

MARKET RESEARCH ON MOBILE MONEY IN AFGHANISTAN

Final Delivery - November 2013



- 1. Project Purpose & Objectives**
2. Methodology
3. Key Socio-Demographics
4. General Mobile Usage
5. Financial Services
6. Mobile Money Users
7. Mobile Money Non-Users
8. Businesses
9. Key Findings and Recommendations

1. PROJECT PURPOSE & OBJECTIVES

The purpose of this assignment is to conduct market research on Mobile Money in Afghanistan and to formulate recommendations for FAIDA and AMMOA to improve penetration and usage

The goal of this survey is to assist FAIDA and AMMOA and ultimately the Mobile Money operators to understand how Afghans think and feel about the service and help them improve its penetration and usage.

More specifically, the research aims to:

1. Understand the Afghan environment regarding the current and future uses of Mobile Money
2. Give users, non-users, and businesses the ability to express their views and needs on the service
3. Identify the barriers and levers to the development of the service
4. Formulate recommendations to AMMOA, MNOs and FAIDA to improve both Mobile Money penetration and usage

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A combination of quantitative (survey) and qualitative research (focus group discussions - FGDs) were employed to capture robust data on the Mobile Money sector

The table below illustrates the approach for the two main audiences included in the scope of the project:

	Afghan General Public (Men and Women)	Businesses
Quantitative Research	Home survey of 1,070 ITVs in all 34 provinces	-
Qualitative Research	8 FGDs in 3 provinces	4 FGDs in 3 cities

The team followed a cluster-then-random approach for the quantitative survey with a sample size of 1,070 participants

- The scope included equal representation of men and women over the age of 18 from all 34 provinces of Afghanistan
- The table to the right shows the sample size and the associated margin of error (MoE) based on CSO* figures (note that the margin of error considering either the total population or only the adult population does not change for this size of sample or population)
- In total the margin of error at a confidence level of 95% on the quantitative survey was 3%, which is very robust

Province	CSO 2010	Sample	MoE
Badakhshan	874 800	30	17,89%
Badghis	456 400	30	17,89%
Baghlan	833 300	30	17,89%
Balkh	1 194 000	30	17,89%
Bamyan	411 700	30	17,89%
Day Kundi	424 100	30	17,89%
Farah	466 300	30	17,89%
Faryab	915 800	30	17,89%
Ghazni	1 130 100	30	17,89%
Ghor	635 700	30	17,89%
Helmand	850 200	30	17,89%
Herat	1 710 100	30	17,89%
Jawzjan	494 200	30	17,89%
Kabul	3 691 400	80	10,96%
Kandahar	1 103 400	30	17,89%
Kapisa	406 200	30	17,89%
Khost	528 900	30	17,89%
Kunar	414 700	30	17,89%
Kunduz	917 900	30	17,89%
Laghman	410 300	30	17,89%
Logar	360 900	30	17,89%
Nangarhar	1 383 900	30	17,89%
Nimroz	151 100	30	17,89%
Nuristan	136 300	30	17,89%
Paktika	400 500	30	17,89%
Paktya	507 800	30	17,89%
Panjshir	141 400	30	17,89%
Parwan	610 300	30	17,89%
Samangan	356 300	30	17,89%
Sari Pul	514 100	30	17,89%
Takhar	901 900	30	17,89%
Uruzgan	322 600	30	17,89%
Wardak	549 200	30	17,89%
Zabul	279 800	30	17,89%
Total	24 485 600	1 070	3,00%
Total Adult	12 242 800	1 070	3,00%

(*) Source: www.cso.gov.af

The in-person home survey was designed based on FAIDA's RFP, Altai's experience in the telecommunications sector, and on interaction and feedback from AMMOA

The questionnaire consisted of 74 predominantly closed-ended questions and was designed to be completed in approximately 30 minutes, depending on the level of literacy of the interviewee.

The areas covered in the questionnaire included, among others:

- Socio-demographics
- General mobile usage
- Awareness of Mobile Money
- Use of financial services (formal and informal, i.e. Hawala)
- Mobile Money users
- Mobile Money non-users
- Perceived needs
- Levers and barriers to the service
- If user: experience with the service



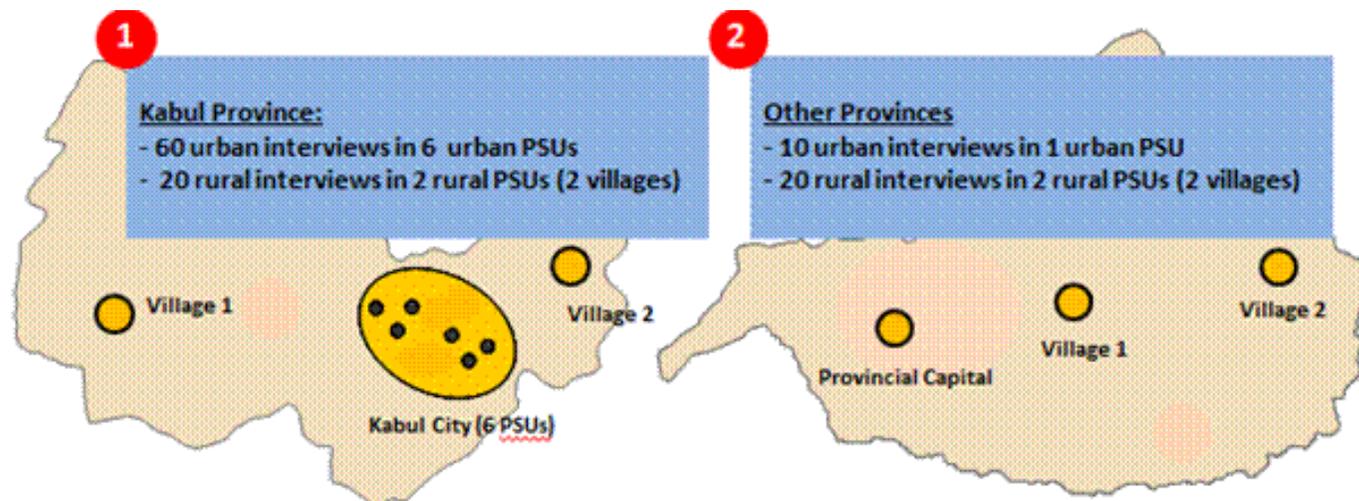
Questionnaire marking practice in Herat

The questionnaire was designed in English, Dari and Pashto by a team composed of national and international researchers, in order to ensure both a proper technical approach and full understanding of the Afghan culture and languages.

After having been approved by FAIDA and AMMOA, the questionnaire was pilot-tested in both Dari and Pashto.

The sample for each province followed the below rules and stratification

- The sample for each province was $n=30$ interviews in the form of a fixed allocation of $n=20$ in rural areas (2 Primary Sampling Units of 10 interviews each) and $n=10$ in the provincial capital (1 Primary Sampling Unit). A 50/50 female/male split was the aim for each unit
- Kabul province was allocated a sample size of $n=80$ in the form of a fixed allocation of $n=60$ for Kabul city (6 Primary Sampling Units) and $n=20$ in rural areas (2 Primary Sampling Units). Again, a 50/50 female/male split was the aim for each sampling unit
- In the case of Nooristan and Panjshir, all interviews were considered rural, based on CSO data that suggest no urban population exists in these two provinces

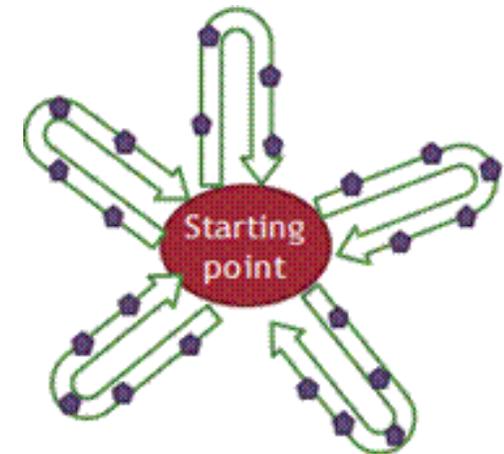


A three-stage process was followed to randomly select an appropriate sample

Stage 1: Within each stratum, Primary Sampling Units (PSUs) of 10 interviews were randomly selected according to a **Probability Proportionate to Size (PPS)** protocol leveraging the data sets from CSO

Stage 2: Within each PSU, interviewers used a random walk protocol called “flower approach” to randomly-select households. Mosques were used as starting points

- The flower approach aims at **randomly selecting a household for an interview within a PSU:**
 - Select a starting point in the block (mosque)
 - Select a first road and walk through it starting by the left side of the road
 - Stop every 5 houses to conduct an interview
 - At the end of the road, turn around and go back to the starting point while stopping every 5 houses to conduct an interview
 - Once back to the starting point, select another road and start the process all over again



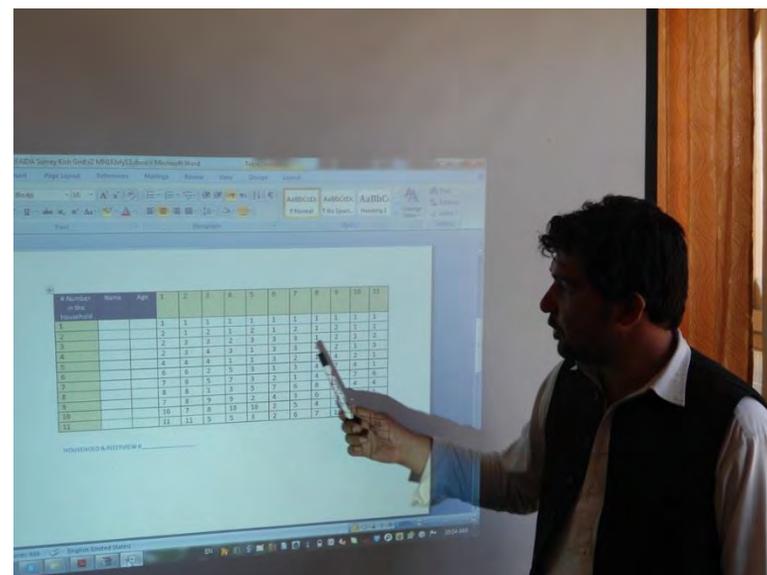
Within each household, a respondent was selected randomly using the Kish grid* methodology and at least two attempts were made to reach each respondent

Stage 3: The Kish grid approach

- The Kish grid approach aims at randomly selecting an individual for an interview in a given household
- Each interviewee was asked for a list of the households' inhabitants who are 18 years old and above, starting from the oldest individual

# in the household	Name	Age	1	2	3	4	5	6	7	8	9	10
1			1	1	1	1	1	1	1	1	1	1
2			2	1	2	1	2	1	2	1	1	1
3			2	3	3	2	2	3	3	3	3	1
4			2	3	4	3	1	3	4	2	1	3
5			4	4	4	4	1	1	3	3	4	1
6			6	6	6	2	5	1	1	3	4	4

In this 6-member family when the questionnaire ID's last figure is 9 the person to interview will be the 4th designated person



Kish grid training for enumerators in Jalalabad

(*) See: Journal of the American Statistical Association and <http://www.jstor.org/pss/2280236>

FGDs were organized in provinces with different ethnic profiles to collect qualitative insights from various sets of audiences

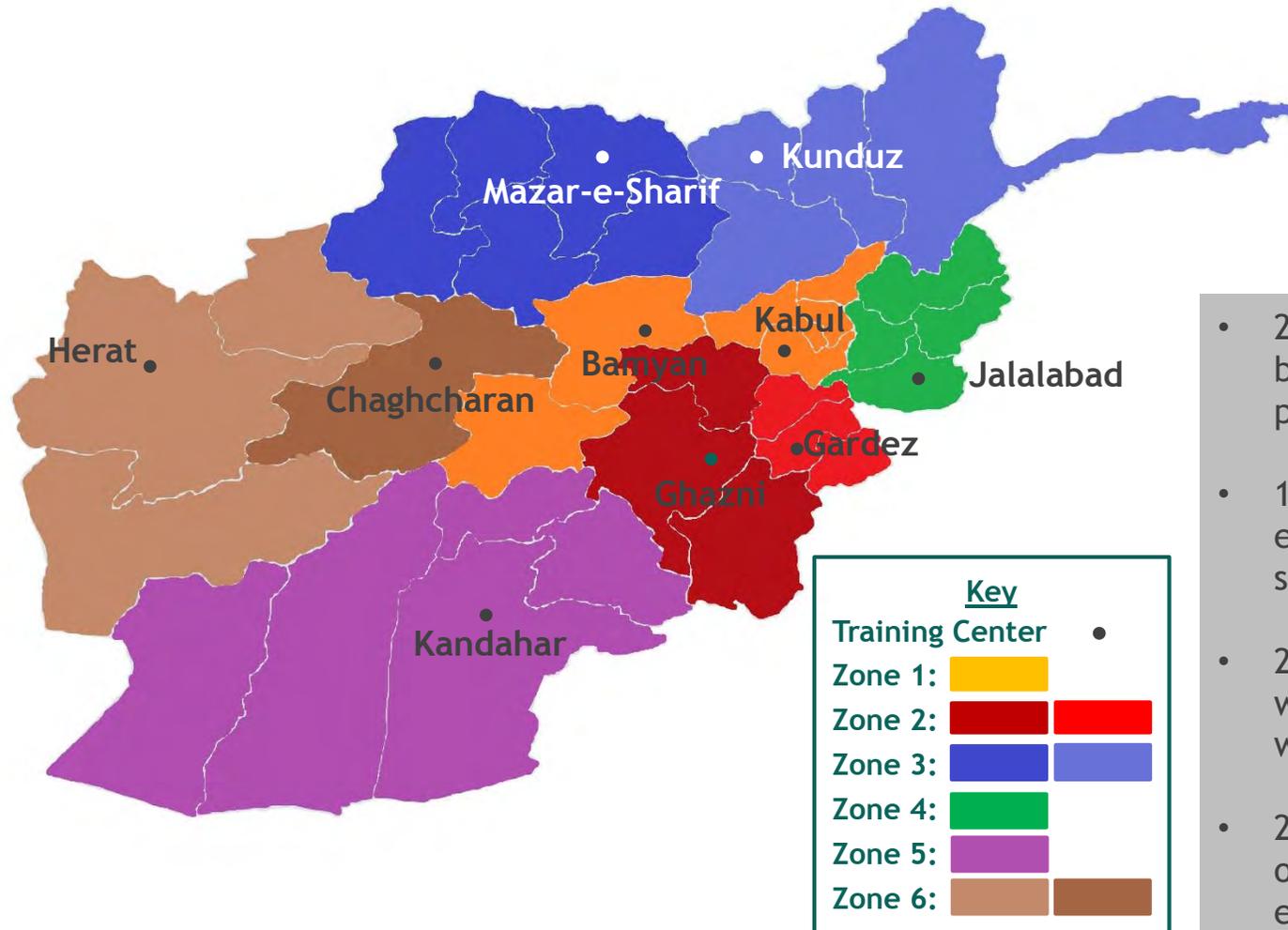
FGDs were conducted by experienced national team members with the support of discussion guidelines in Dari and in Pashto. FGDs with women were moderated by Altai female staff only. Each FGD was composed of 5 participants of similar socio-economic and educational backgrounds to maximize participation.

	Afghan General Public <u>Men</u>	Afghan General Public <u>Women</u>	Businesses
Mobile Money Users	2 in Kabul	1 in Kabul	1 in Kabul
	1 in Jalalabad		1 in Jalalabad
Non Mobile Money Users	2 in Kabul	1 in Mazar	1 in Kabul
	1 in Mazar		1 in Mazar
Total	8 FGDs General public		4 FGDs Business



FGD with Mobile Money non-users in Mazar-e-Sharif

70 enumerators were trained in 10 zone centers noted below and then mobilized back to home provinces to collect quantitative data. FGDs were completed by Altai staff



- 2 Altai international consultants based in Kabul with periodic visits to provinces for overall management
- 1 Altai national consultant based in each zone for training, direct supervision, and M&E
- 2 enumerators per province (man & woman) and 4 in Kabul (2 men and 2 women)
- 2-day training workshop with a mix of briefings and mock interviews employed

Enumerator training spanned 2 days: 1 day of questionnaire review and interactive classroom training and a mock interview day to ensure enumerators understood the interview process

- Altai chose male and female enumerators with experience in the telecommunications sector from our vast network from each province in the country. One male and one female were paired together and traveled to urban and rural locations as a team
- **Training Day 1** consisted of a refresher on Mobile Money, the methodology to be used, and a focus on each question of the quantitative questionnaire, including prompted and unprompted questions as well as a marking guide
- **Training Day 2** consisted of a Q&A session on the questionnaire and mock interviews among team members. The interview process was closely monitored by Altai and detailed feedback was given to enumerators to ensure quality of the interview process once dispatched to the field. Moreover, Altai allocated the randomly-selected urban and rural areas in which the interviews would take place to each enumerator



Above: Enumerator training in Mazar-e-Sharif
Below: Enumerator training in Chaghcharan



A multi-level monitoring mechanism was employed to ensure the quality and accuracy of all data collected in the field

Altai used a three-fold approach to monitor the data collection process

Strict field supervision by our experienced national consultants

- Each enumerator team was directly supervised by a national consultant via daily phone calls to ensure quotas were being met
- Completed questionnaires were sent to and carefully reviewed by national consultants who required interviewers to clarify, complete, or redo any interviews if mistakes were spotted
- Any enumerators that consistently made mistakes were replaced by an alternate (only 1 of 70 in this case)

In-person and phone M&E by our experienced national consultants

- National consultants conducted in-person and phone monitoring of 33% (10 of 30) surveys completed in the provinces, and approx. 30% (25 of 80) in Kabul province using a carefully-designed monitoring questionnaire
- If the interviewee could not be reached, or if the answers did not match, then the questionnaire was disregarded

International consultant supervision

- The international consultants debriefed national consultants and selected questionnaires randomly to review for accuracy and quality. Any questionnaires containing inconsistencies required call-backs to interviewees, or if not possible, were disregarded or repeated
- After the initial quality and accuracy checks, the questionnaires were sent to data entry
- Once data entry was completed, the data was reviewed by our data expert to flag potential concerns

Weighting was determined using CSO data disaggregated by province, rural-female, rural-male, urban-female, and urban-male population estimates

- To balance the quota effect, each stratum was weighted by its relative population size, using estimates from the CSO datasets. This way, **results of high statistical significance have been obtained for each category**
- Weighting was achieved by dividing the estimated population per province and category by the sample size per province and category
- Note:** Nooristan and Panjshir do not have an urban population. As such, all interviews have been considered rural for weighting purposes
- Examples of the weighting process can be seen in the table below:

Prov.	RF Pop	RF Sample	RF Weighting	RM Pop	RM Sample	RM Weighting	UF Pop	UF Sample	UF Weighting	UM Pop	UM Sample	UM Weighting
Kabul	313200	10	31320.00	327700	10	32770.00	1596500	30	53216.667	1712900	30	57096.67
Badakhshan	426600	10	42660.00	443000	9	49222.22	17100	5	3420.000	18000	6	3000.00
Badghis	224000	10	22400.00	234100	10	23410.00	6700	5	1340.000	7100	5	1420.00
Baghlan	336300	10	33630.00	354800	7	50685.71	84700	5	16940.000	87900	8	10987.50
Balkh	389200	10	38920.00	405700	10	40570.00	219100	5	43820.000	231100	5	46220.00
Bamyan	203800	9	22644.44	209700	10	20970.00	6000	6	1000.000	6000	5	1200.00

Interviews were conducted until SIM owners were found to bolster the potential sample size of Mobile Money users

- As agreed during the kick-off meeting, the sample of 1,070 individuals interviewed are all SIM owners
- Our field research teams kept track of the number of individuals selected that were not SIM owners, and sought new interviewees keeping in mind our desired female/male split (50/50) and urban/rural quota per province -> 20 rural, 10 urban interviews in 33 provinces (except Nooristan and Panjshir -> all rural) and 20 rural, 60 urban in Kabul province
- All rural areas we visited were still within signal range of at least one operator
- The results are as follows:

Breakdown	No SIM	SIM Owners	Total Individuals	SIM Penetration (weighted)
Rural Female	447	347	794	44%
Rural Male	329	347	676	66%
Urban Female	62	188	250	85%
Urban Male	79	188	267	82%
Total	917	1,070	1,987	62%

When reviewing the results, the sample of respondents and the self-reporting process should be taken into consideration

- **Sample are all SIM owners:** While this was done to bolster the sample size of Mobile Money users to have more robust data, interviewing only SIM owners also slightly inflates other data points such as bank ownership and literacy levels as SIM owners on average come from a higher income bracket than non-owners
- **Results are based on honest respondent self-reporting:** While our enumerators are trained to ask follow-up questions to confirm answers, the data presented in this report is based on the honest responses of behaviors and perceptions of interviewees

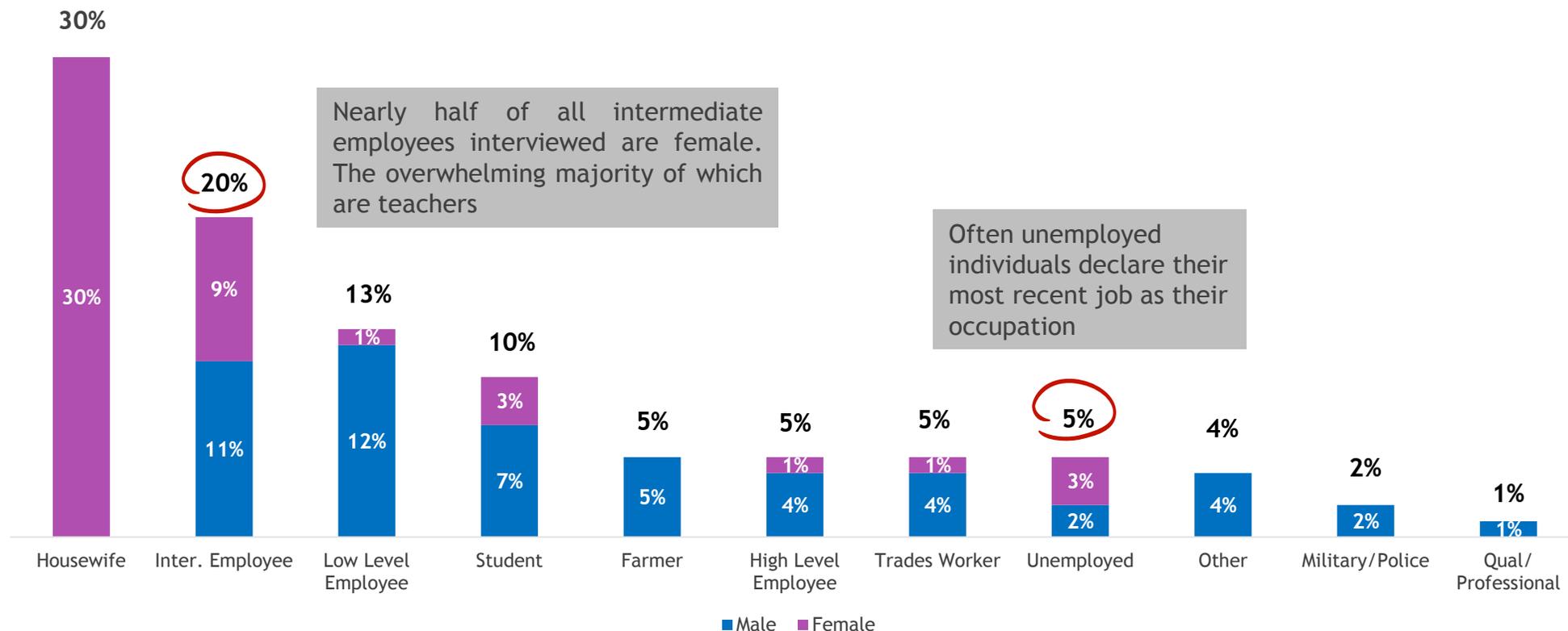
1. Project Purpose & Objectives
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- 3. Key Socio-Demographics**
 - **Occupations**
 - **Education**
 - **Literacy**
 - **Expenditures**
4. General Mobile Usage
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3. KEY SOCIO-DEMOGRAPHICS > OCCUPATIONS

The sample is well balanced among categories of occupations and the breakdown by gender enforces the credibility of data collected

Occupation (% of total sample by gender)

