

## Roundtable on Mobile and Agency Banking

Centre for Advanced Financial Research and Learning (promoted by RBI), organised a Roundtable on Mobile and Agency Banking on October 17 and 18, 2014 at Hyderabad, India.

**Mr. S S Mundra**, Deputy Governor, Reserve Bank of India delivered the **inaugural address**. He spoke on the special challenges faced by India in making financial inclusion a success, the steps taken by RBI to facilitate the same, and the way forward.

**Prof. Njuguna Ndung'u**, Governor, Central Bank of Kenya delivered the **keynote address** on “Regulator’s Role in Re-Shaping the Provision of Financial Services”. He spoke on Kenya’s journey in making mobile banking a success, and its steps in repeating the experience in agency banking. He also outlined the linkages between financial inclusion and a more effective monetary policy.

**Mr. Manish Sinha**, Advisor, Telecom Regulatory Authority of India, spoke on “Opportunities for Mobile Financial Services in India”. He outlined TRAI’s efforts in ensuring the success of mobile banking in India. He also shared his belief that drastically reduced data costs would provide a huge impetus to mobile banking.

The Roundtable was attended by CEOs and senior officials from banks, telecom companies, mobile money operators, mobile financial service providers and mobile solutions providers from India and 8 other countries. They shared their experiences, and discussed and ideated on the opportunities and challenges of mobile and agency banking across the world.

The discussions in the Roundtable centred on four key topics. The first topic of discussion was “A Threat or an Opportunity for banks and providers of financial services”. The second topic was “How can customer adoption to mobile financial services be accelerated”. The discussion then moved on to “How can agent network be made an effective partner in providing financial services”. Towards the end, the group deliberated on “Profitability and Adjacencies” associated with mobile and agency banking.

Based on the discussions, this is what a few of the participants had to say:

Andi Dervishi, Global Head – ePayments, FinTech and New Finance, International Finance Corporation, “I enjoyed primarily the interactions with many of the state banks who have seem to have the power and the willingness to do a lot about financial inclusion. It was a good experience to understand a little bit more on what investment opportunities possibly could be for us in India”.

Matu Mugo, Assistant Director, Bank Supervision, Central Bank of Kenya, “It was my pleasure to attend the CAFRAL Roundtable. It was a very useful opportunity to get a glimpse of the Indian market which has huge opportunities but also huge challenges. We were also able to bring the lessons that we have from Kenya on how we have made models work. I believe that the outcomes from this Roundtable will greatly contribute to expanding Mobile and Agency Banking in India, which is a very critical part of the global financial market.”

Maswar Purnama, Senior Vice President, Bank Mandiri, “In my opinion, mobile and agency banking is the banking of the future. To be successful, we need to have a collaboration between the telcos, banks and regulators.”

S K Mishra, Deputy Managing Director, State Bank of India, “Attending this Roundtable has been a great experience. What has come through is that there has to be a collaboration between the telcos and the MNOs as well as the banking system, so that accounts for the financially excluded can be opened and serviced at a low cost. This is the model we have all been discussing, and I am sure we are going to make it a big success.”

Roar Bjaerum, Head of Telenor Financial Service, Asia, “These kinds of conferences that bring players together, that together can do something in terms of bringing financial inclusion to the country. It is very important in the development of this sector. In India, we are still very early in building agency banking as a means to provide financial inclusion. We still have many areas that we need to overcome in terms of being successful on this. The only way of actually getting that to happen, is to have conferences like this, where players can share their opinion, and hopefully build on that.”