance limit for all customers and Free P2P payments
- “WavePay it Forward” Initiative for donations.

A Trusted Partner of the Myanmar Government



No.	Government Entity	Scope of Services	Beneficiaries	Disbursement (MMK)
1	Myanmar Economic Bank (Ministry of Planning, Finance and Industry)	Digital disbursement of monthly benefits to pensioners	73,521	8,696,301,881
2	Social Security Board (Ministry of Labor, Immigration and Population)	Medical Expense reimbursement	2,943	313,579,689
3	MCCT (Ministry of Social Welfare, Relief and Resettlement)	Disbursements in Rakhine	7,542	122,500,000
4	CERP Subsidies to Pregnant Women in 9 regions (Ministry of Social Welfare, Relief and Resettlement)	Disbursement in 9 regions for COVID-19 relief fund	234,600	7,038,000,000
5	Shwe Min Thar Foundation (Persons with Disabilities)	Fund disbursement	3,923	117,690,000
Total			322,529	16,296,671,570

Disbursement of Pension Payment With Myanmar Economic Bank

Ministry of Planning, Finance and Industry

- Since 2018, Wave Money has partnered with Myanmar Economic Bank (MEB) to enable mobile financial services for government retirees to access their pension funds more conveniently.
- "Digital Pension Disbursement Partnership" with MEB is made as part of a nationwide financial inclusion drive

Digital disbursement of monthly benefits to

73,521 pensioners throughout the year.

Disbursement amount – **8,696,301,881 MMK**



U Myint Aung, Pensioner.

"I'm really grateful that Wave Money offers such convenient service to make the lives of elderlies easier that we only have to follow a few steps to get our money digitally."

Social Security Payments in Collaboration with Social Security Board

Ministry of Labor, Immigration and Population

- Wave Money has been appointed as an authorized digital payment platform by the Social Security Board (SSB) since April 2020.
- Disbursed for medical and COVID-19 quarantine relief payments, maternity benefit for sickness and reimbursement facility for the people in COVID-19 period.

Medical Reimbursement Disbursement to
2,943 beneficiaries

Disbursement amount – **313,579,689 MMK**



Ma Khin Khin Thu, Beneficiary, Pathein.

“I’m happy that I received the fund from SSB at Wave Money shop. I easily registered to receive this fund via WavePay app so that I don’t have to visit the SSB office again to receive the payment”.

Supporting funds for Person with Disabilities

Shwe Min Thar Foundation

Department of Rehabilitation

With funding of the Department of Rehabilitation and Shwe Min Thar Foundation's supports, Wave Money disbursed social security funds free of charge to support Persons with disabilities (PwDs) nationwide.

This funding program is a part of the COVID-19 Economic Relief Plan (CERP). Shwe Min Thar Foundation is a non-profit organization under the Myanmar Federation of Persons with Disabilities (MFPWDs).

Disbursed to **3,923 beneficiaries**.

Fund Disbursement Amount - **117,690,000 MMK**



Ko Win Ko Ko, Beneficiary, Rakhine.

"I just cashed out the supporting fund that the government transferred for us at Wave Money shop. It was easy and quick! Thank you, Wave Money, for always being around us to access financial services."

Maternal and Child Cash Transfer (MCCT) program for pregnant women and mothers with children under two years

Ministry of Social Welfare, Relief and Resettlement

- Disbursement for the Maternal and Child Cash Transfer (MCCT) program for financial assistance to pregnant women and mothers with children under two years
- The disbursement rolled out in Sittwe, Rakhine State.

Disbursements in Rakhine to **7,452 beneficiaries**

Disbursement Amount - **122,500,000 MMK**



Myat May Thu, Villager, Sittwe, Rakhine State.

“I’m one of Wave Money’s customers since before I was pregnant. I happened to know that they support the government during this COVID-19 period with free transactions for the fund disbursements to the beneficiaries. I can’t thank Wave Money enough for making our lives easier”

Government's COVID-19 Economic Relief Plan (CERP) to support over 230,000 pregnant women in 9 regions

Department of Social Welfare

Wave Money is in collaboration with the Department of Social Welfare on a program to support over 230,000 pregnant women in 9 regions: Yangon, Mandalay, Naypyitaw, Bago, Magway, Sagaing, Kachin, Mon, and Tanintharyi. Through this collaboration, Wave Money has disbursed the funds to the beneficiaries free of charge.

Disbursement in 9 regions for COVID-19 relief fund to
234,600 beneficiaries

Disbursement amount - **7,038,000,000 MMK**



Daw Htang Ra, IDP, Kachin State.

"I came to receive fund from government today. Since we left our own place, we have been facing difficulties. I thank the government for supporting us. Also, with Wave Money, the cash is transferred immediately so people can help us cash out and hand over the fund to us without delay"

Wave Money will distribute over 1.2 million government payments in 2021 with committed contracts with DSW, MEB and SSB. Capacity for many more.



- Service to remain free for all government and NGO payments until end of Covid-19 crisis.
- Wave Money is funding the cost of the commission to the agent for cash-outs by recipients. We have the ability to reach almost all townships in Myanmar through our extensive distribution network.
- Wave Money is committed to being a platform that can be leveraged by the government for rapid and secure payments to its citizens at zero cost.
- 300,000+ payments per quarter can be accommodated with ease. Wave Money can easily scale to millions of payments per month as required.

Moving into 2021: a massive wave of digitization in Myanmar

01

Growth in e-commerce / online business

- Compelled by safety concerns, many urbanites including older population gravitating towards online/ FB shopping
- Shift in preference towards food-delivery vs. eat-out
- Digital education and telemedicine to grow in popularity

02

Digitization of G2P payments & collections

- Use of mobile money included in Myanmar's Covid Economic Relief Plan (CERP) as part of strategy
- Government with a strong appetite to accelerate pilot programs (e.g. MADB loans to farmers) and scale out existing disbursement projects

03

Contactless pay for offline purchases

- Given that cash & checks are seen as a potential medium of virus transmission, consumer and merchant preference for contactless payment to grow
- Digitization of public transport and utility bill payments to become major digitization opportunities

04

Aid disbursement by development agencies

- Many iNGOs and local agencies are setting up cash disbursement programs to aid Covid19 victims
- Their need for a safe and cost-efficient channel makes mobile wallet ideal

05

MFIs and banks shifting towards digital lending

- Increase in NPLs and consumer loan defaults will result in margin pressure for lenders
- Digital lending leads to operational efficiency

06

Growing interest in insurance products

- Awareness and adoption of insurance products have been historically low, but changes in consumer psyche will provide a boost for the fledgling industry

The Story of People: Wave Money has had an outsized socioeconomic impact on Myanmar



MCCT Cash Disbursements



Empowering Agents



An Essential Service for payments



“As a pregnant mom with a young child, it is safe and convenient to withdraw MCCT cash from the Wave shop in my street. I do not need to travel far, and I can cash in and check the balance from my WavePay App anytime.” – **Ma Aye Kyi, Sagaing, MCCT beneficiary**

“Even with restrictions during lockdown, we were able to remain open to support transactions for our customers. Wave Money has supported MSME loans for the agents who are in need and I am happy Wave Money is always there to support us!” – **Ma Khin, Mandalay, Wave Money Agent**

“WavePay has made our daily life much more convenient during COVID-19. It is simple and less time-consuming that even my wife prefers this instead of traveling to the city for hours to go to the bank. We can pay and purchase anything we need through WavePay” - **U Kyi Maung, Irrawaddy, farmer**



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