N=1,048

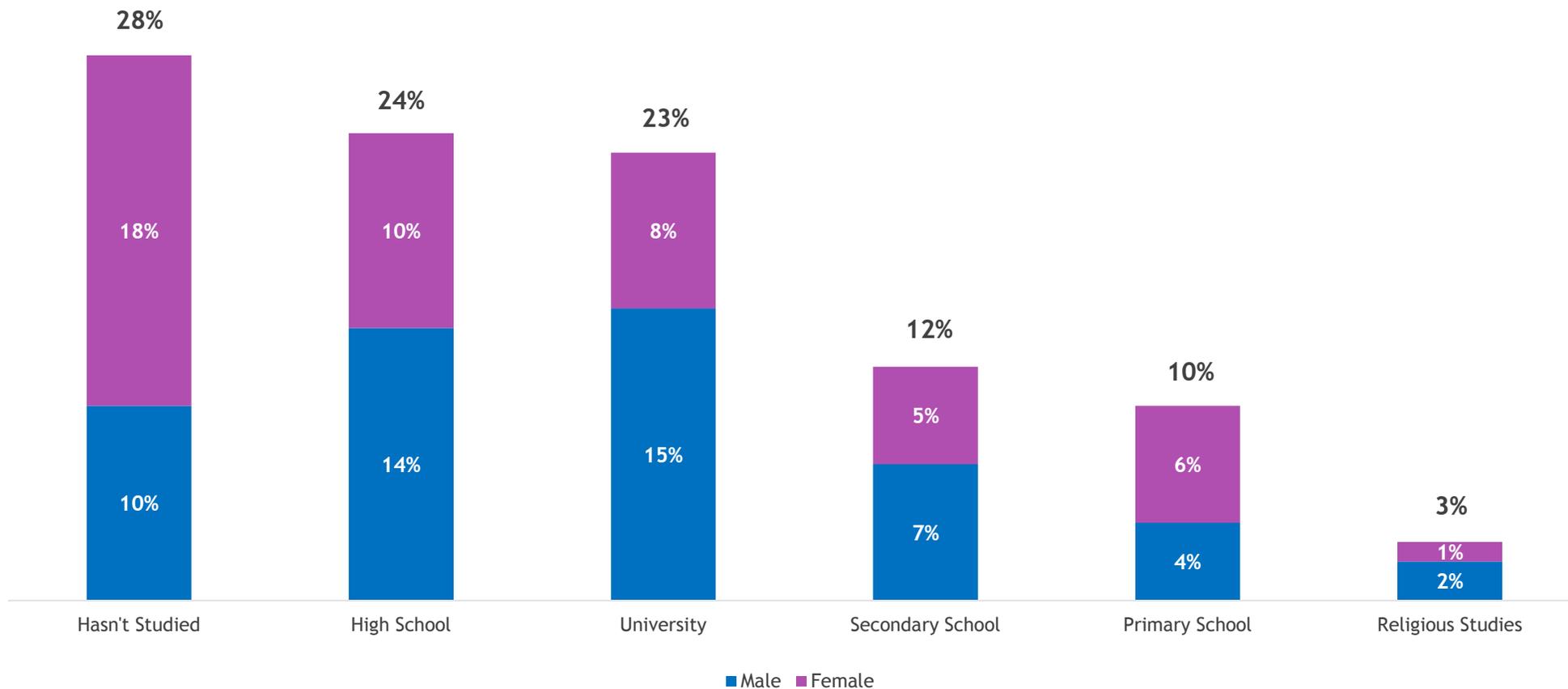


3. KEY SOCIO-DEMOGRAPHICS > EDUCATION

Both females and males from the stratum of educational backgrounds are represented in the study

Level of Education (% of total sample by gender)

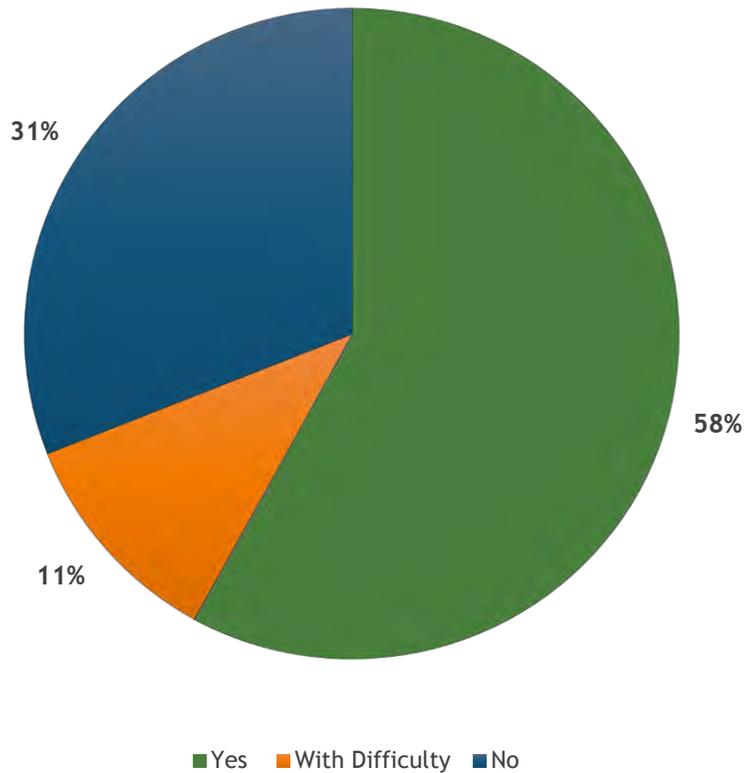
N=1,029



The level of literacy in our sample is 58% with major differences by gender and occupation

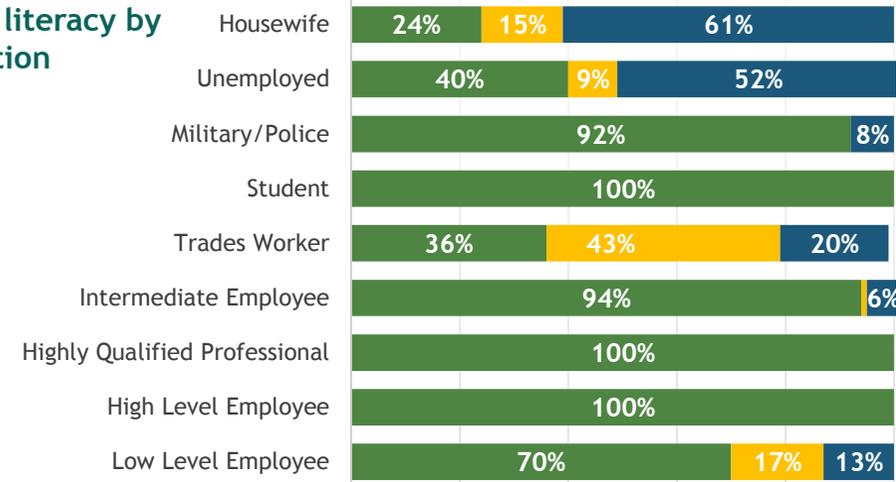
Literacy (% of total sample)

N=1,011



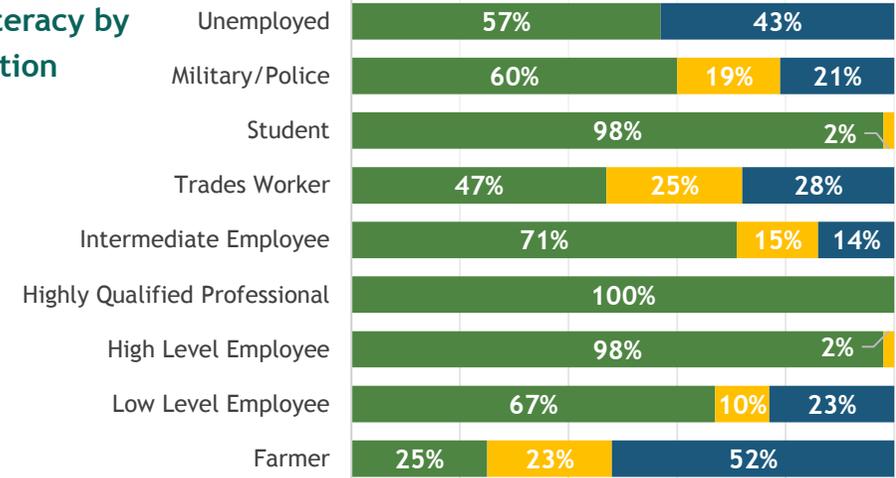
Female literacy by occupation

N=504



Male literacy by occupation

N=507



■ Yes ■ With Difficulty ■ No

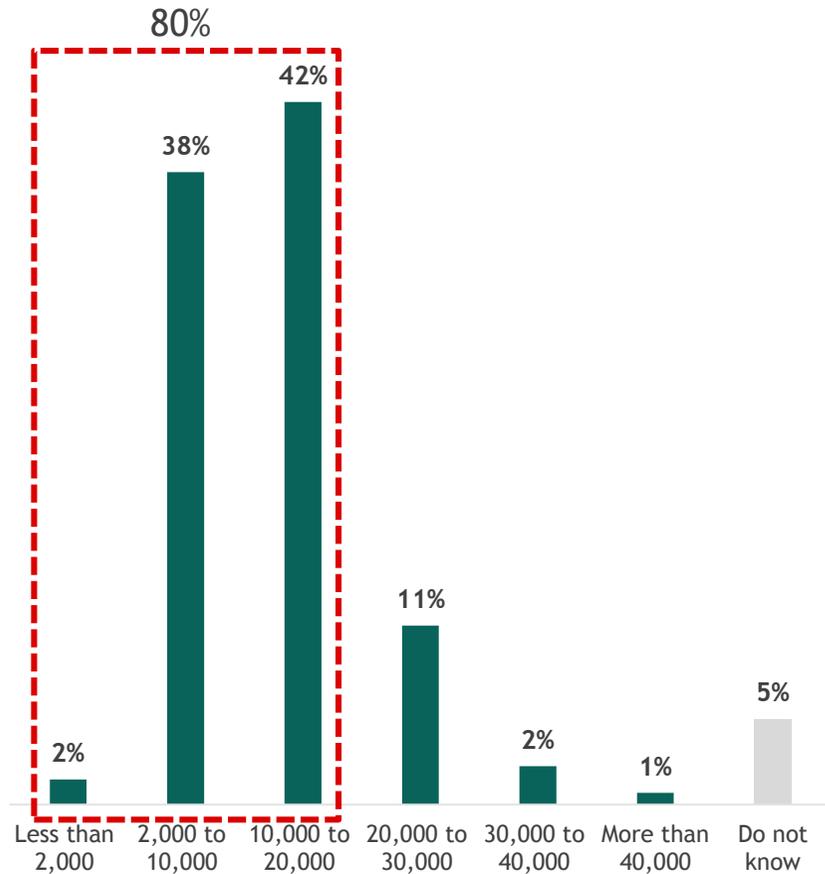
■ Yes ■ With Difficulty ■ No

3. KEY SOCIO-DEMOGRAPHICS > MONTHLY EXPENDITURES

80% of households declare spending less than 20K AFN (\$350 USD) per month. 43% of rural households spend less than 10K AFN (\$175 USD), in contrast to 27% of urbanites

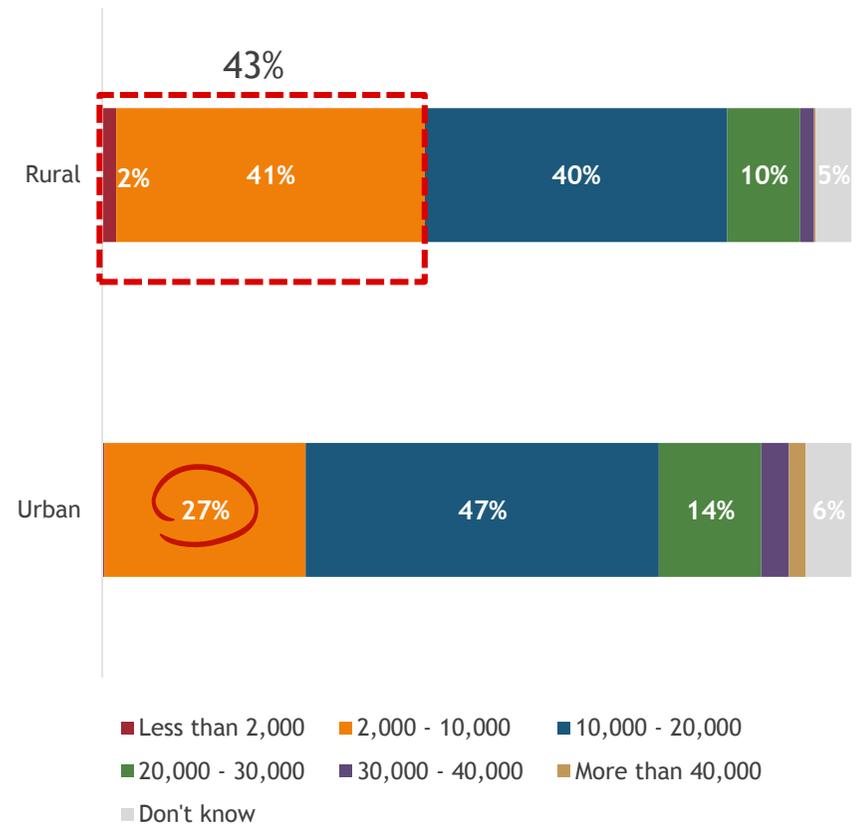
Monthly expenditures per household (AFN)

N=1,049



Monthly household expenditures by location (AFN)

N=1,049



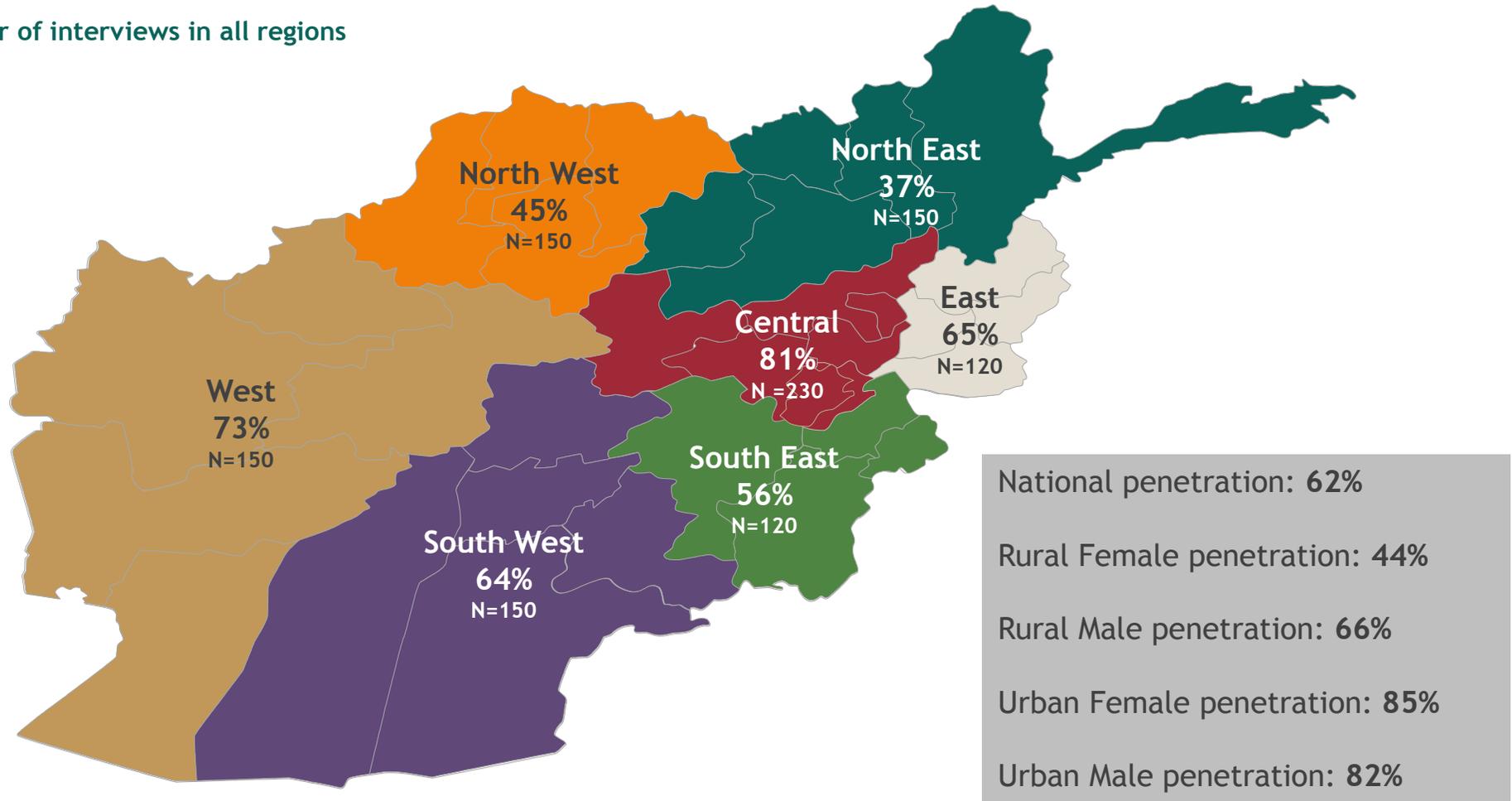
1. Project Purpose & Objectives
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- 4. General Mobile Usage**
 - **SIM Ownership and Sharing**
 - **Monthly Spend on SIM Cards**
 - **SIM Top-up Practices**
 - **Frequency of calls and SMS**
 - **Operator Satisfaction**
5. Financial Services
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4. GENERAL MOBILE USAGE > SIM OWNERSHIP

62% of respondents interviewed own a SIM based on a sample of 1,987. SIM ownership in the West, East, South, and Central regions are higher due to large urban centers

Number of interviews in all regions

N= 1,987



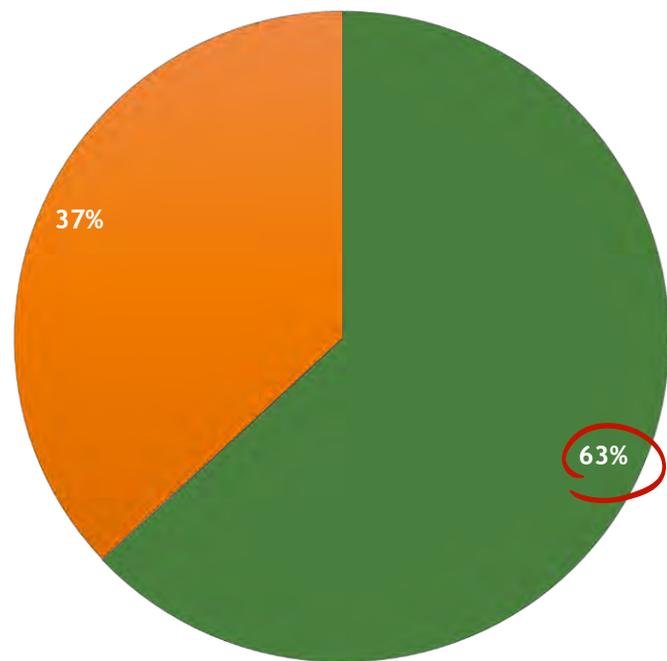
Note: All rural interviews were conducted within signal range of at least one operator's coverage area

4. GENERAL MOBILE USAGE > SIM SHARING

63% of respondents share their SIM with family members or friends. Disaggregated by location, SIM sharing amongst family or friends is much higher in rural areas (70%) than in urban areas (40%)

Do you share a SIM with a family member or others?

N=1,046



■ Yes ■ No

Do you share a SIM by location

N=1,046



■ Yes ■ No

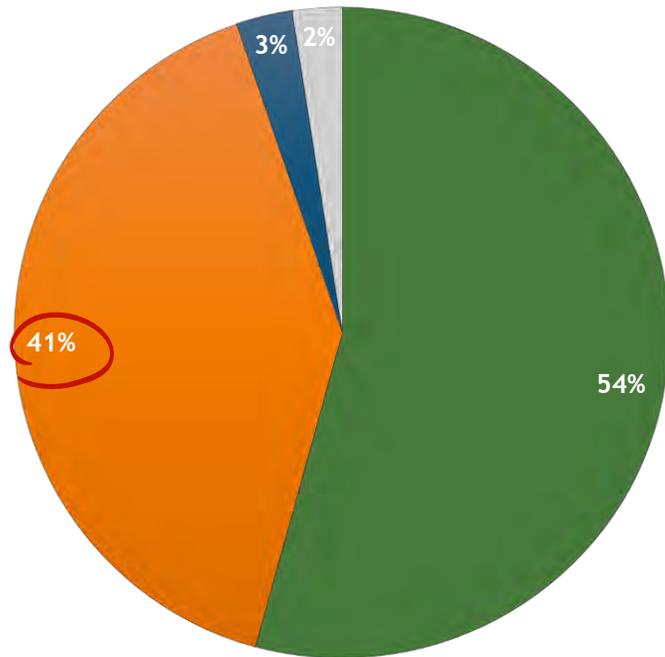


4. GENERAL MOBILE USAGE > SIM SHARING > MEN TO WOMEN

41% of male respondents do not allow women to have their own SIM. Of which, 43% do not share their SIM with women in their household

If Male: Do any of the women in your household have their own mobile phone for their exclusive use?

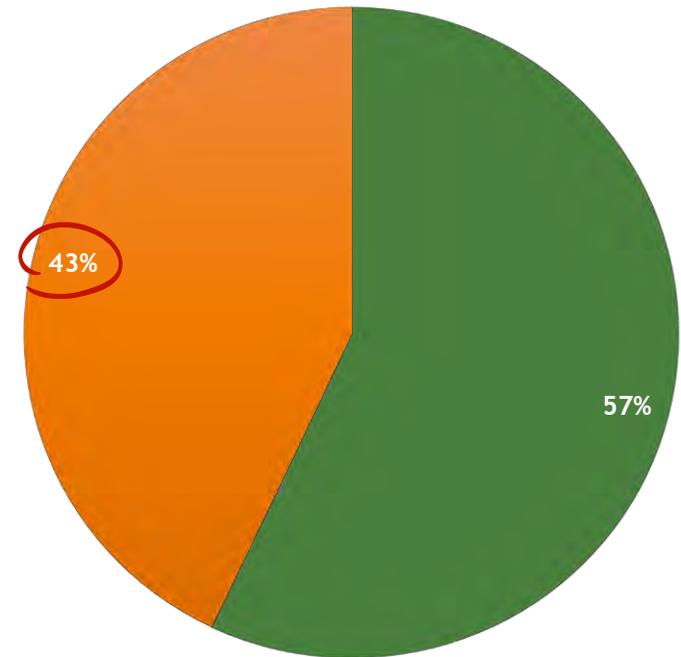
N=538



■ Yes ■ No ■ Do not wish to answer ■ Don't know

If Male & No: Do you allow women to use your SIM?

N=238



■ Yes ■ No

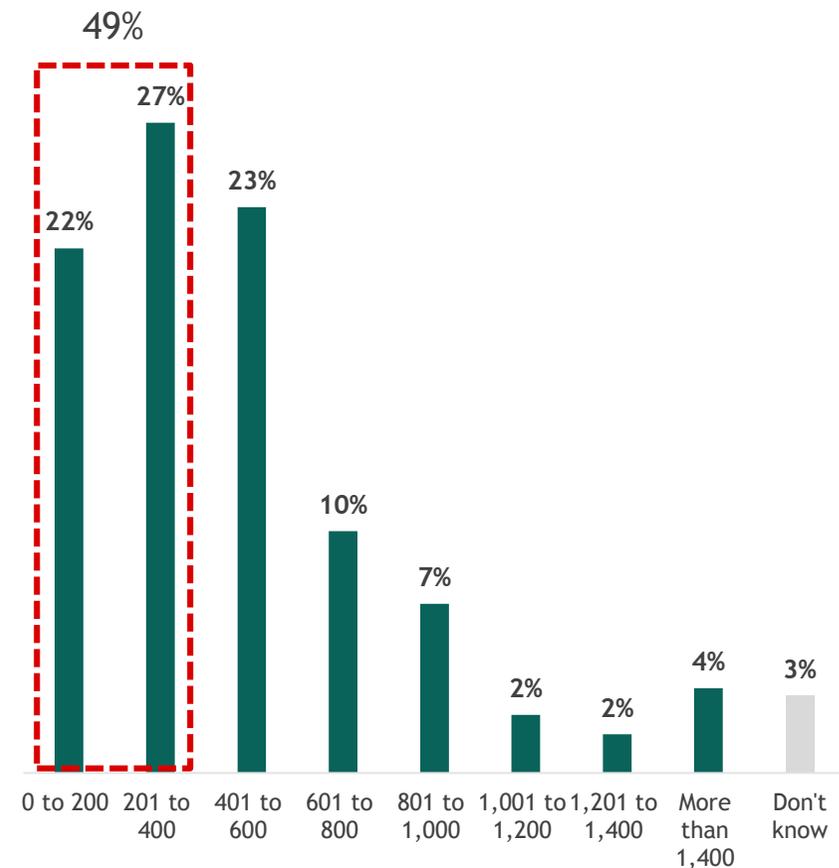


4. GENERAL MOBILE USAGE > MONTHLY SPEND ON SIM CARDS

49% of respondents declare spending 400 AFN (\$7 USD) or less on their SIM cards per month, including 60% of women and 38% of men

Monthly spend on SIM cards per person (AFN)

N=1,065



Monthly spend on SIM cards per person by gender (AFN)

N=1,065



4. GENERAL MOBILE USAGE > SIM TOP-UP PRACTICES

Nearly all respondents use pre-paid scratch cards to purchase airtime. Only 2% of interviewees have used Mobile Money in the past to top-up their SIM cards

How do you top up your SIM?

N=1,062



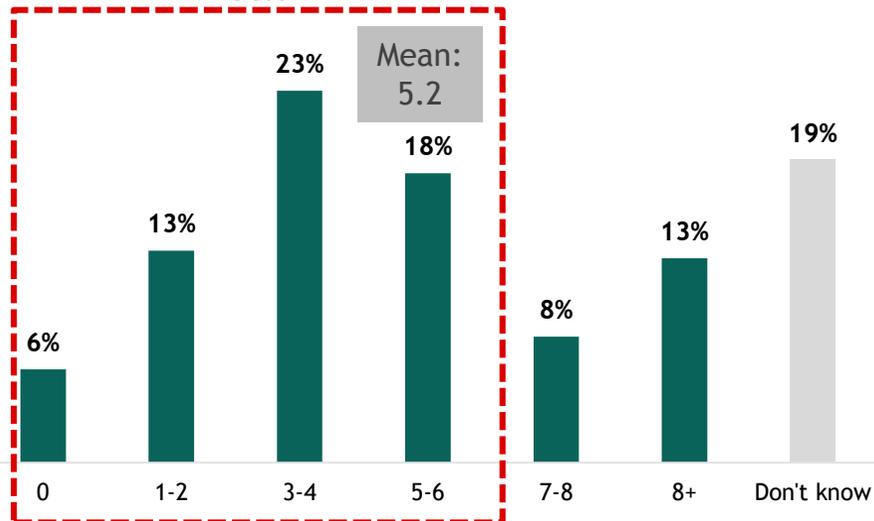
4. GENERAL MOBILE USAGE > FREQUENCY OF CALLS

The average number of phone calls made on a daily basis by interviewees is 5.2, within a range of 0-40 calls per day reported

Number of phone calls per day

N=833

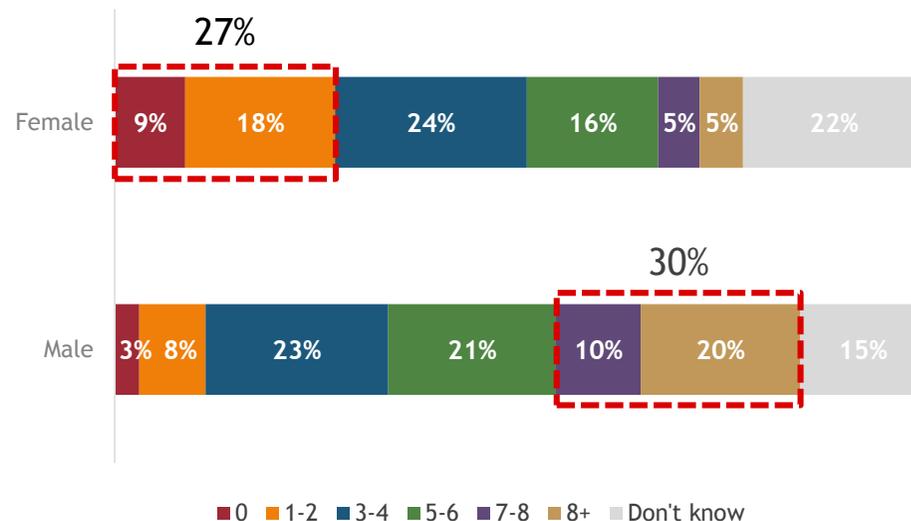
60%



- 60% of respondents make fewer than 6 phone calls per day
- 19% of respondents reportedly did not know the number of phone calls they make per day

Number of phone calls per day by gender

N=833

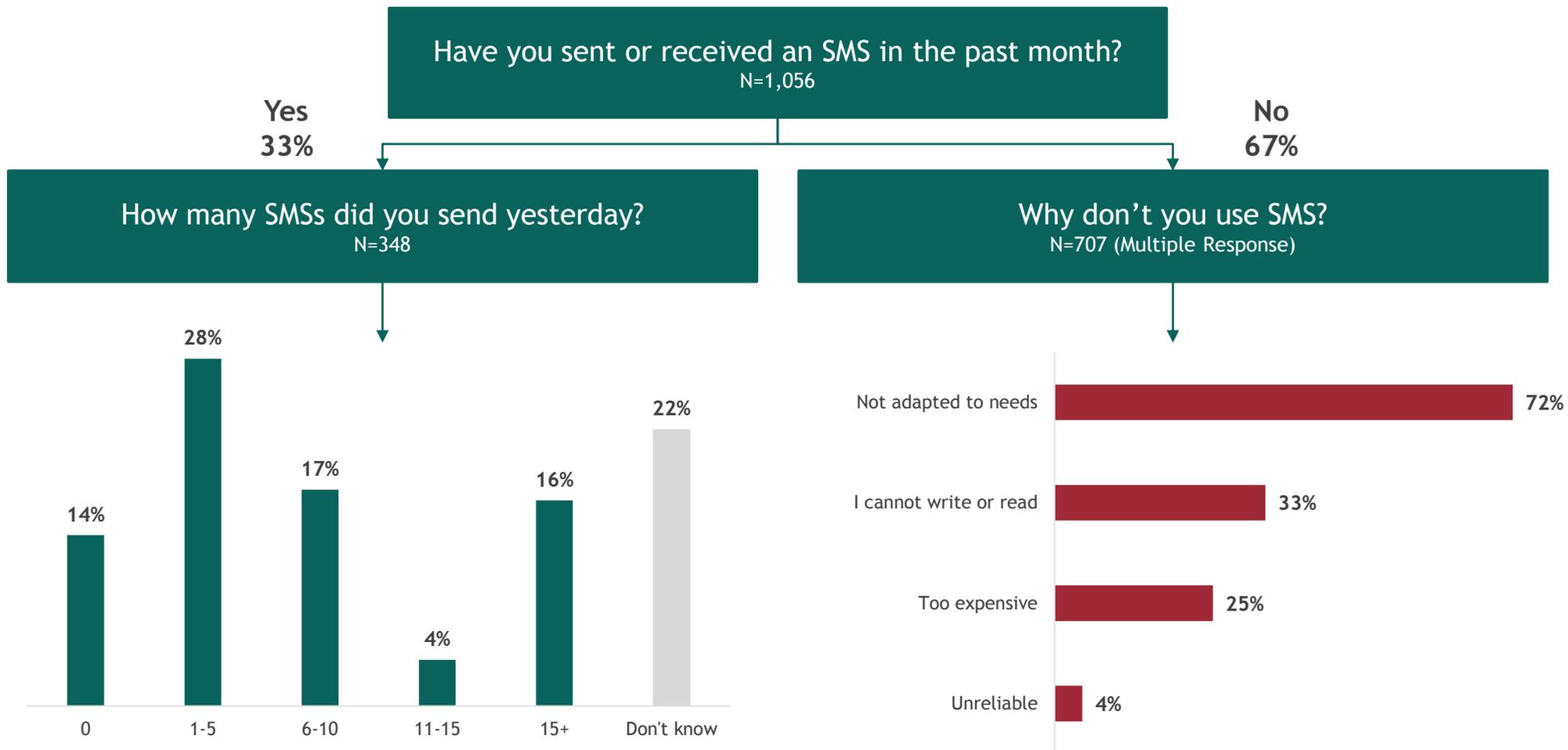


- 27% of women make 2 or fewer calls per day, in contrast to 11% of men
- 30% of men make 7 or more calls per day, in comparison to only 10% of women

These figures should be considered as indicative only as mobile users are often unaware of the number of calls they make on a daily basis

4. GENERAL MOBILE USAGE > FREQUENCY OF SMS

67% of respondents have not sent or received an SMS in the past month. Of which, 72% state SMS messages are not adapted to their needs and 33% state they are illiterate

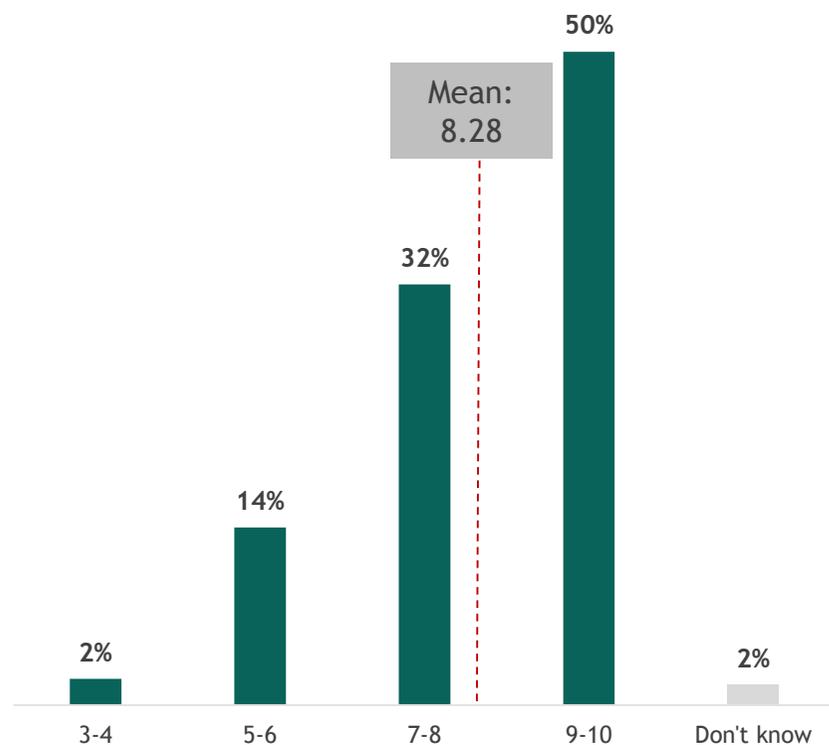


These figures should be considered as indicative only as mobile users are often unaware of the number of SMSs they send on a daily basis

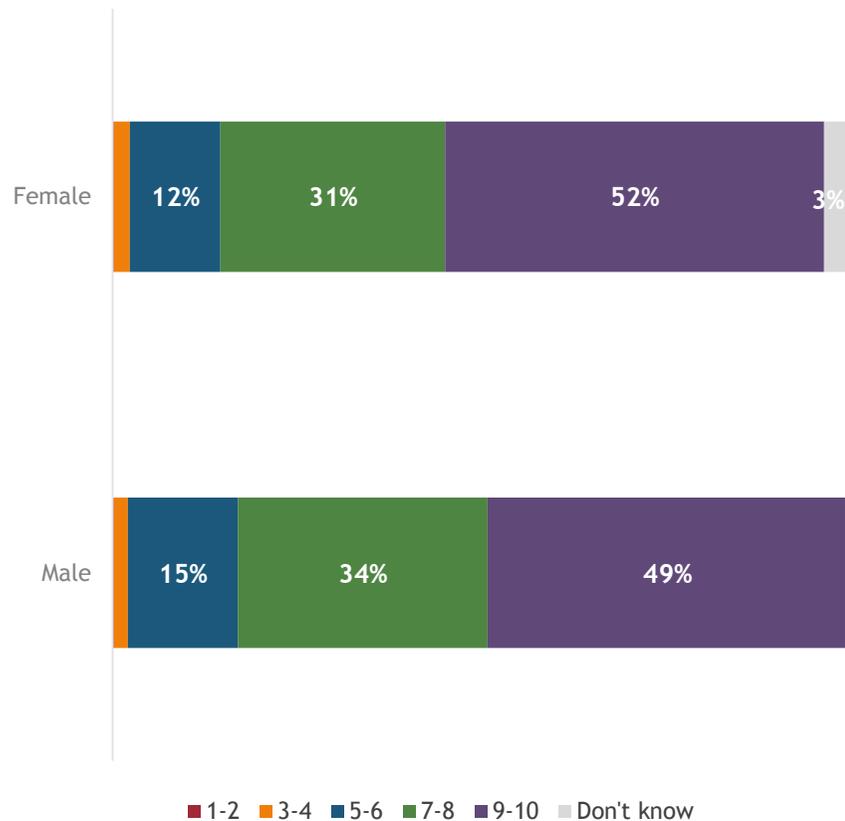
4. GENERAL MOBILE USAGE > MAIN SIM OPERATOR SATISFACTION

Respondents are typically satisfied with the operator of their main SIM, with a mean score over 8. Disaggregated by gender, satisfaction ratings are similar among men and women

From 1-10, how do you rate the operator of your main SIM? N=1,056



Main SIM operator satisfaction by gender N=1,056



Note: Respondents were asked to rate their satisfaction from 1 (completely dissatisfied) to 10 (completely satisfied) with their main SIM operator.

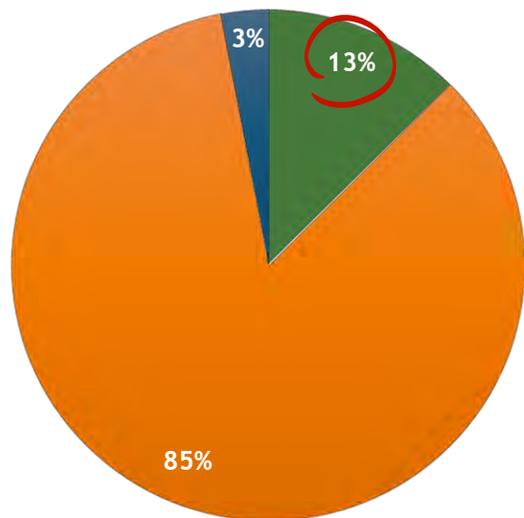
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5. FINANCIAL SERVICES > BEHAVIORS > BANK ACCOUNT OWNERSHIP

13% of respondents report having a bank account, consisting of 21% of the men and 4% of the women. By location, more urbanites have bank accounts than rural respondents

Do you have a bank account?

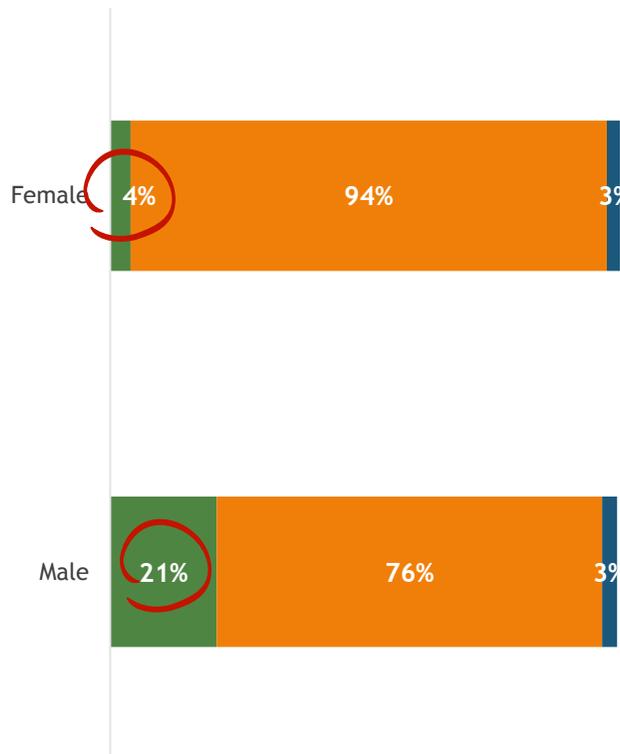
N=1,060



■ Yes ■ No ■ Do not wish to answer

Bank account ownership by gender

N=1,060



■ Yes ■ No ■ Don't wish to answer

Bank account ownership by location

N=1,060



■ Yes ■ No ■ Don't wish to answer

Note: The World Bank reports 9% of Afghans have an account at a formal financial institution. Given the sample only includes SIM owners and respondents 18 or older, a slightly higher figure is reasonable. <http://datatopics.worldbank.org/financialinclusion/country/Afghanistan>

5. FINANCIAL SERVICES > BEHAVIORS > BANK ACCOUNT OWNERSHIP > ZOOM IN ON BANKED FGD PARTICIPANTS

Banked Afghans are educated, middle to upper class, and live in urban areas. At the lower income bracket, some have a bank account but mostly because their employer pays salaries via bank transfers. Business owners have a bank account as carrying too much cash is a risk

I have a bank account because my employer forces me to but I do not save money in it

“Yes, I have a bank account because I get paid this way. I would like to be paid in cash. I take almost my entire salary out of my account at the end of the month.”

Hajera, 35, Teacher, Kabul

I have a bank account because I trust banks. My money is safe there

“Banks are solving peoples’ problems. I trust banks because we receive the exact amount that is transferred to us for our salary. The service is improved because there are new banks in the last few years and also more branches.”

Aminjan, 57, Civil Servant, Kabul



I have a bank account because I need one for my business

“I have a bank account to manage all of the revenue from my business. I cannot keep all of that money in cash, it is too much risk.”

Basir Hashami, 46, Business owner, Kabul

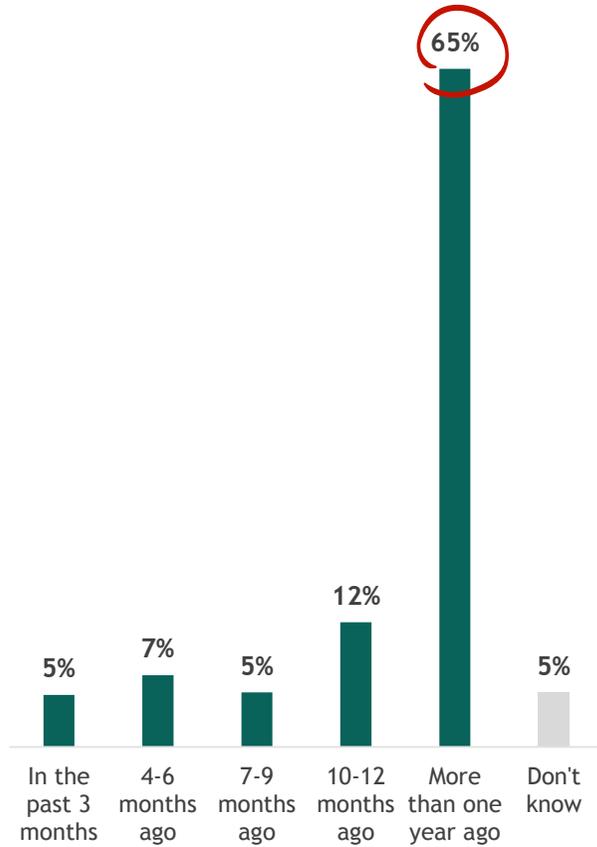
Banks are a great way to send money to my family and friends

“I can transfer money to my friends and family easily. I have never had a problem with this service.”

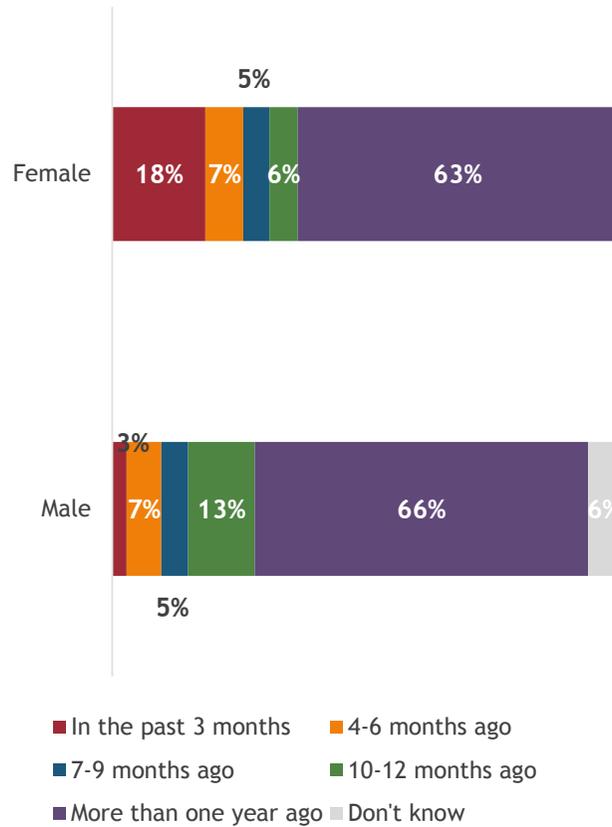
Edress, 35, Teacher, Jalalabad

65% of respondents who have a bank account opened the account more than a year ago

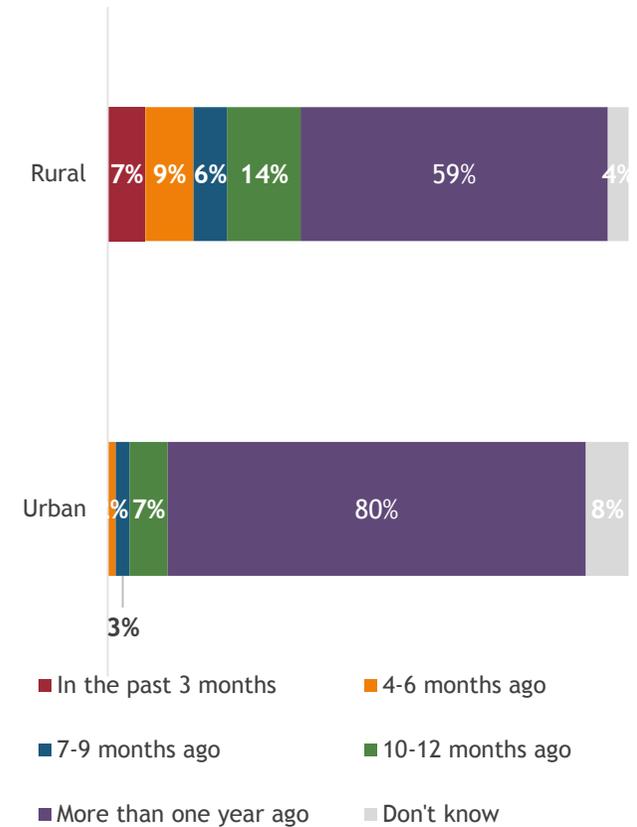
When did you open your bank account?
N=140



When did you open your bank account by gender
N=140



When did you open your bank account by location
N=140

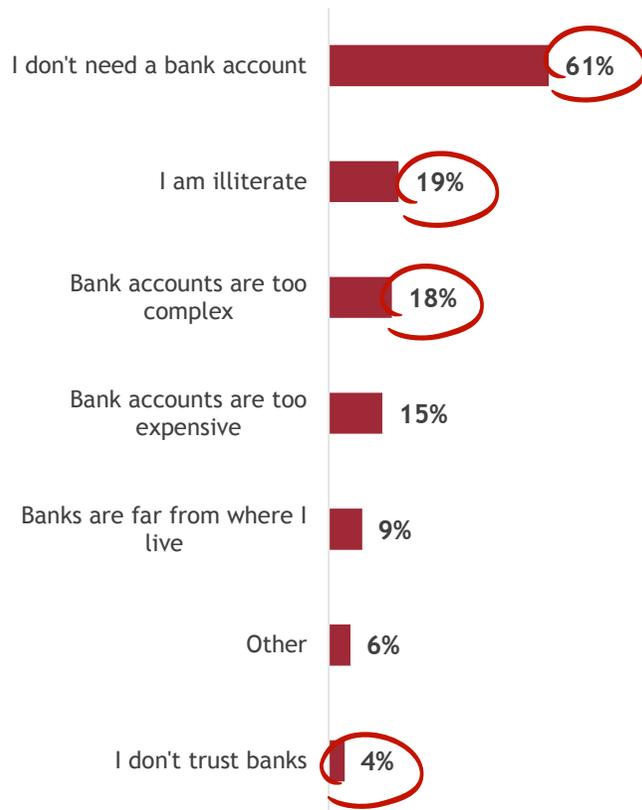


5. FINANCIAL SERVICES > BEHAVIORS > BANK ACCOUNT OWNERSHIP > WHY UNBANKED?

The majority of respondents who do not have an account state they do not see the need for one. Only 4% claim they do not trust banks despite recent scandals. 12% of respondents in rural areas consider banks are too far from where they live

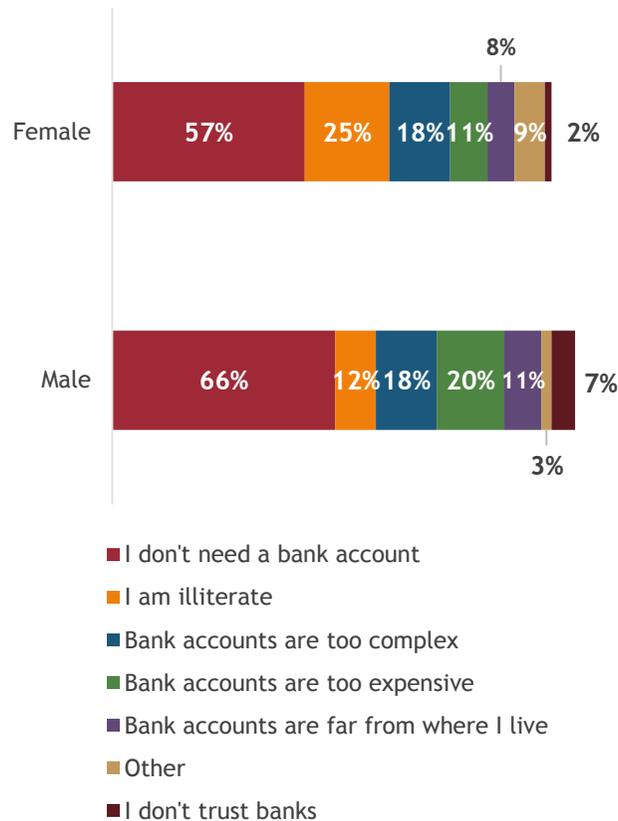
Why don't you have a bank account?

N=886 (Multiple Response)



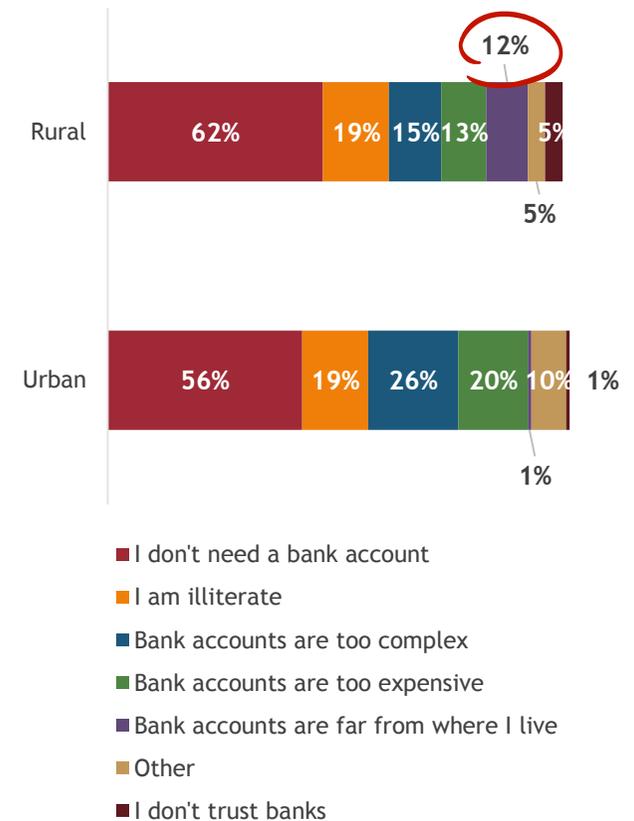
Do not have a bank account by gender

N=886 (Multiple Response)



Do not have a bank account by location

N=886 (Multiple Response)



Note: Illiteracy levels of our sample are much higher, above 30%. However, in this case literacy was chosen when it was the primary factor that influences their decision-making in this regard. The same can be said for other possible responses.

Unbanked Afghans often claim they do not need an account because they do not have enough money to save or use other financial services. Preference for cash, banks being perceived as too complicated, and a growing distrust due to the Kabul bank scandal are limiting factors

I don't have enough money. Bank accounts are too expensive.

"No, I do not have a bank account because I don't have enough of a budget to open one and I don't have a big enough salary to need one. I receive my salary in cash. I would like to open an account when I get more money and a better job."

Khyber, 22, Shopkeeper, Mazar-e-Sharif



I used to trust banks, but I am becoming more skeptical

"I used to want a bank account, but the Kabul Bank scandal was very bad. I don't have enough money to have a bank account, but if one day I have some money, I will not open a bank account."

Maneza, University Student, Mazar-e-Sharif

I prefer to have cash. Banks are too complicated

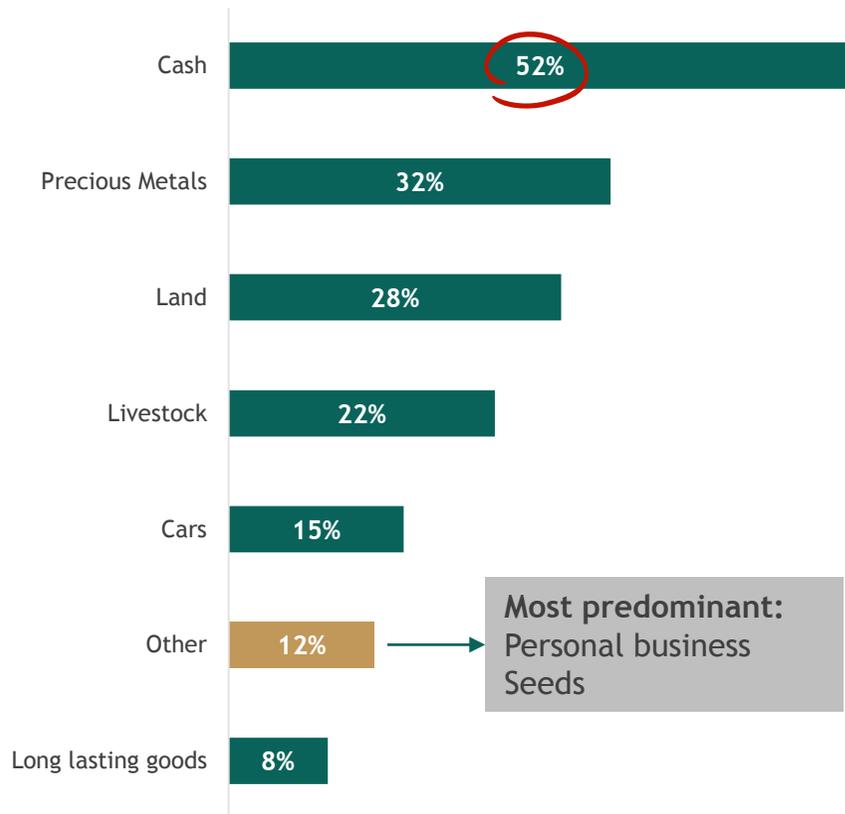
"I like to have cash. I don't trust the banking system and I also find it to be difficult."

Sherzad, 35, Low-level employee, Jalalabad

52% of respondents store their surplus income as cash. However, many respondents stated that they typically don't have surplus income to save in the first place

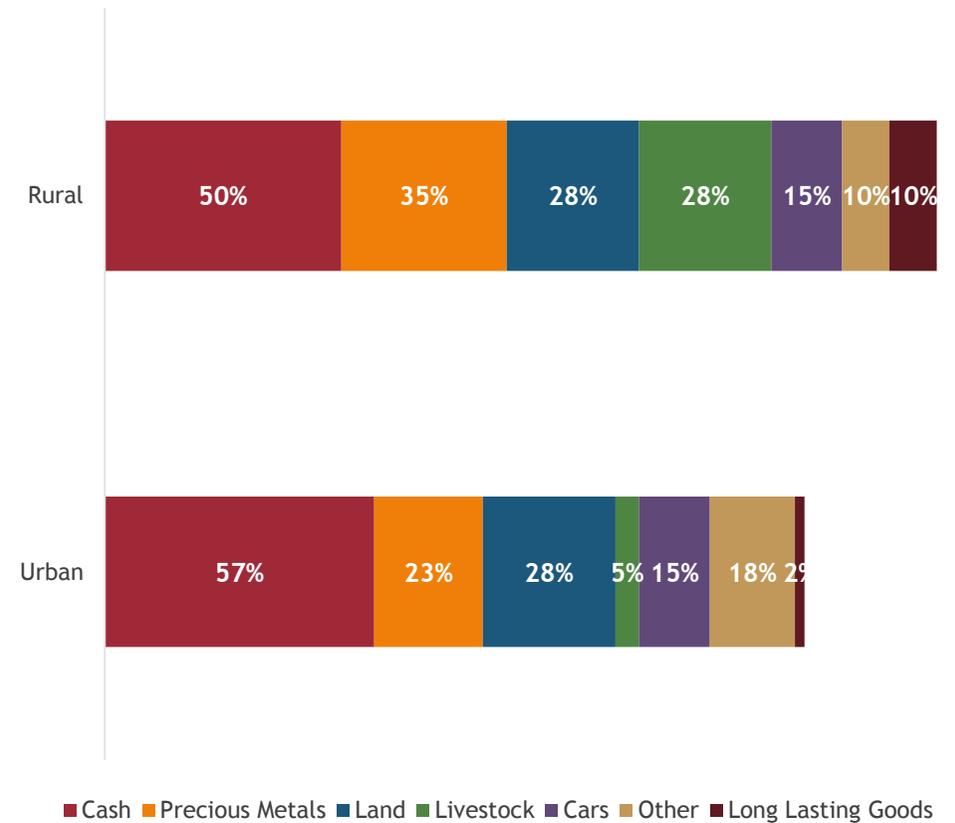
What other methods do you use to store money?

N=1,067 (Multiple Response)



Methods of money storage by location

N=1,067 (Multiple Response)



Carrying cash in Afghanistan is the norm, not the exception, in a culture of immediacy and general uncertainty

From the FGDs

FGD participants stated that they understood the risk of keeping cash “under their mattress” or with them at all times. However, in their view this method can be safer than other options, is much more convenient, and a necessity in a cash-driven society

“The advantage is that when we buy our things we can do it when we need to immediately. There are no disadvantages because we need to carry cash (in Afghanistan). We cannot purchase goods any other way.”

Leda, Teacher, Mazar-e-Sharif

“The disadvantages of carrying cash are the problems and risk of it being stolen or lost, and also that is dangerous for our security. There are chances of being killed or kidnapped if someone is seen as carrying money. But, we need cash because we have no other choice.”

Alhaq, 26, Lawyer, Jalalabad

“With cash you can solve your problems on time and there is no disadvantage in it. I need all of my salary to live and to provide for my family, so I need cash.”

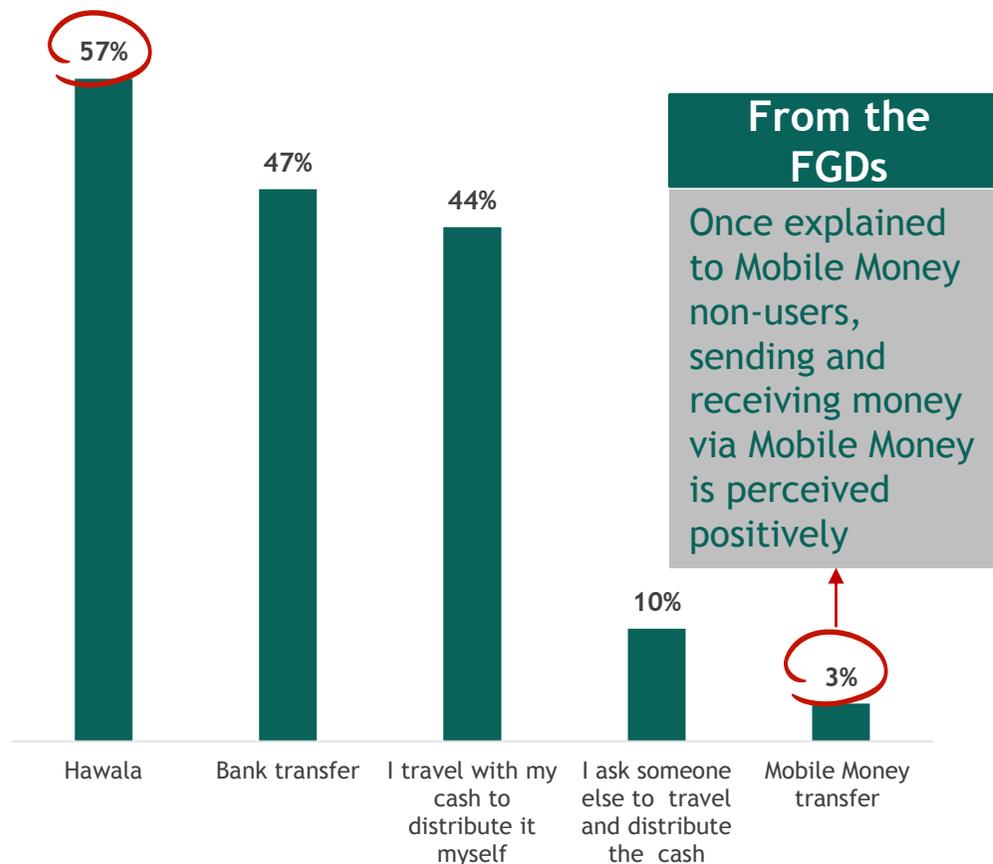
Javed, 48, Shopkeeper, Kabul

5. FINANCIAL SERVICES > BEHAVIORS > METHODS OF MONEY TRANSFER

A majority of respondents still use the Hawala system to transfer money. 3% of respondents state that they use Mobile Money to transfer funds

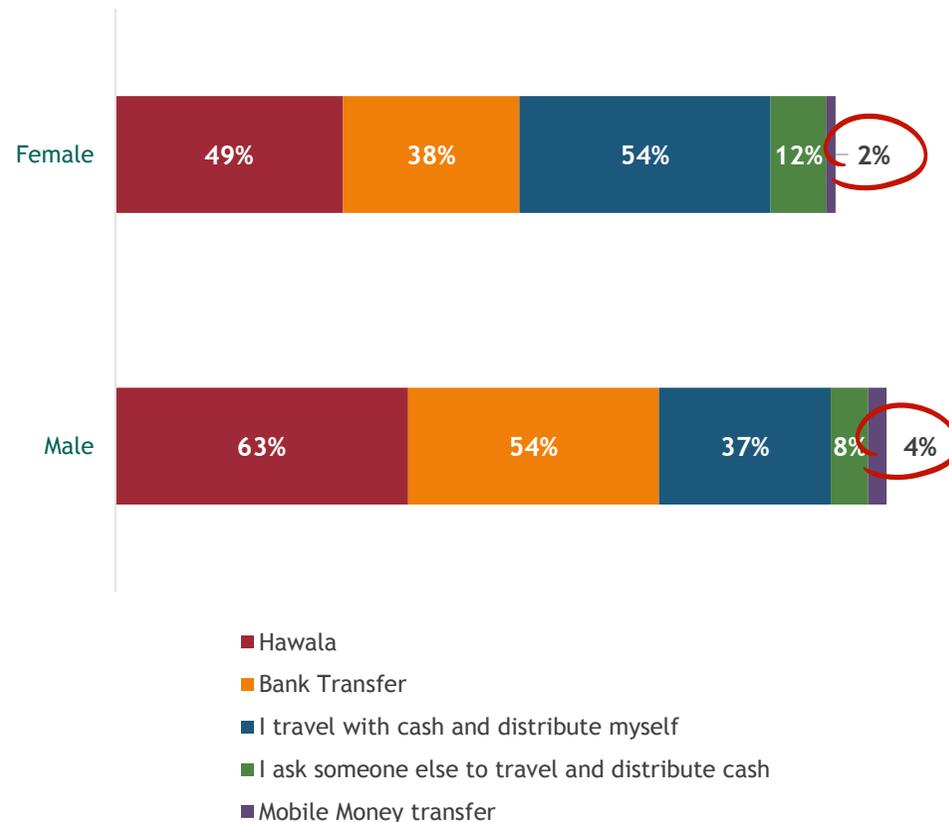
Which methods do you use to transfer money?

N=1,067 (Multiple Response)



Methods of money transfer by gender

N=1,067 (Multiple Response)

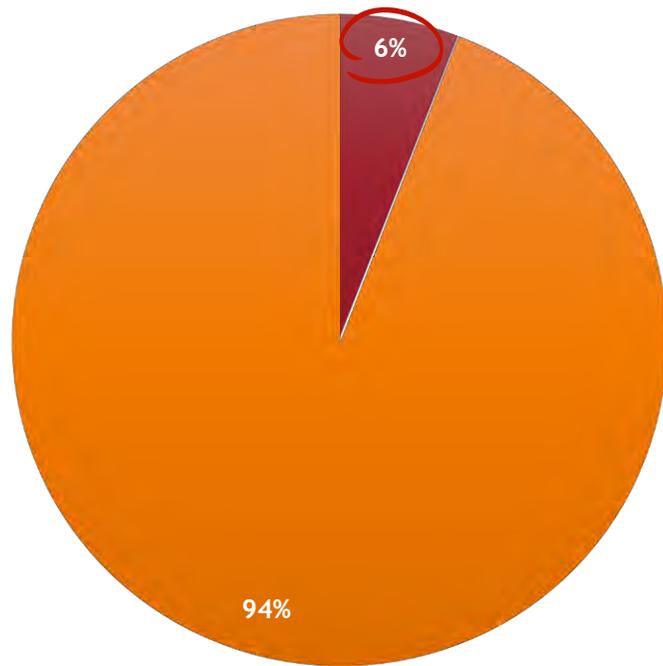


5. FINANCIAL SERVICES > BEHAVIORS > INTERNATIONAL VS. DOMESTIC TRANSFERS

6% of respondents state that they primarily conduct international transfers, driven largely by international transfers in border areas, predominantly between Herat and Iran

Are the majority of your transfers international or domestic?

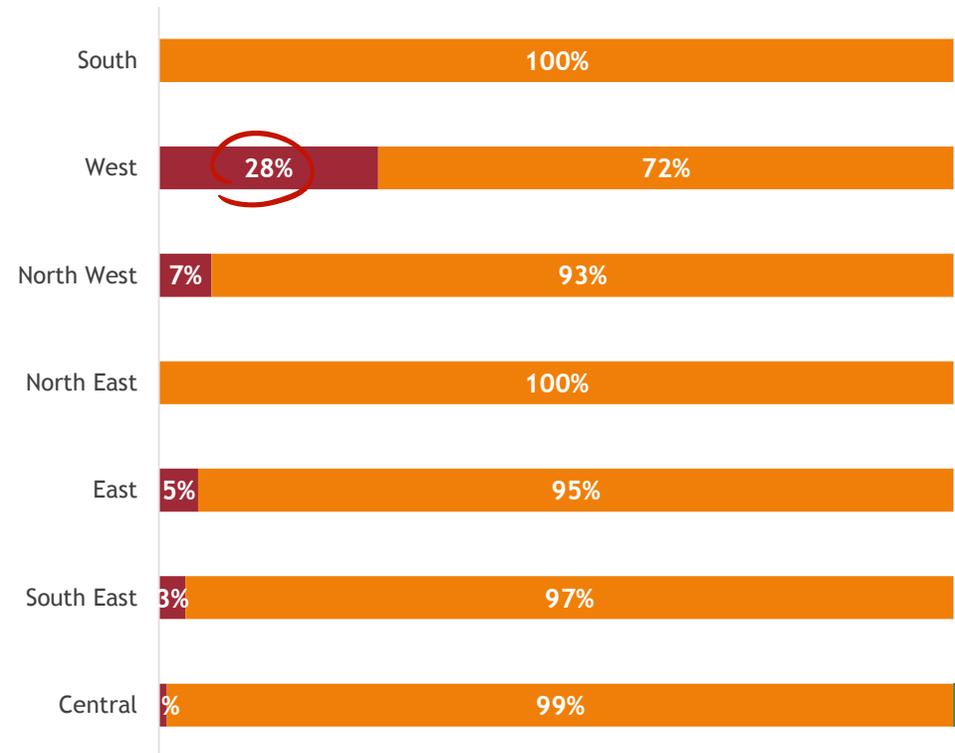
N=719



■ International ■ Domestic

International or domestic by region

N=719

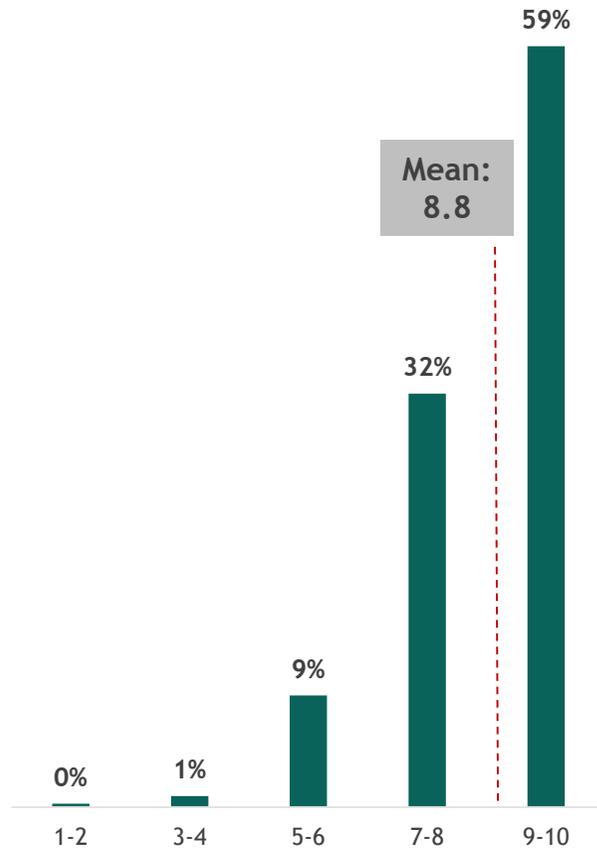


■ International ■ Domestic

5. FINANCIAL SERVICES > PERCEPTIONS > BANK SATISFACTION

Respondents who have a bank account are generally satisfied with their financial institutions, as the mean score is nearly 9

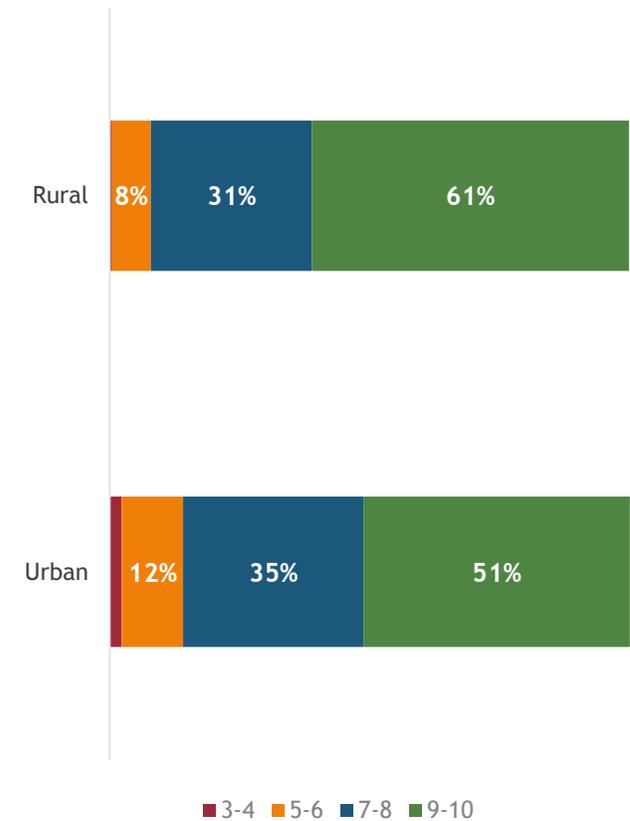
From 1-10, how satisfied are you with your bank? N=140



Bank satisfaction by gender N=140



Bank satisfaction by region N=140



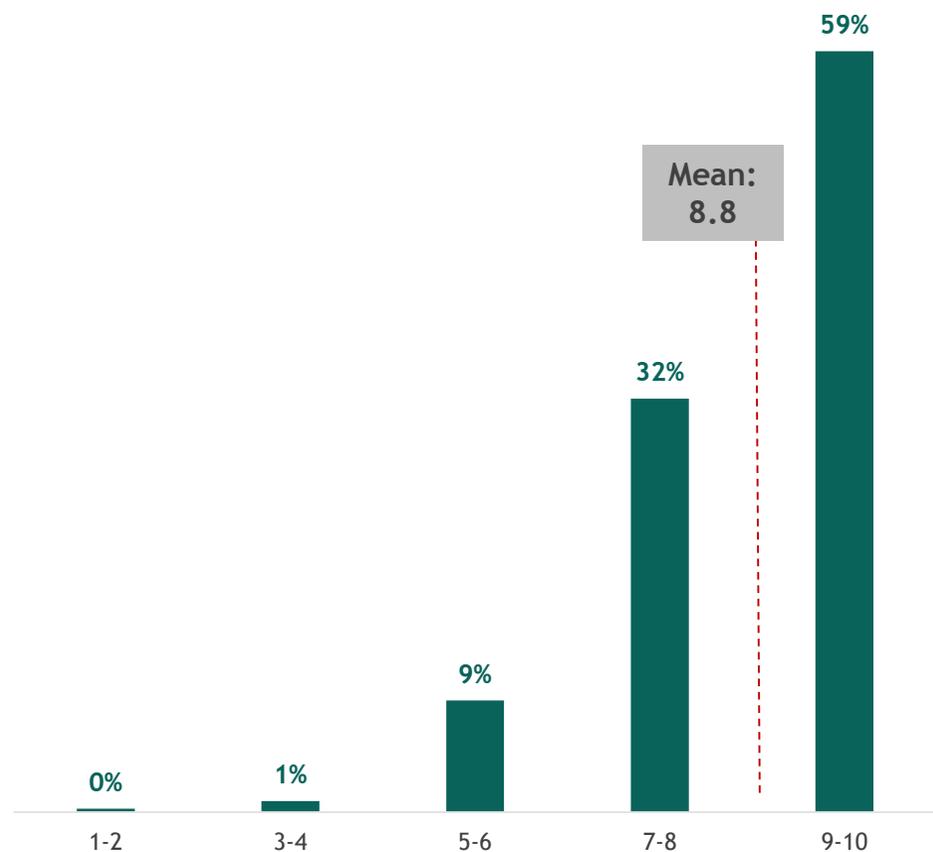
Note: Respondents were asked to rate their satisfaction from 1 (completely dissatisfied) to 10 (completely satisfied) with their financial institution.

5. FINANCIAL SERVICES > PERCEPTIONS > BANK SATISFACTION > ZOOM IN ON FGD PARTICIPANTS

A key theme among FGD participants is that they are satisfied with their banks because in general they trust financial institutions. However, some mentioned that the recent Kabul Bank scandal has created doubt in regards to the trustworthiness of banks

From 1-10, how satisfied are you with your bank?

N=140



26

From the FGDs

“Yes, I have a bank account with Kabul Bank. I trust them a lot, because it is an easy way for me to save my money. My money is safe and I can receive it on time. In the last 3 years the services have gotten better because there are more branches in our cities. I have also seen the ATM at the bank but I haven’t used it.”

Khair Mohammad, 42, Pharmacy Owner, Mazar-e-Sharif

“Banks are a good system. I trust them because there is no corruption. It has improved because there are more banks and branches.”

Patahn, 24, Civil Servant, Kabul

“Banks have brought a good system and facilities. But, I don’t trust them because of issues like Kabul Bank. They have not improved because people trust them less.”

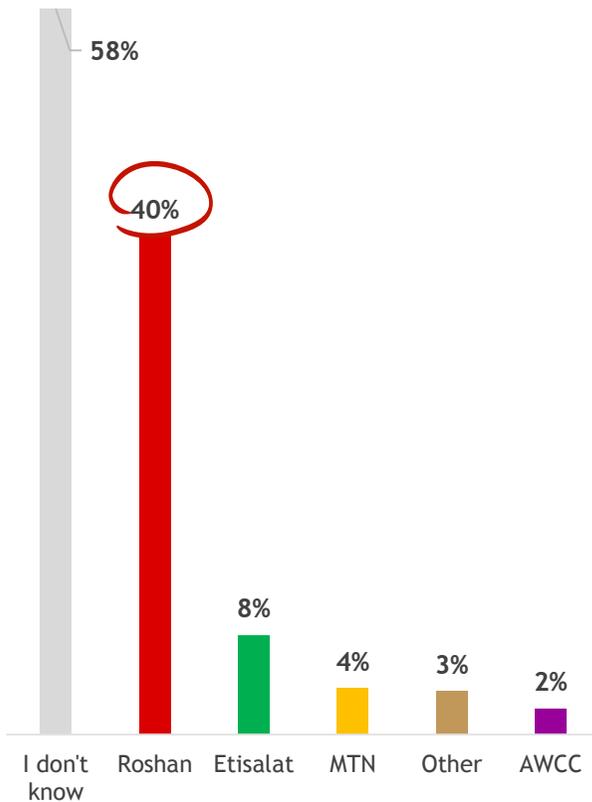
Esakhan, 26, Contractor, Jalalabad

Note: Respondents were asked to rate their satisfaction from 1 (completely dissatisfied) to 10 (completely satisfied) with their financial institution.

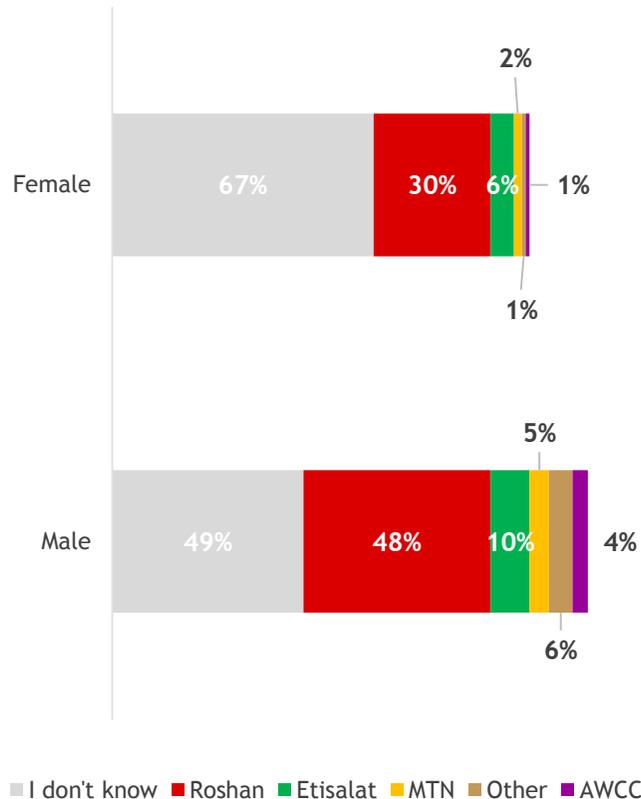
5. FINANCIAL SERVICES > PERCEPTIONS > WHICH OPERATORS OFFER MOBILE MONEY?

58% of respondents do not know of a mobile operator offering Mobile Money services. 40% quote Roshan and very few are aware of any other MNOs offering Mobile Money

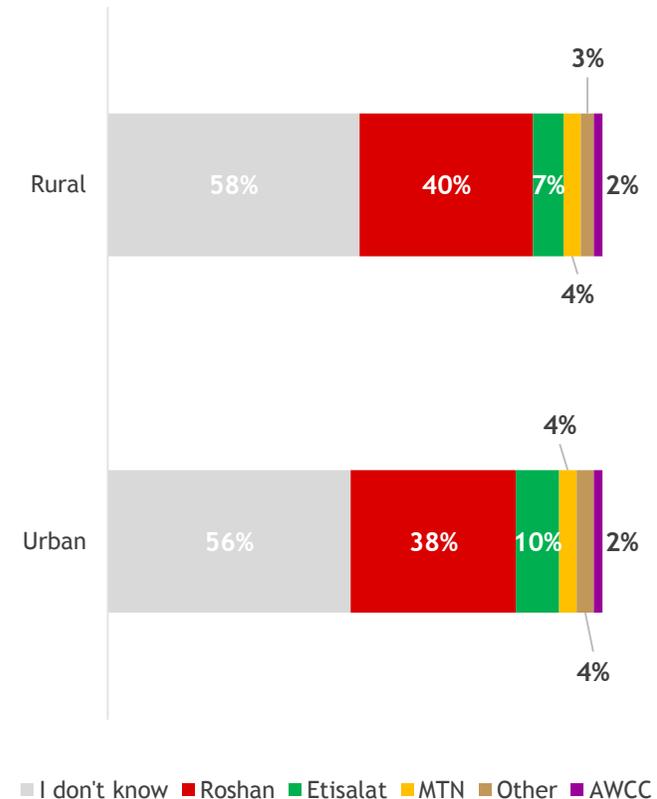
Which mobile operators offer Mobile Money? N=1,065 (Multiple Response)



Operators offering Mobile Money by gender N=1,065 (Multiple Response)



Operators offering Mobile Money by location N=1,065 (Multiple Response)



The participants interviewed were almost entirely unaware of any Mobile Money operators outside of M-Paisa (Roshan). Because Roshan is perceived as an expensive Afghan SIM by some, Mobile Money is associated with wealth and as a premium service

From the FGDs

“If others provided the service it would be very helpful, because we are shop keepers, we have customers coming to buy credit, and we could just send it to them by the phone. It would be most helpful if we can do this with every SIM and not just Roshan.”

Rafiullah, 45, Shop Keeper, Kabul

“It is helpful but it needs to be provided by other companies, not only Roshan. This way we can provide credit for phones other than Roshan.”

Javed, 48, Shop Keeper, Kabul

“Yes it is helpful, more than buying the credit card at the shop. However, it needs to be available with other services providers because none of us use Roshan.”

Mohammad Nader, 32, NGO Worker, Kabul

“I don’t think it will help me other than to buy credit on my phone but we cannot buy it on our SIMs because we can’t afford to use Roshan.”

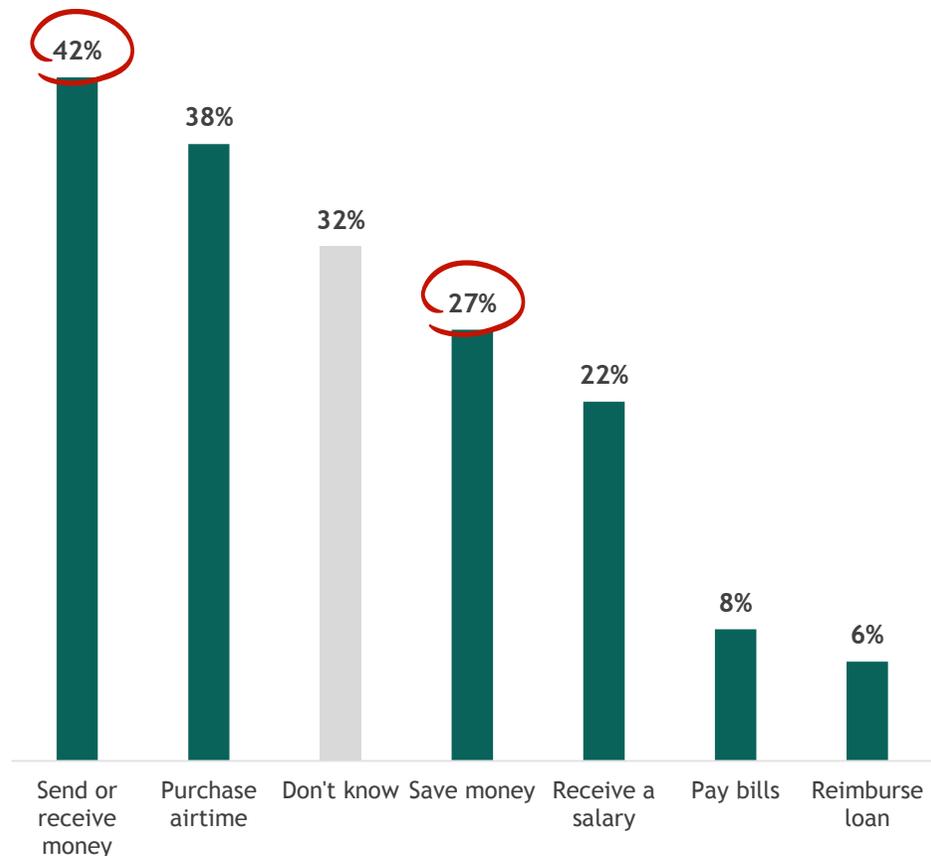
Zekria, 20, Laborer, Kabul

5. FINANCIAL SERVICES > PERCEPTIONS > MOBILE MONEY SERVICES

42% of respondents declare they can send and receive money and 38% state they can purchase airtime via Mobile Money. Nearly 30% understand it can be used as a means to save money

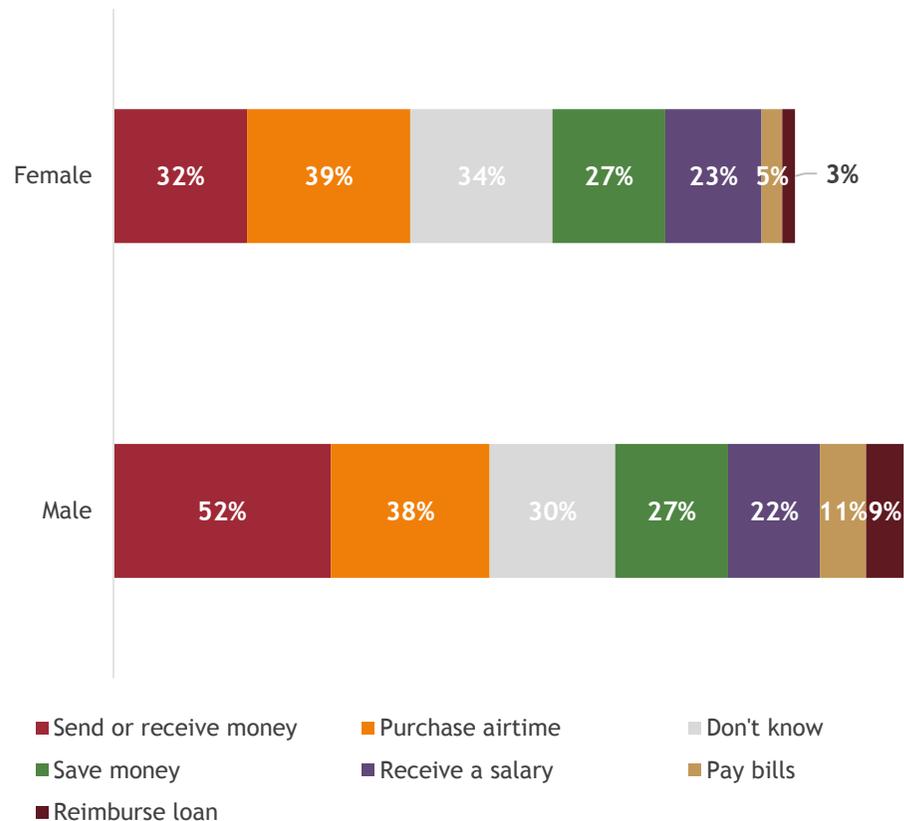
What can you do with Mobile Money services?

N=1,070 (Multiple Response)



Perceptions of Mobile Money services by gender

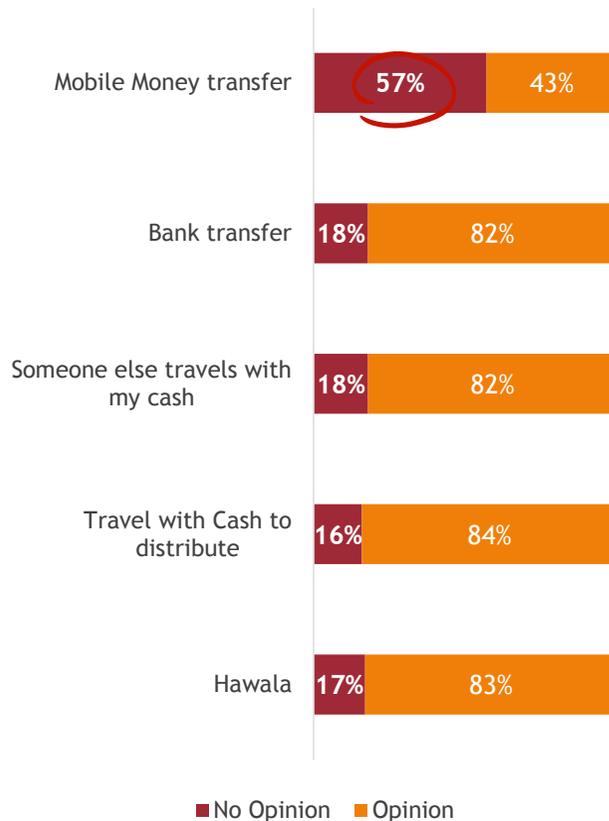
N=1,070 (Multiple Response)



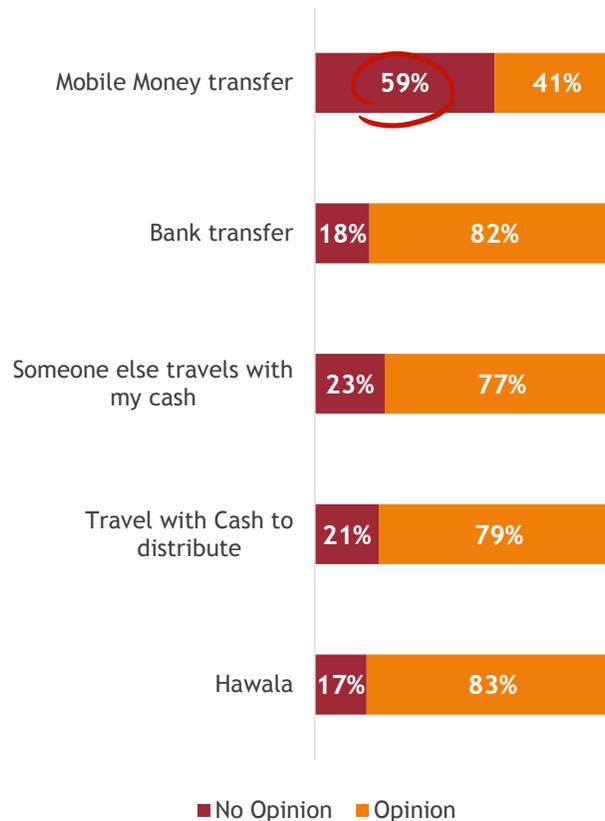
5. FINANCIAL SERVICES > PERCEPTIONS > RESPONDENTS WITH OPINIONS ON MONEY TRANSFER SOLUTIONS

In contrast to other money transfer solutions, the majority of respondents have no opinion on Mobile Money across a number of questions which highlights the low awareness on the service

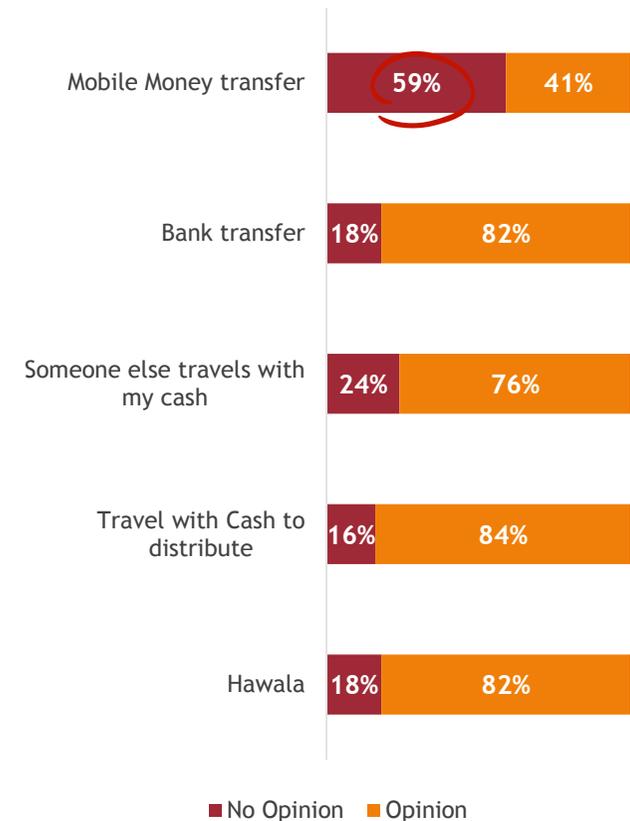
Money transfer solutions are good value for money N=1,006



Money transfer solutions are fast N=1,006



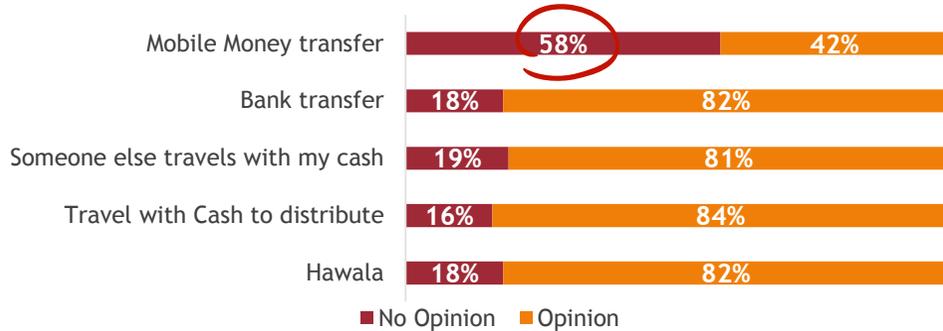
Money transfer solutions are easy to physically access N=1,002



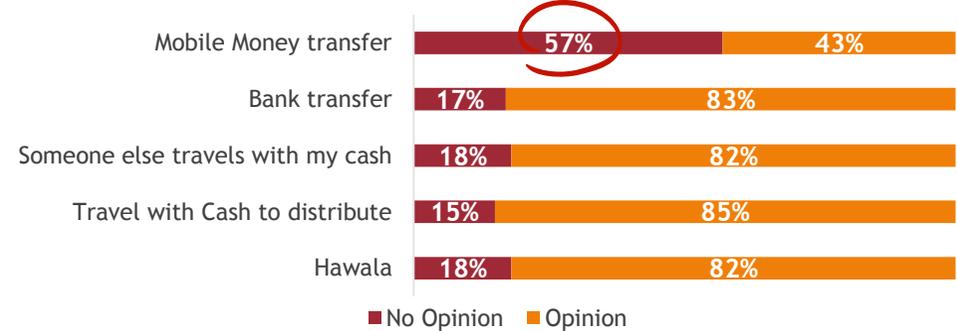
Note: The data represents the general perceptions of respondents regarding money transfer solutions across a number of questions. It does not necessarily mean that each individual respondent has used each transfer option, or any at all.

Respondents had little opinion on Mobile Money on any of the surveyed criteria

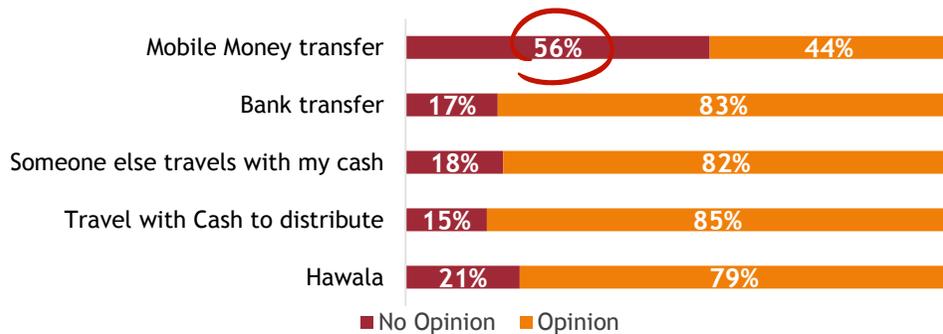
Money transfer solutions are safe in regards to physical safety
n=1,007



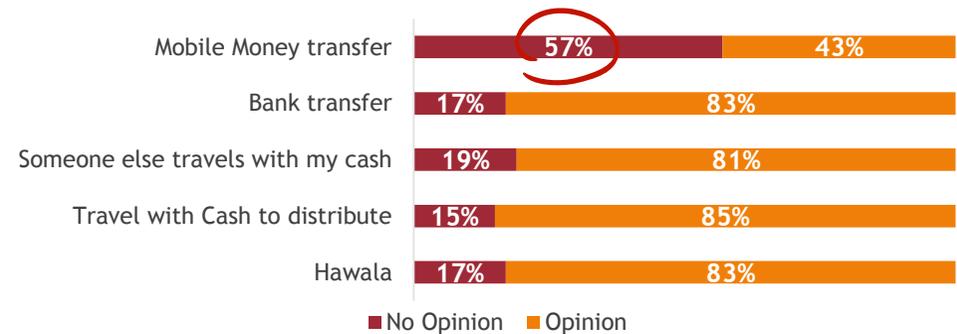
Money transfer solutions are safe in regards to money
n=1,003



Money transfer solutions are simple to use
N=1,005



Money transfer solutions are reliable
N=1,006



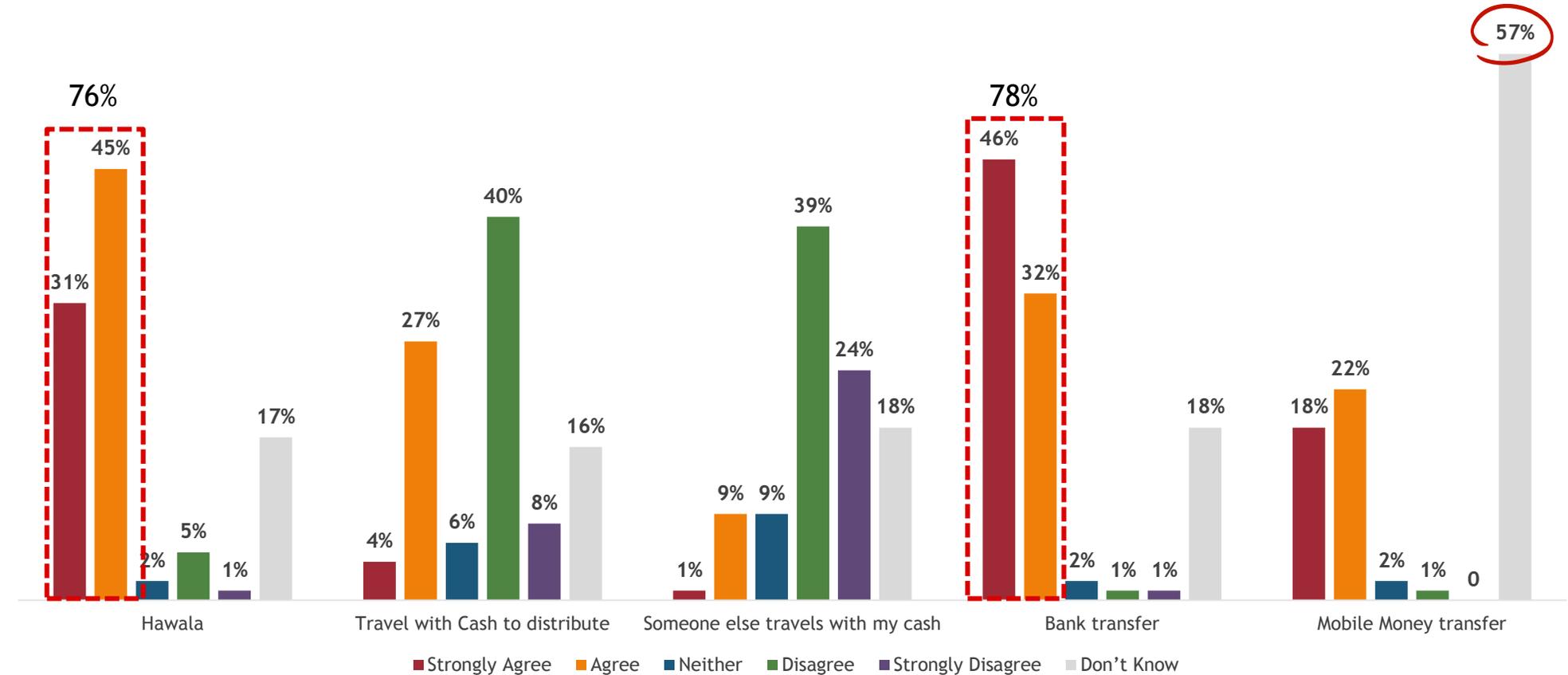
Note: The data represents the general perceptions of respondents regarding money transfer solutions across a number of questions. It does not necessarily mean that each individual respondent has used each transfer option, or any at all.

5. FINANCIAL SERVICES > PERCEPTIONS > MONEY TRANSFER SOLUTIONS ARE GOOD VALUE FOR MONEY?

Hawala (76%) and bank transfers (78%) are considered to be the best value for money. In contrast, 57% of respondents are unaware of Mobile Money and thus, are unsure of its value

Money transfer solutions are good value for money

N=1,006

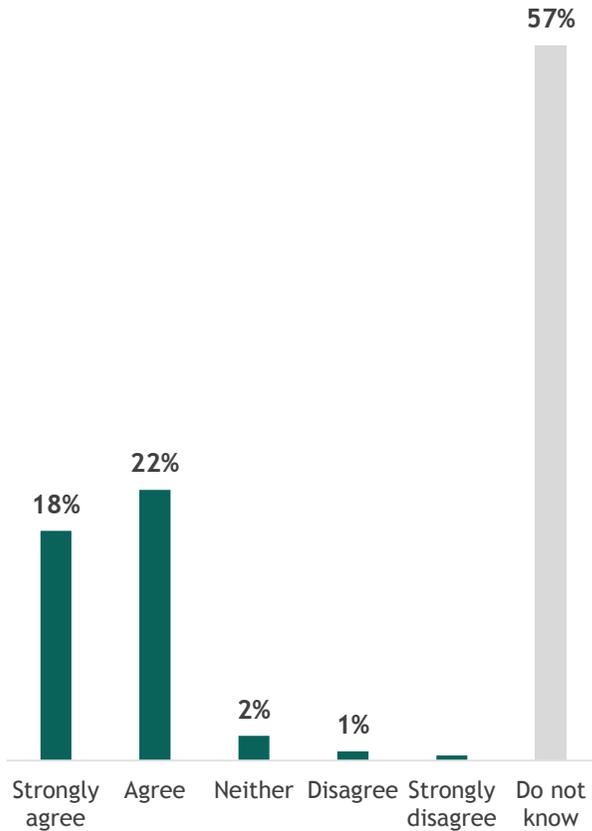


Note: The data represents the general perceptions of respondents regarding money transfer solutions. It does not necessarily mean that each individual respondent has used each transfer option, or any at all.

5. FINANCIAL SERVICES > PERCEPTIONS > ZOOM IN ON MOBILE MONEY TRANSFERS ARE GOOD VALUE FOR MONEY

57% of urban respondents agree that Mobile Money is good value for money in contrast to only 36% in rural areas

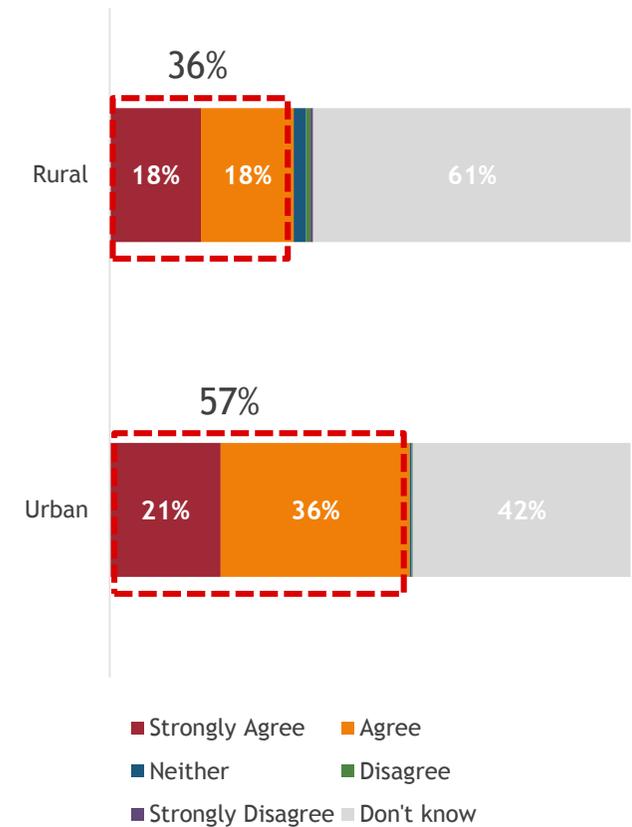
Mobile Money transfer options are good value for money N=1,006



Good value for money by gender N=1,006



Good value for money by location N=1,006



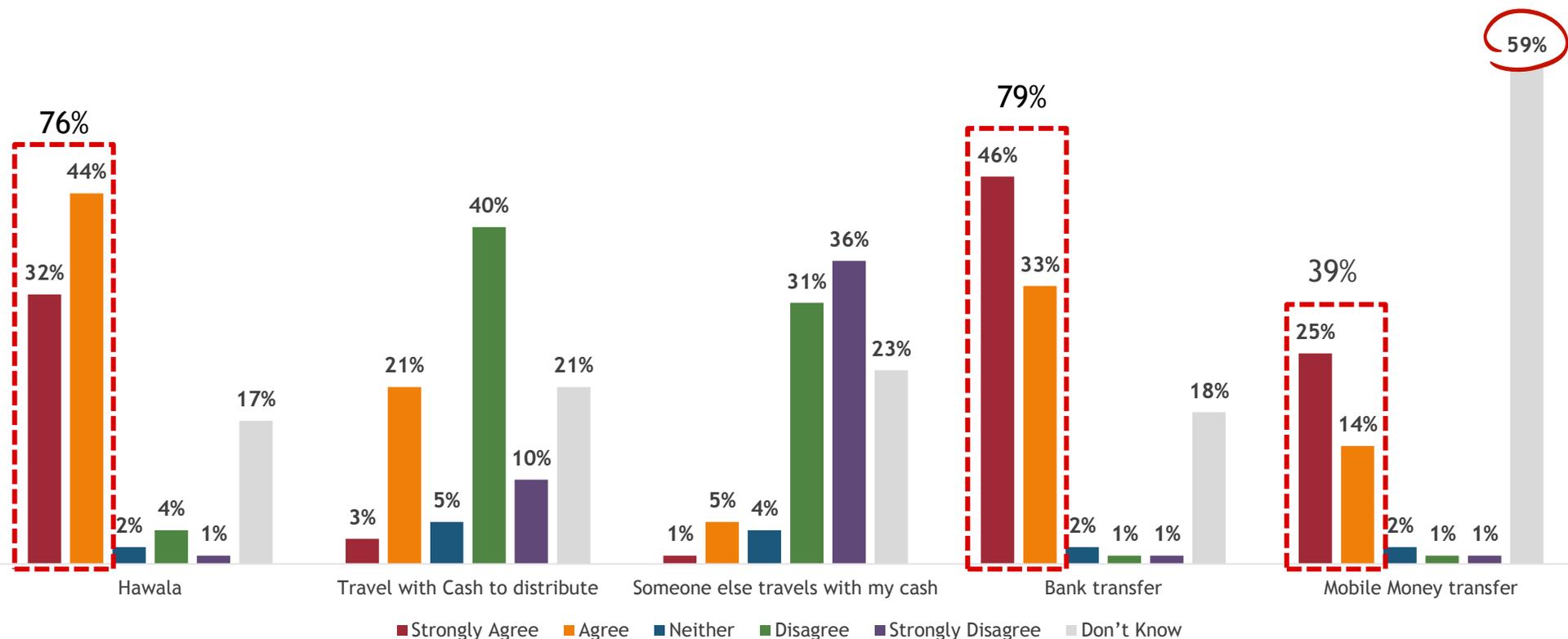
Note: The data represents the general perceptions of respondents regarding Mobile Money transfers. It does not mean that each individual respondent has used Mobile Money to transfer funds. Actual subscription among respondents for Mobile Money found within this survey is 5%.

5. FINANCIAL SERVICES > PERCEPTIONS > MONEY TRANSFER SOLUTIONS ARE FAST?

76% of respondents state Hawala and 79% state bank transfers are fast methods to transfer money. Nearly 40% believe Mobile Money is a fast way to transfer money, but 59% have no opinion

Money transfer solutions are fast

N=1,006



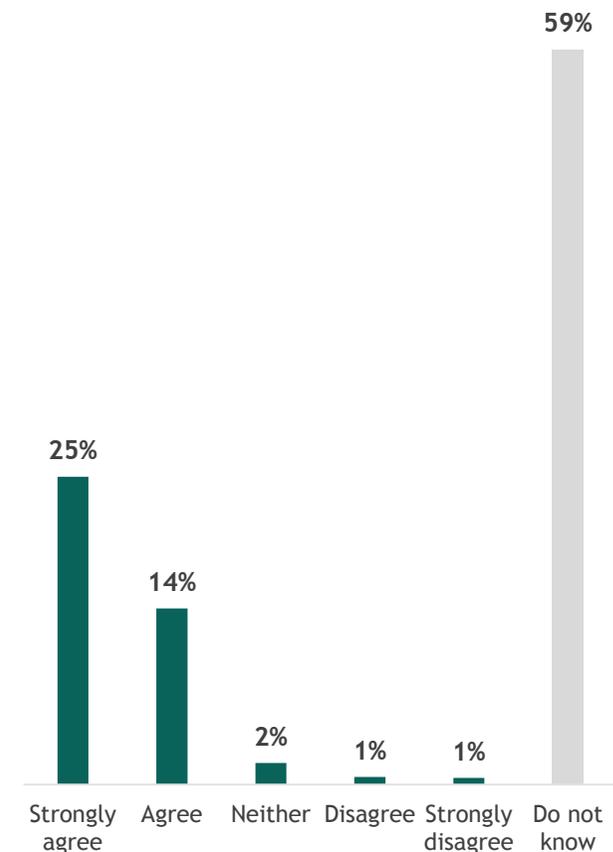
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5. FINANCIAL SERVICES > PERCEPTIONS > ZOOM IN ON MOBILE MONEY TRANSFER SPEED

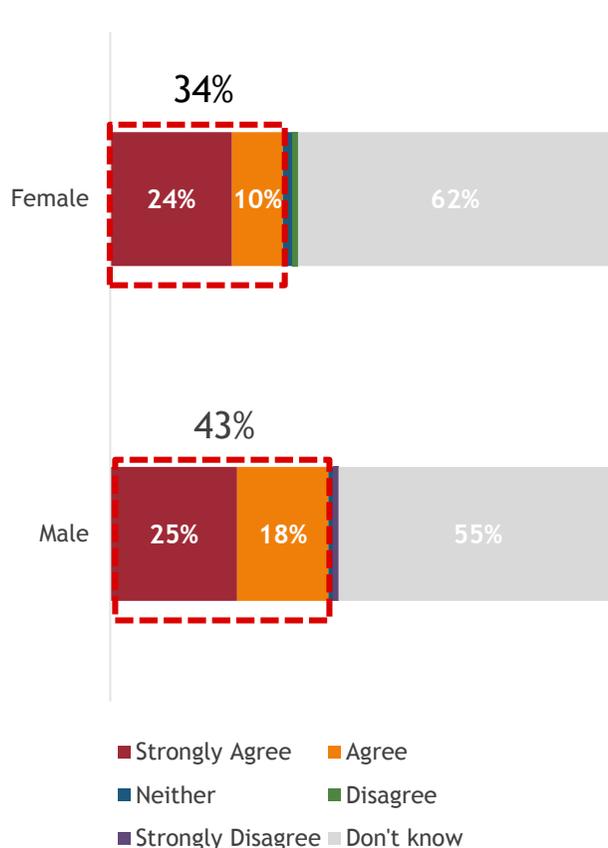
A high percentage of men (43%) and urban households (57%) agree that Mobile Money services are fast. In contrast fewer women (34%) and rural populations (33%) have the same belief

Mobile Money transfer options are fast

N=1,006



Mobile Money transfer options are fast by gender N=1,006



Mobile Money transfer options are fast by location N=1,006



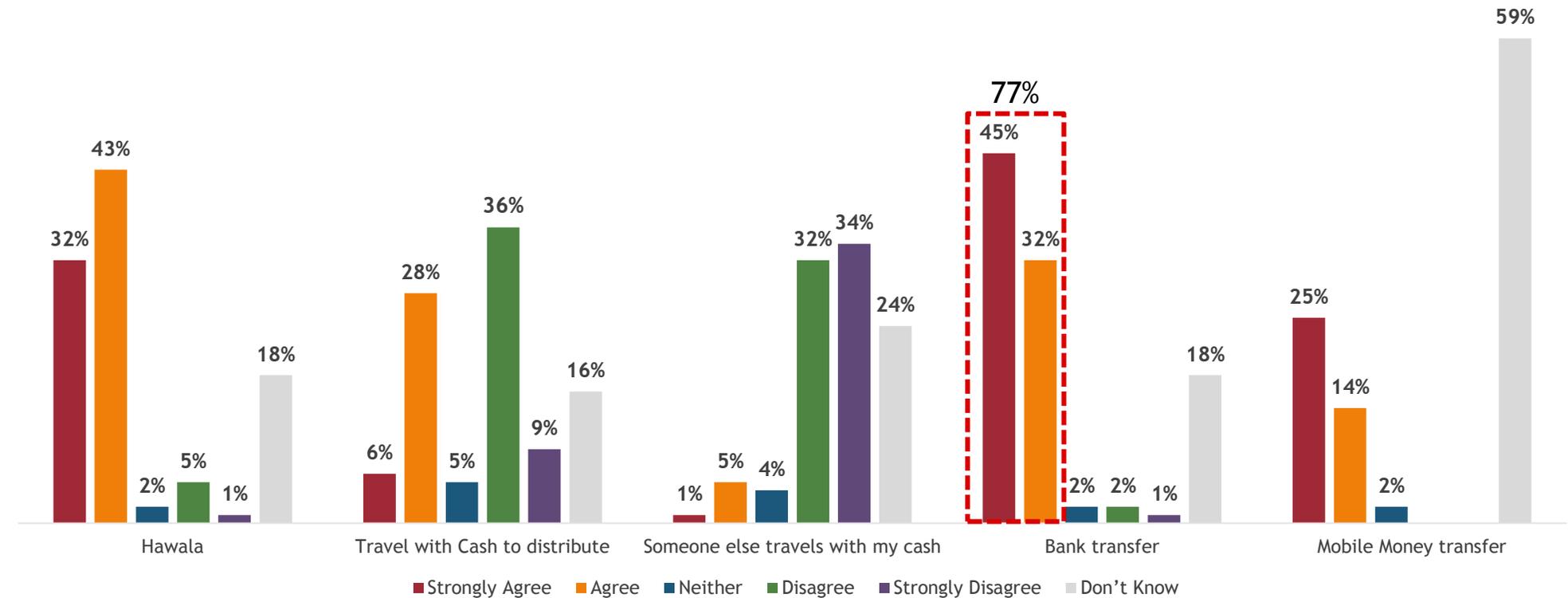
Note: The data represents the general perceptions of respondents regarding Mobile Money transfers. It does not mean that each individual respondent has used Mobile Money to transfer funds. Actual subscription among respondents for Mobile Money found within this survey is 5%.

5. FINANCIAL SERVICES > PERCEPTIONS > MONEY TRANSFER SOLUTIONS ARE EASY TO PHYSICALLY ACCESS?

77% of respondents agree to strongly agree that banks are easy to physically access. With growing branch networks, traditional banks are improving their access outside of big cities

Money transfer solutions are easy to physically access

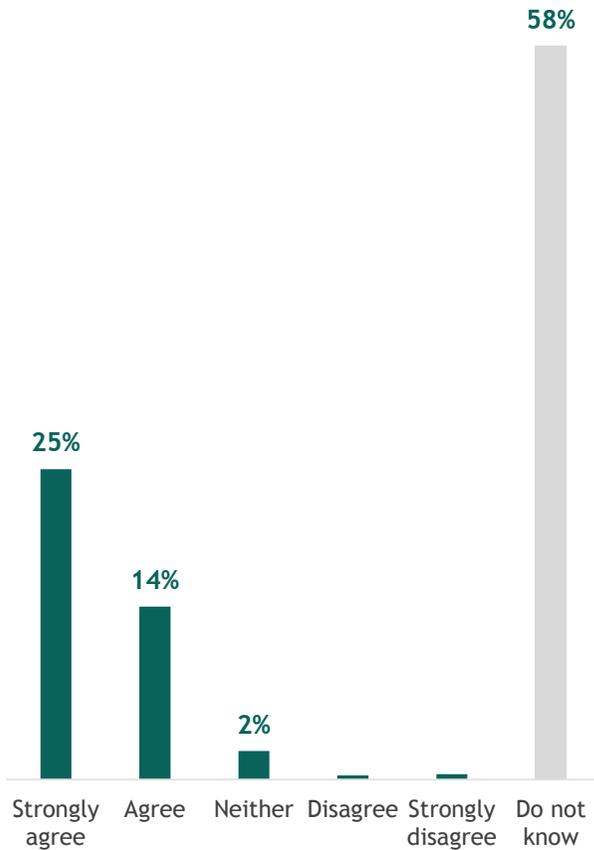
N=1,002



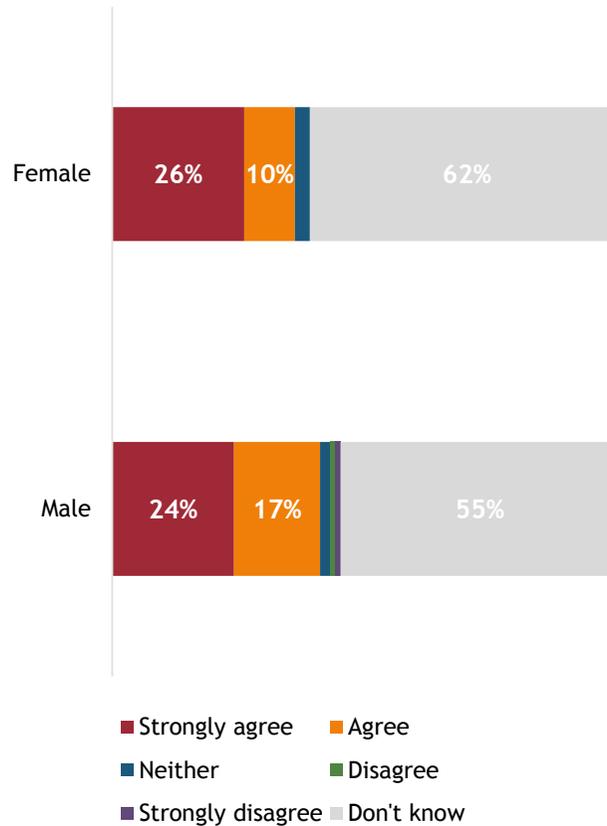
Note: The data represents the general perceptions of respondents regarding money transfer solutions. It does not necessarily mean that each individual respondent has used each transfer option, or any at all.

54% of urban respondents agree that Mobile Money agents are easy to access. However, in rural areas, only 34% agree

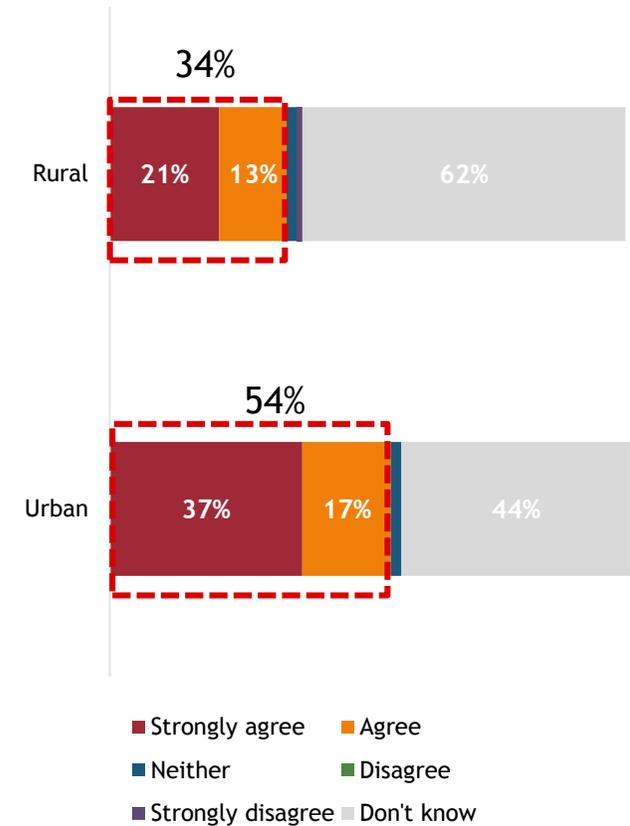
Mobile Money agents are easy to physically access N=1,002



Mobile Money agents are easy to physically access by gender N=1,002



Mobile Money agents are easy to physically access by location N=1,002



Note: The data represents the general perceptions of respondents regarding Mobile Money transfers. It does not mean that each individual respondent has used Mobile Money to transfer funds. Actual subscription among respondents for Mobile Money found within this survey is 5%.

5. FINANCIAL SERVICES > PERCEPTIONS > MONEY TRANSFER SOLUTIONS ARE SAFE IN REGARDS TO PHYSICAL SAFETY?

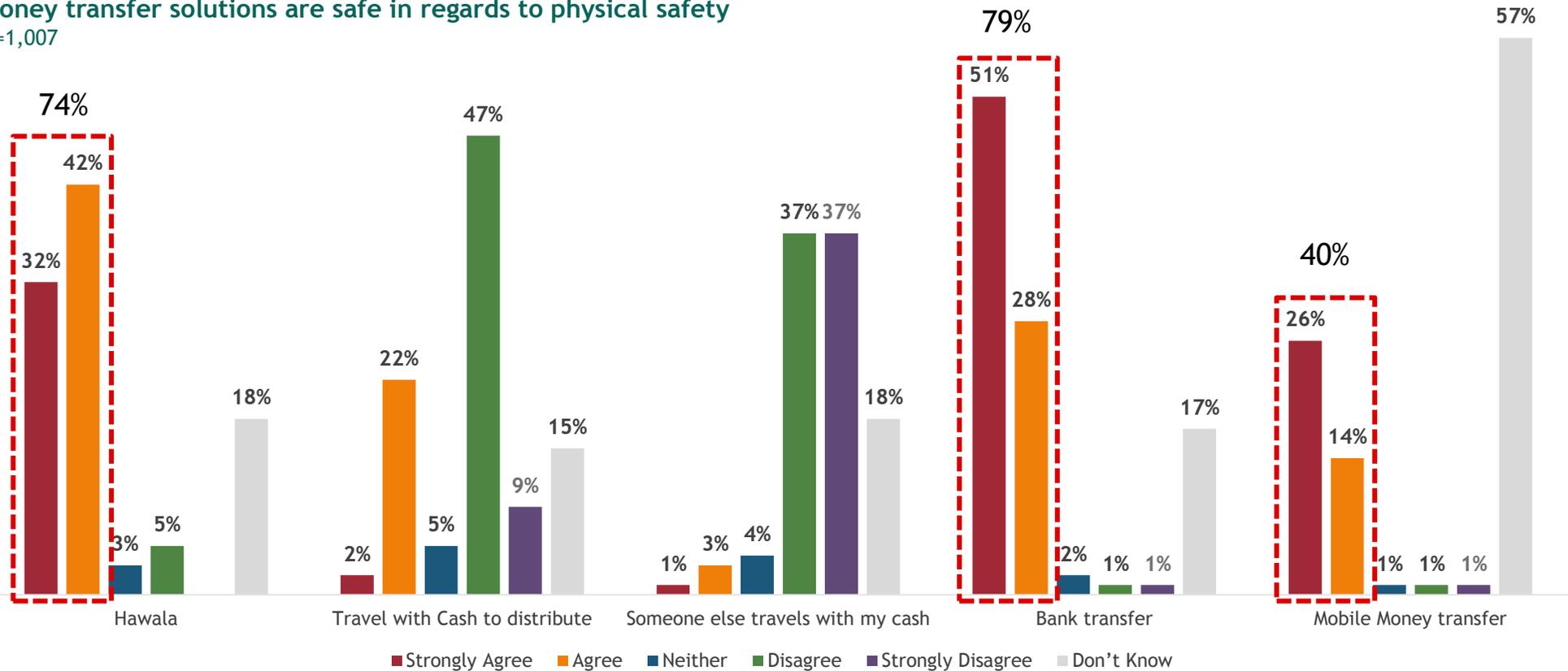
While 40% of respondents agree that Mobile Money transfers are safe in regards to their physical safety, a much higher percentage believe the same for Hawala and bank transfers

“Yes, it could be safe for us because we can buy airtime very easily without having to go to the shop at inconvenient times of the day.”

Fawad, 22, Student, Mazar-e-Sharif

Money transfer solutions are safe in regards to physical safety

N=1,007

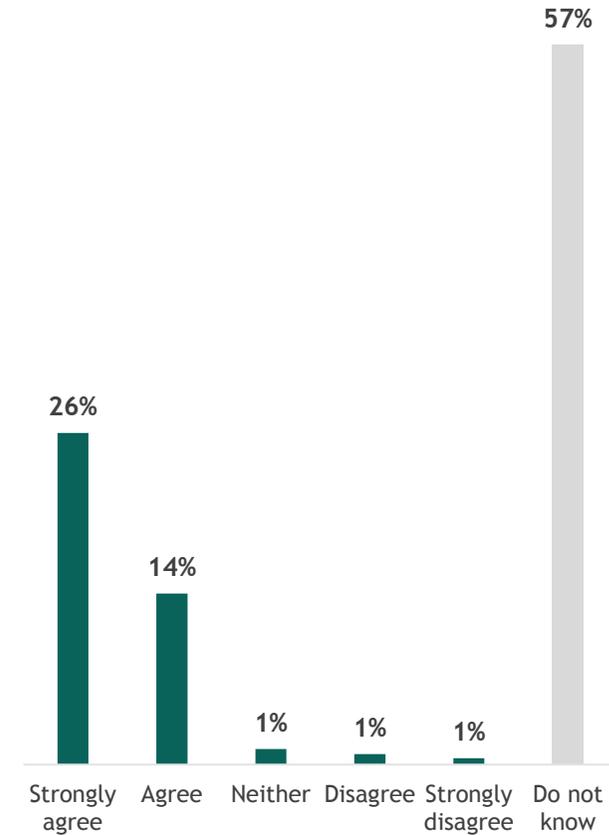


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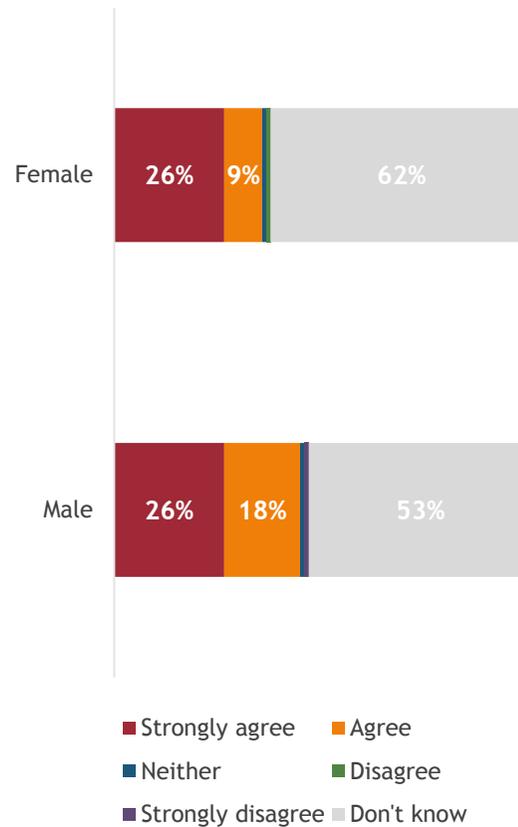
5. FINANCIAL SERVICES > PERCEPTIONS > ZOOM IN ON MOBILE MONEY TRANSFERS ARE SAFE IN REGARDS TO PHYSICAL SAFETY

A much higher percentage of urban households (58%) agree that Mobile Money is safe in regards to physical safety than rural households (35%)

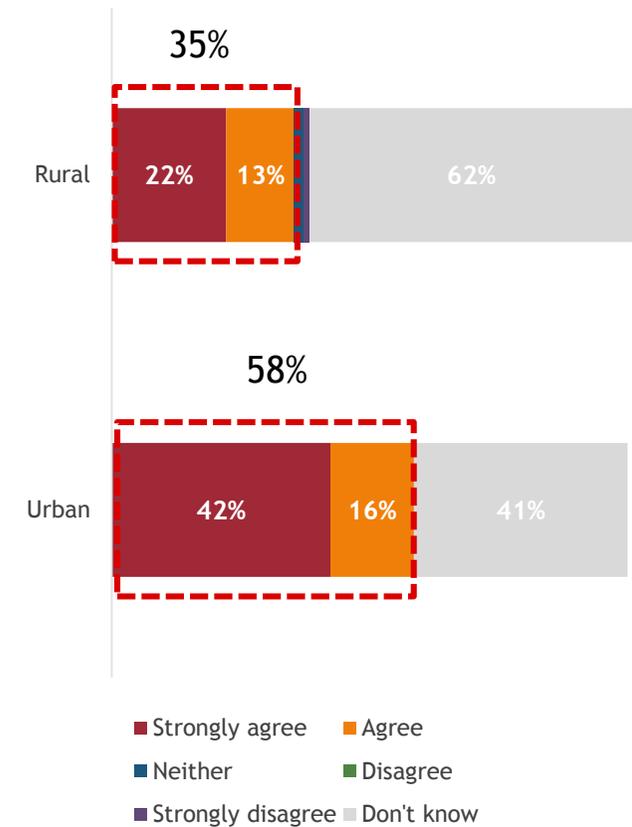
Mobile Money transfer options are safe
N=1,007



Mobile Money transfer options are safe
by gender N=1,007



Mobile Money transfer options are safe
by location N=1,007



Note: The data represents the general perceptions of respondents regarding Mobile Money transfers. It does not mean that each individual respondent has used Mobile Money to transfer funds. Actual subscription among respondents for Mobile Money found within this survey is 5%.

5. FINANCIAL SERVICES > PERCEPTIONS > MONEY TRANSFER SOLUTIONS ARE SAFE IN REGARDS TO YOUR MONEY?

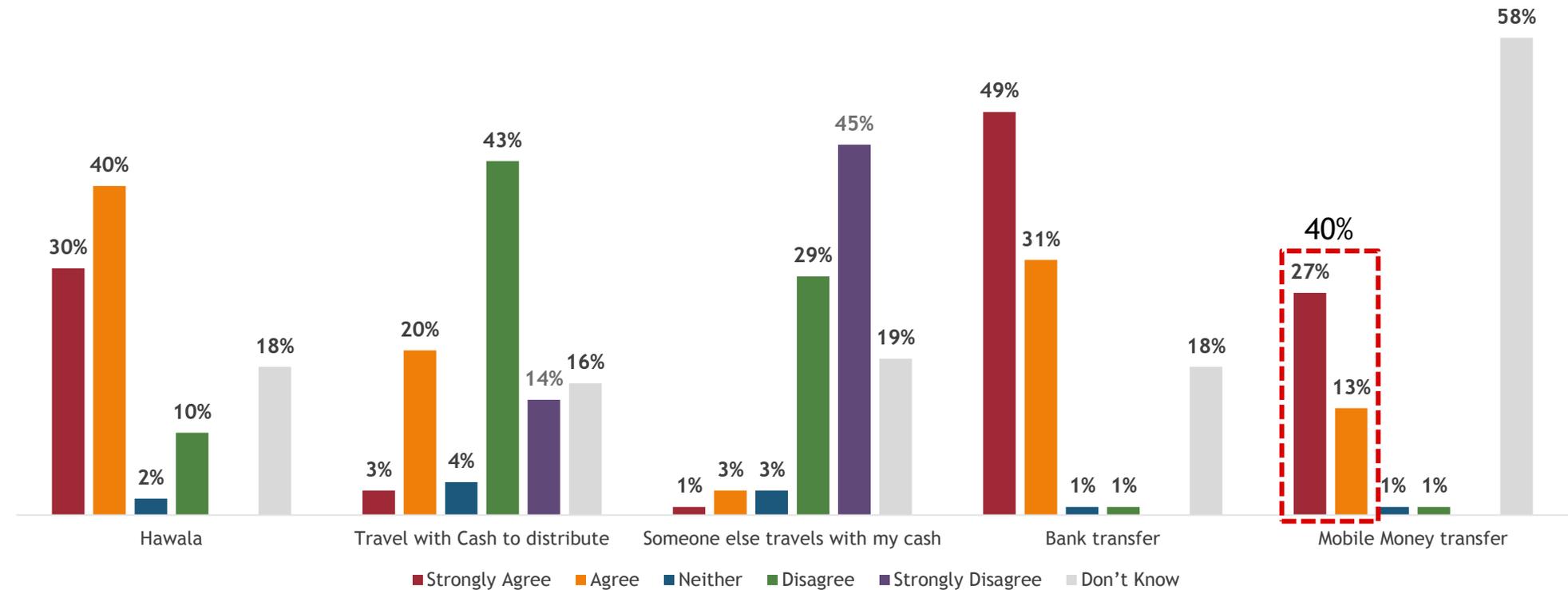
40% believe Mobile Money would keep their money safe, largely because of positive associations Afghans have with MNOs

“Yes, I trust them (MNOs). There is no bribery, robbery, corruption (like banks). I trust mobile agents because they are official. Now that I know about it, Mobile Money is a safe place for my money”

Khyber, 35, Government Worker, Jalalabad

Money transfer solutions are safe in regards to your money

N=1,003

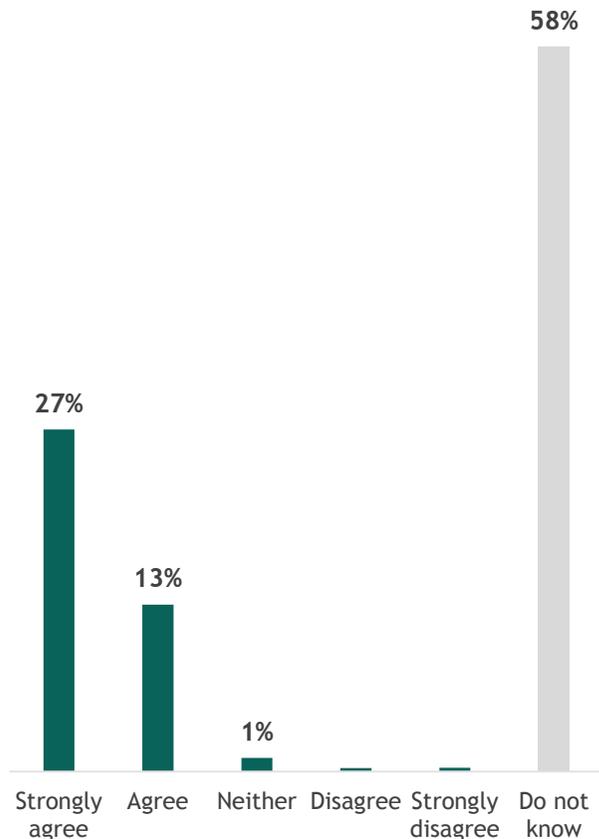


Note: The data represents the general perceptions of respondents regarding money transfer solutions. It does not necessarily mean that each individual respondent has used each transfer option, or any at all.

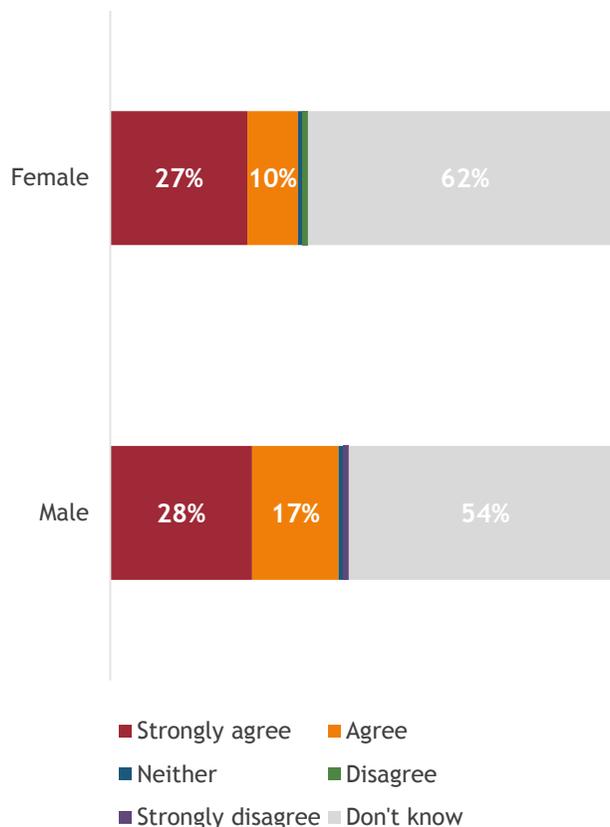
5. FINANCIAL SERVICES > PERCEPTIONS > ZOOM IN ON MOBILE MONEY TRANSFERS SAFETY IN REGARDS TO MONEY

Urban households tend to have a higher positive perception of Mobile Money than rural households. 58% of urban respondents agree their money would be safe, as opposed to only 36% of rural households

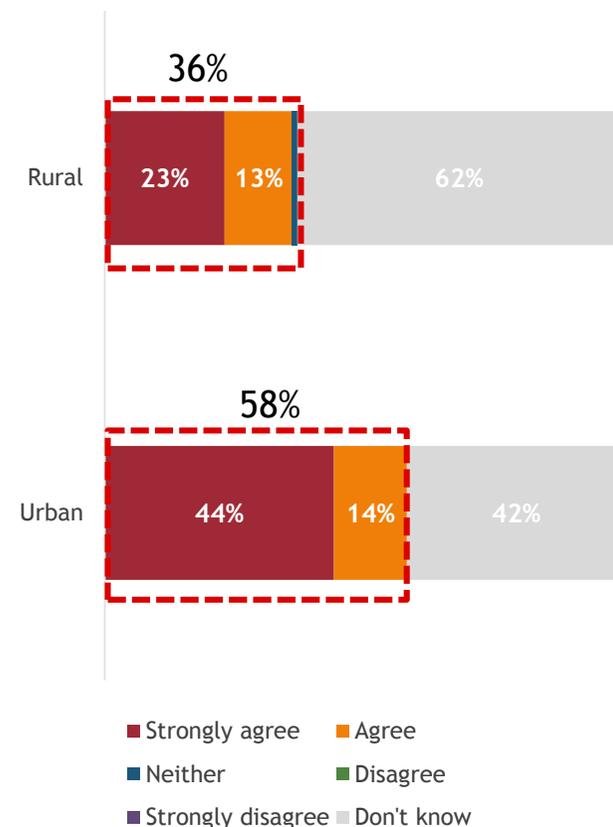
Mobile Money transfer options are safe in regards to your money N=1,003



Mobile Money transfer options are safe in regards to your money by gender N=1,003



Mobile Money transfer options are safe in regards to your money by location N=1,003



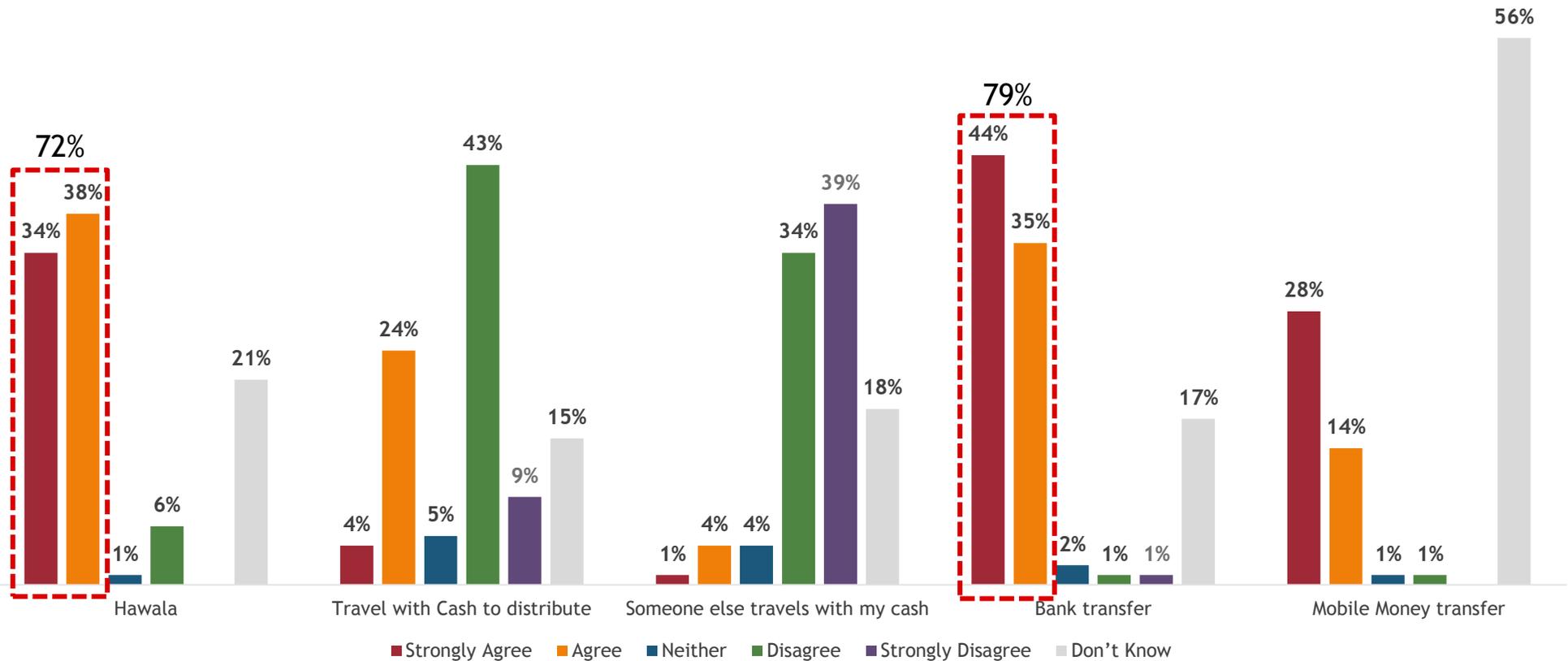
Note: The data represents the general perceptions of respondents regarding Mobile Money transfers. It does not mean that each individual respondent has used Mobile Money to transfer funds. Actual subscription among respondents for Mobile Money found within this survey is 5%.

5. FINANCIAL SERVICES > PERCEPTIONS > MONEY TRANSFER SOLUTIONS ARE SIMPLE TO USE?

A strong majority of respondents believe Hawala (72%) and bank transfers (79%) are easy to use

Money transfer solutions are simple to use

N=1,005

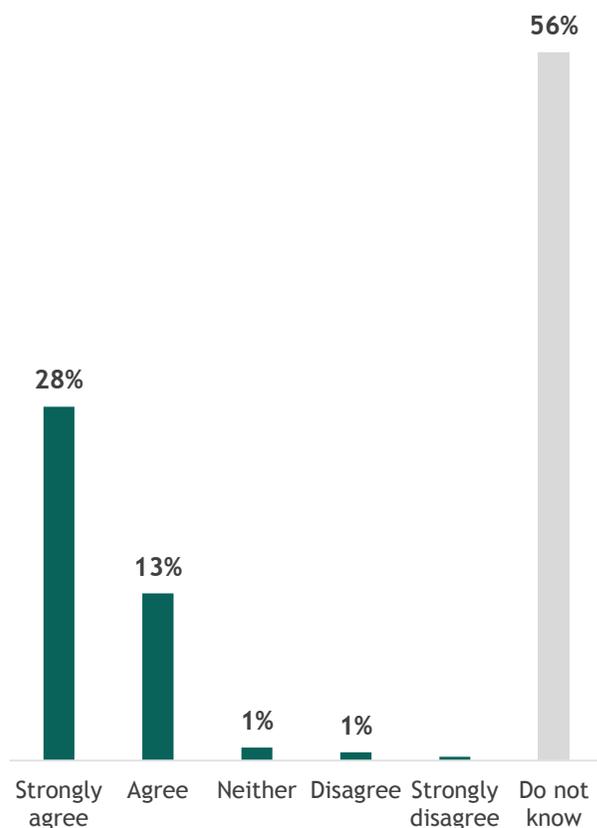


Note: The data represents the general perceptions of respondents regarding money transfer solutions. It does not necessarily mean that each individual respondent has used each transfer option, or any at all.

5. FINANCIAL SERVICES > PERCEPTIONS > ZOOM IN ON MOBILE MONEY TRANSFER SIMPLICITY

Nearly 60% of urban respondents believe that Mobile Money is simple to use. In contrast to only 36% of rural households. Perceptions among men are slightly more positive than women

Mobile Money transfer options are simple to use N=1,005



Mobile Money transfer options are simple to use by gender N=1,005



Mobile Money transfer options are simple to use by location N=1,005



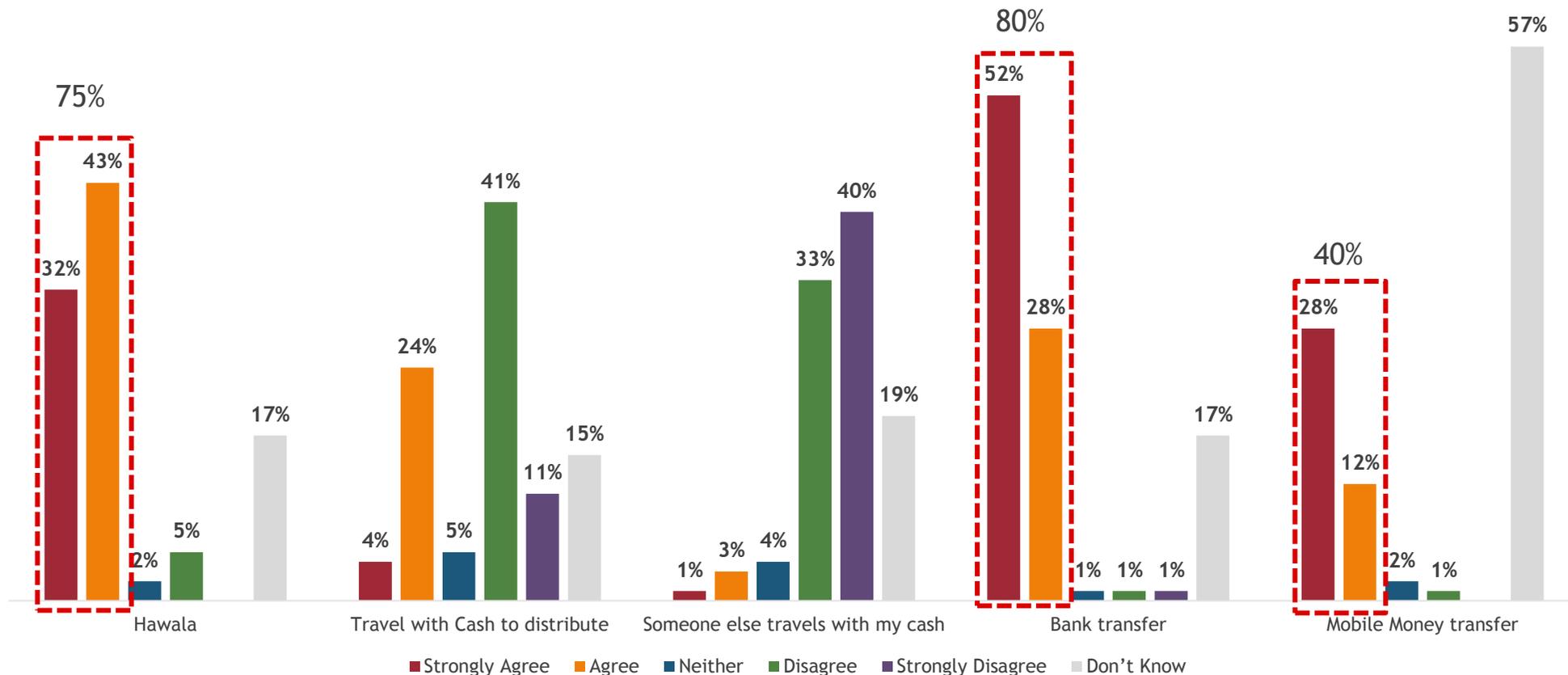
Note: The data represents the general perceptions of respondents regarding Mobile Money transfers. It does not mean that each individual respondent has used Mobile Money to transfer funds. Actual subscription among respondents for Mobile Money found within this survey is 5%.

5. FINANCIAL SERVICES > PERCEPTIONS > MONEY TRANSFER SOLUTIONS ARE RELIABLE?

80% of respondents believe bank transfers are reliable, 5% higher than Hawala, and double that of Mobile Money

Money transfer solutions are reliable

N=1,006

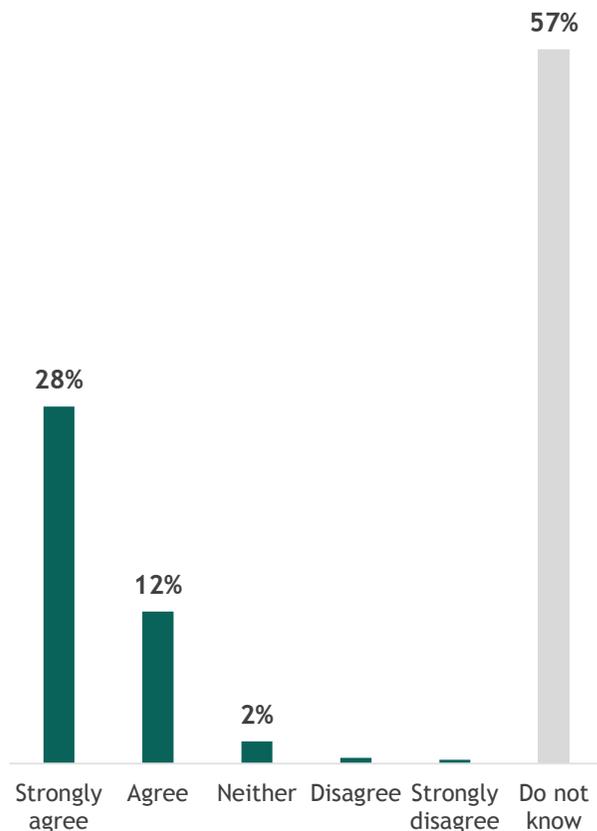


Note: The data represents the general perceptions of respondents regarding money transfer solutions. It does not necessarily mean that each individual respondent has used each transfer option, or any at all.

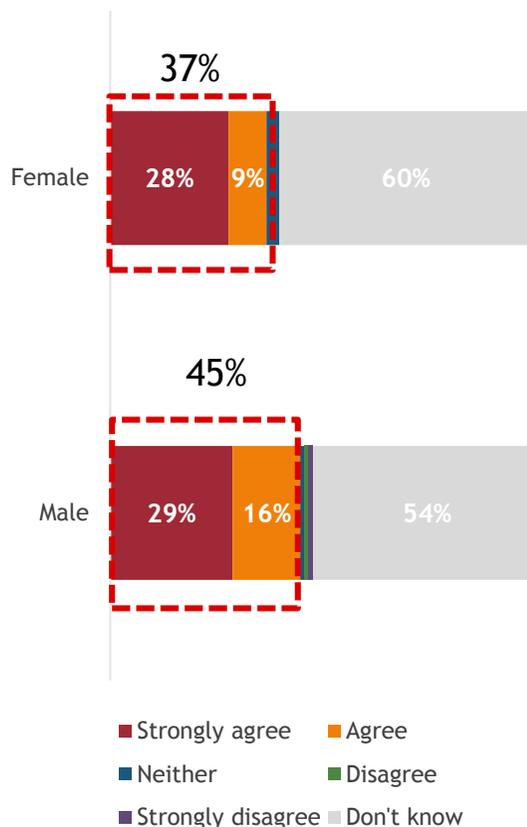
5. FINANCIAL SERVICES > PERCEPTIONS > ZOOM IN ON MOBILE MONEY TRANSFER RELIABILITY

Nearly 60% of urbanites agree that Mobile Money is reliable, while only 36% of rural respondents agree. Men have a more positive perception of Mobile Money than women

Mobile Money transfer options are reliable N=1,006



Mobile Money transfer options are reliable by gender N=1,006



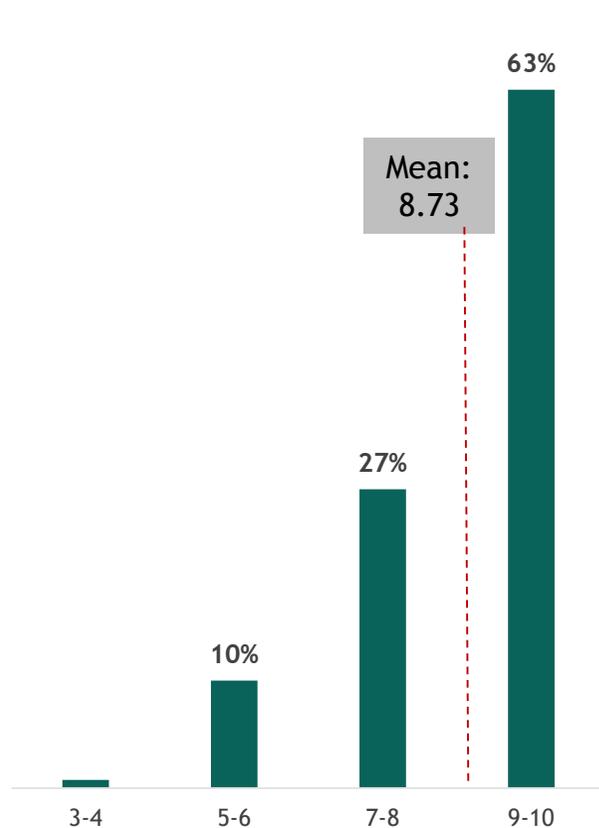
Mobile Money transfer options are reliable by location N=1,006



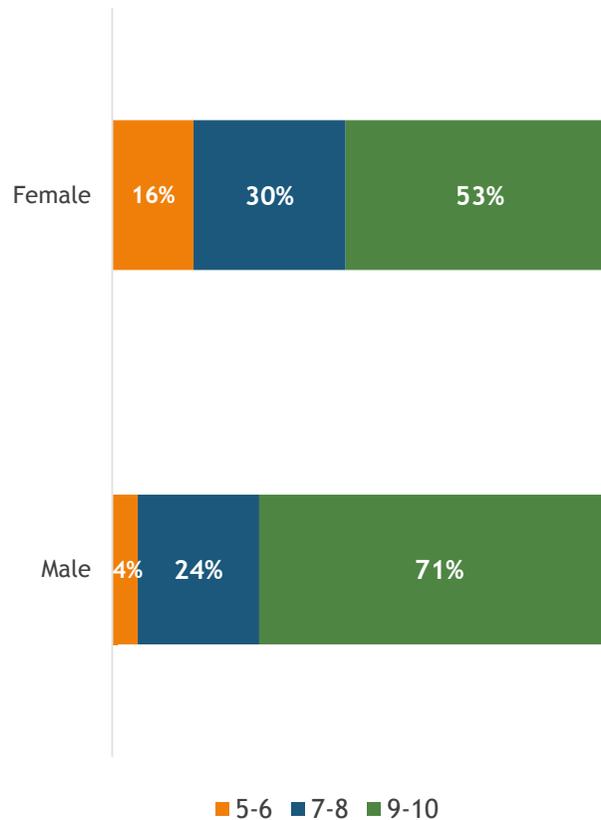
Note: The data represents the general perceptions of respondents regarding Mobile Money transfers. It does not mean that each individual respondent has used Mobile Money to transfer funds. Actual subscription among respondents for Mobile Money found within this survey is 5%.

Transparency of the money transfer process is very important to Afghans, as the average score is nearly 9

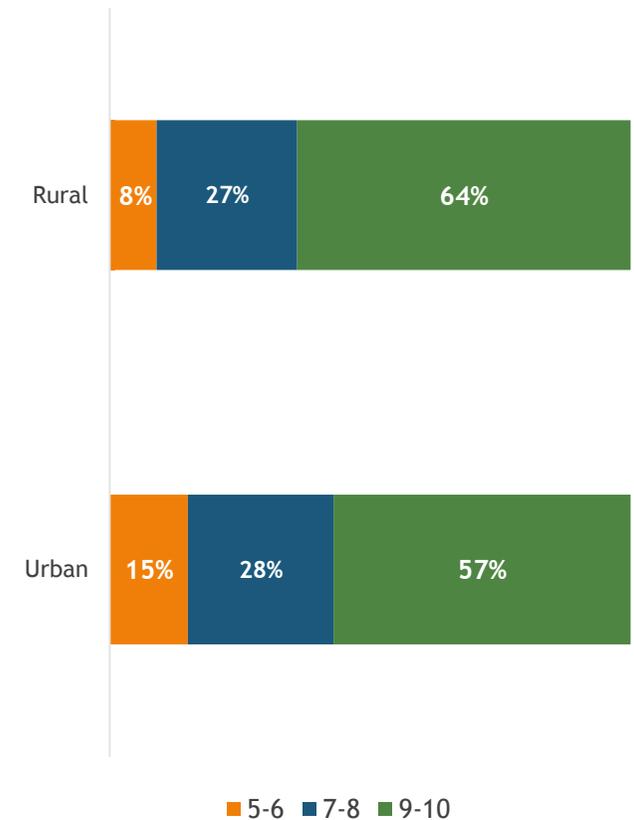
From 1-10, how important is the transparency of your money transfer?
N=859



Importance of transparency by gender
N=859



Importance of transparency by location
N=859



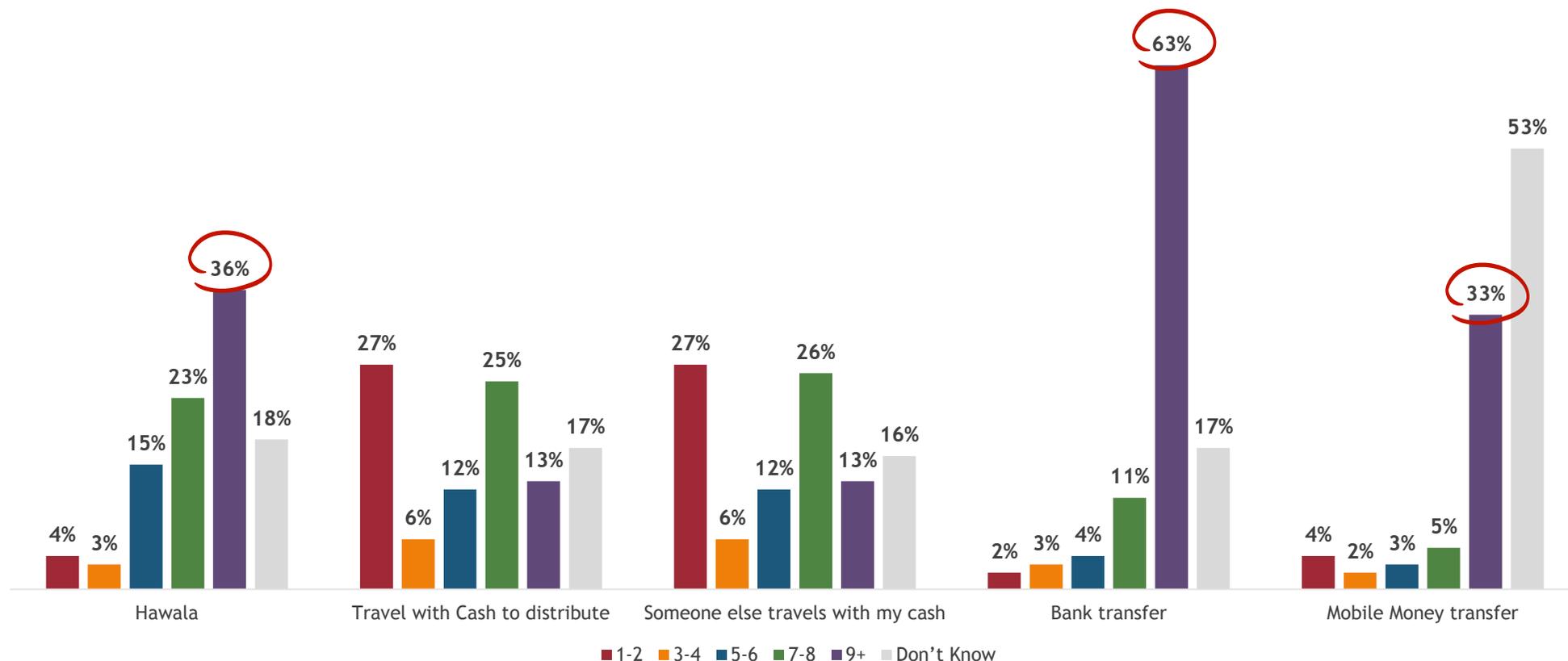
Note: Respondents were asked to rate how important transparency of the money transfer process is from 1 (unimportant) to 10 (very important).

Note: The data represents the general perceptions of respondents regarding money transfer solutions. It does not necessarily mean that each individual respondent has used each transfer option, or any at all.

5. FINANCIAL SERVICES > PERCEPTIONS > PERCEPTIONS OF TRANSPARENCY OF EACH METHOD

63% of respondents strongly believe that the bank transfer process is transparent. The figure is much higher than perceptions of Hawala and Mobile Money in the same category

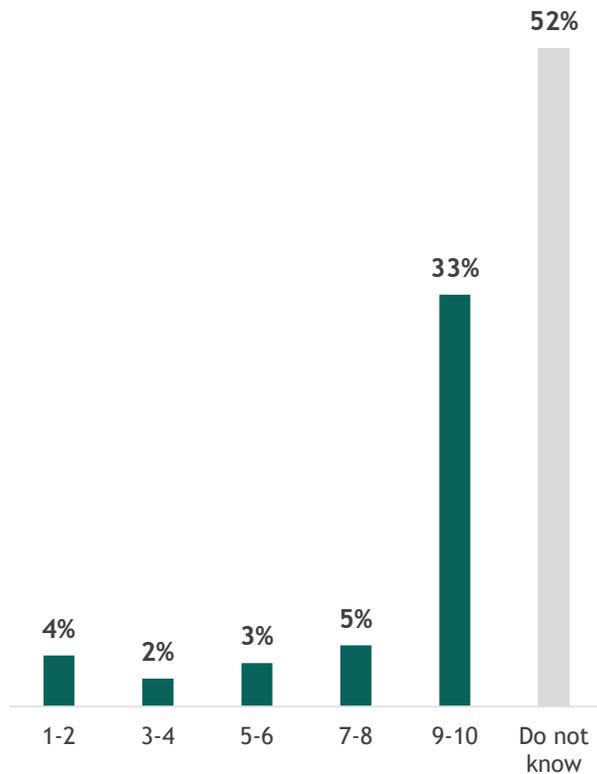
On a scale from 1 to 10, 1 being completely lacking transparency and 10 being completely transparent, how would you rate the following services? N=998



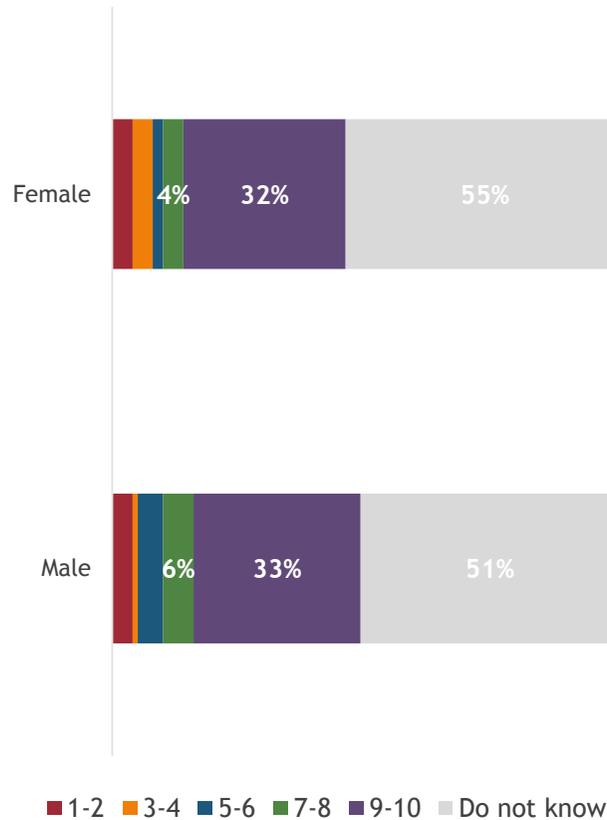
Note: The data represents the general perceptions of respondents regarding money transfer solutions. It does not necessarily mean that each individual respondent has used each transfer option, or any at all.

Nearly half of urban respondents perceive Mobile Money to be very transparent, in comparison to only 28% of rural respondents

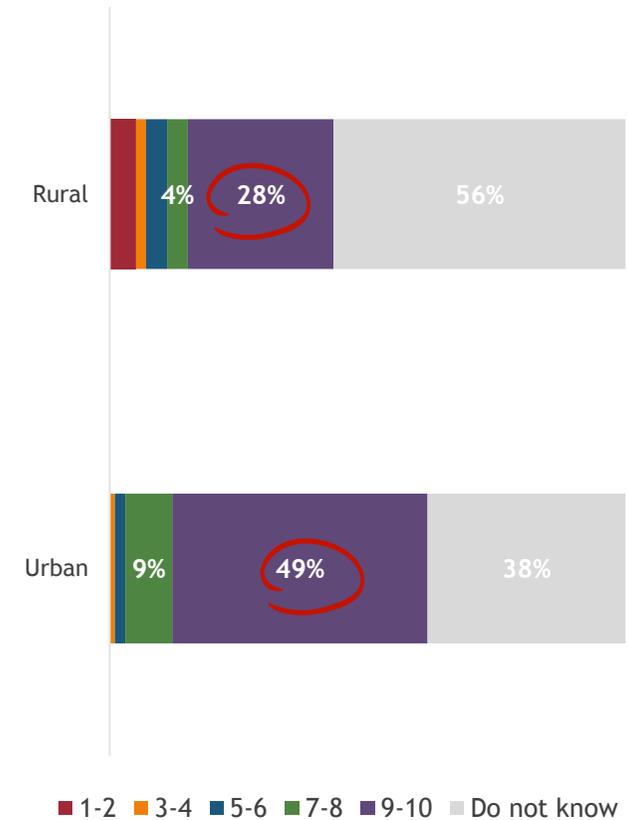
From 1-10, how would you rate the transparency of Mobile Money? N=998



Importance of transparency by gender N=998



Importance of transparency by location N=998



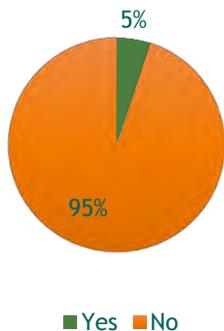
Note: On a scale from 1 to 10, 1 being completely lacking transparency and 10 being completely transparent, how would you rate the following services?
 Note: Note: The data represents the general perceptions of respondents regarding Mobile Money transfers. It does not mean that each individual respondent has used Mobile Money to transfer funds. Actual subscription among respondents for Mobile Money found within this survey is 5%.

1. Project Purpose & Objectives
2. Methodology
3. Key Socio-Demographics
4. General Mobile Usage
5. Financial Services
- 6. Mobile Money Users**
 - Behaviors
 - Perceptions
7. Mobile Money Non-Users
8. Businesses
9. Key Findings and Recommendations

5% of respondents state they have subscribed to Mobile Money. The breakdown by gender and location is similar to the overall picture

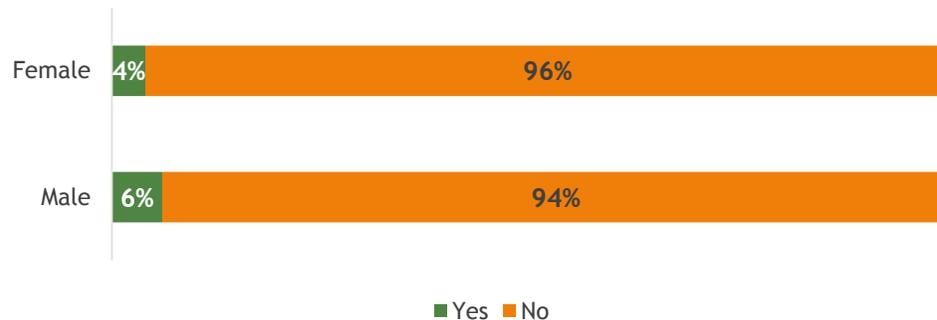
Have you subscribed to a Mobile Money service?

N=1,069



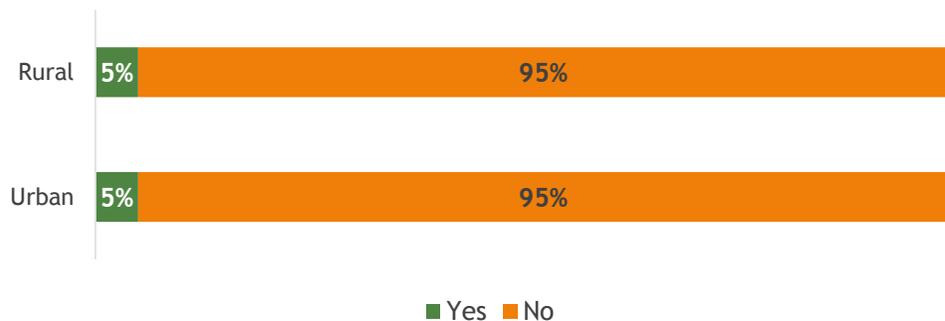
Mobile Money subscription by gender

N=1,069



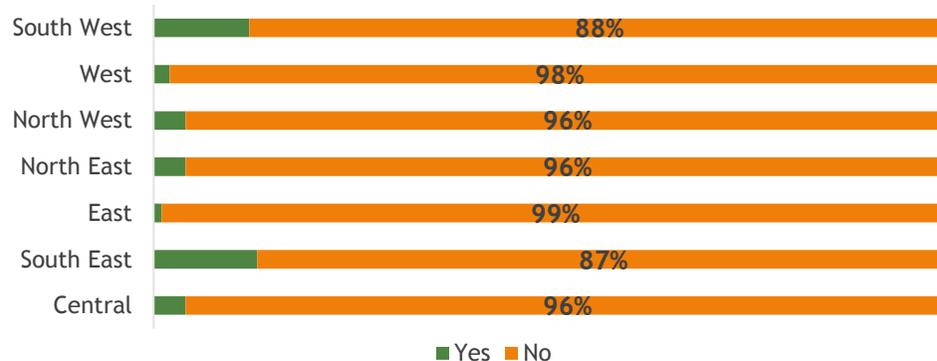
Mobile Money subscription by location

N=1,069



Mobile Money subscription by region

N=1,069



Mobile Money users represent only a total of 48 individuals in the survey. As such, distribution by region should be considered indicative only

6. MOBILE MONEY USERS > USER PROFILE

A typical Afghan Mobile Money user was forced to join by their employer, does not store money in his/her account, uses the services infrequently, and is unaware of all services available to him/her

My employer forced me to join

"I subscribed 6 months ago, when I got my job. I had to join otherwise I wouldn't be able to get paid".

Hamzah, 26, Veterinarian, Jalalabad

I collect my salary once a month

"I have used Mobile Money 5 times, just for my salary. I would prefer to receive cash from the project, but I do not have a choice"

Mohammad Ehsan, 48, Civil Servant, Kabul

I do not save money in my account

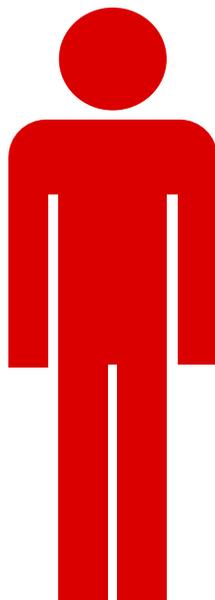
"When I receive my salary, I withdraw all of the money right away. I do not like to pay the withdrawal fees. Also, I need my money as I am too poor to save money"

Naema, 30, Teacher, Kabul

I did not know I could do that!

"I knew I could send and receive money, purchase airtime without visiting a shop, and collect my salary, but I didn't know I could pay my bills. How can I do this?"

Amruddin Sediqi, 40, Civil Servant, Kabul



No clear demographic

Mobile Money users include lower income to middle income Afghans, men and women, young and old. Some are banked and some are unbanked. What ties all of these individuals together is their employers prefer to pay them via Mobile Money

Infrequent use of services and lack of awareness

Mobile Money users in Afghanistan rarely use the services available to them. Typically a user will cash-out once a month to collect his/her salary. Moreover, most users were unable to state all of the mobile money services offered by MNOs

Prefer cash and do not store money

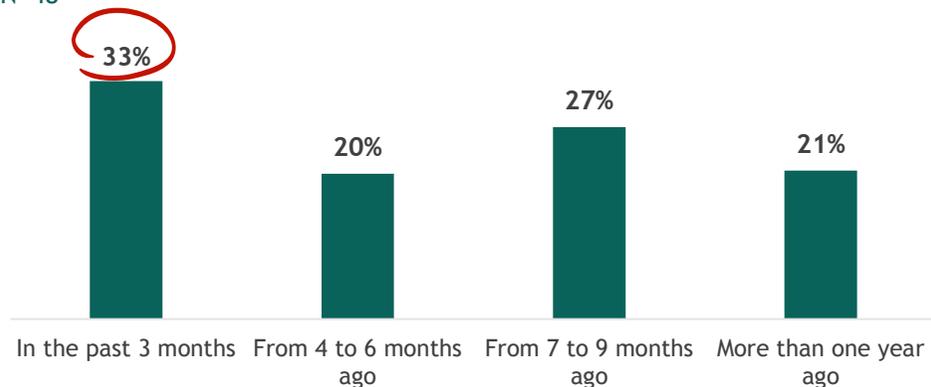
Mobile Money users would prefer to receive cash if they had a choice. Moreover, almost all withdraw all of their money at once to avoid withdrawal fees and more importantly, because they need their salary to cover costs

6. MOBILE MONEY USERS > BEHAVIORS > TIMELINE OF SUBSCRIPTION

33% of Mobile Money users subscribed in the past 3 months, including 40% of rural subscribers and 6% of urban subscribers. However, FGD participants suggest that subscription was not dictated by their interest in Mobile Money, but rather it was forced upon them by employers

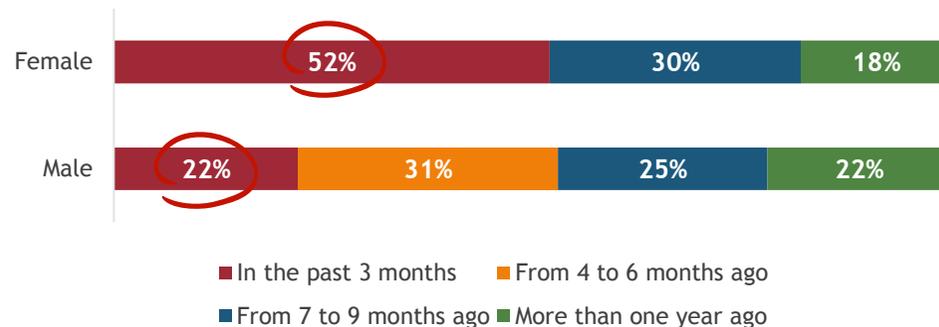
When did you subscribe to the service?

N=48



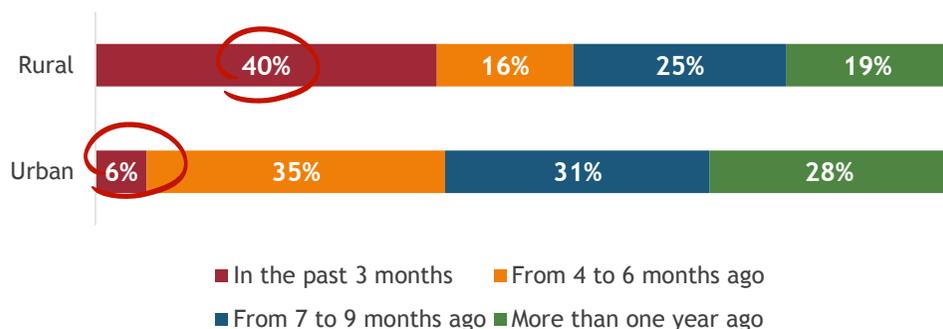
Timeline of subscription by gender

N=48



Timeline of subscription by location

N=48



From the FGDs

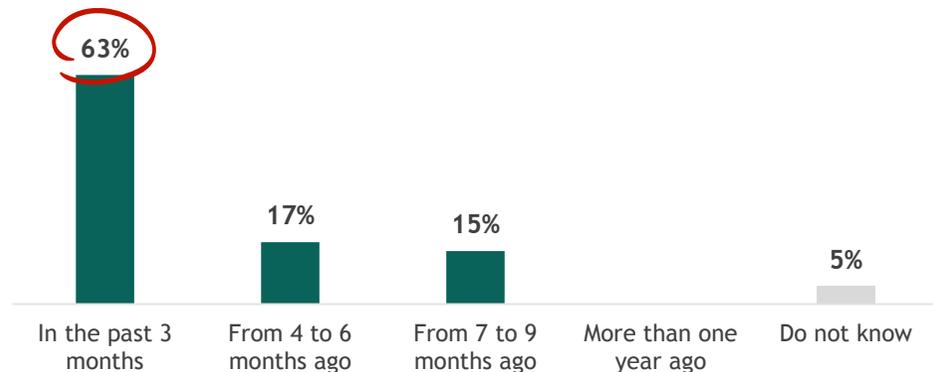
FGD participants suggest that their timeline for subscription was not dictated by their interest in Mobile Money, but rather it was “forced” upon them by employers who would prefer to pay their staff via Mobile Money. As such, the timeline of the user is not as important as the timeline of the organization that decided to use the service

6. MOBILE MONEY USERS > BEHAVIORS > WHEN DID YOU USE THE SERVICE FOR THE LAST TIME?

63% of Mobile Money users have used the service in the past 3 months. Nearly 80% of female users, and more than 70% of rural users have used Mobile Money services in the past 3 months. FGD participants typically use the service once a month to withdraw their salary

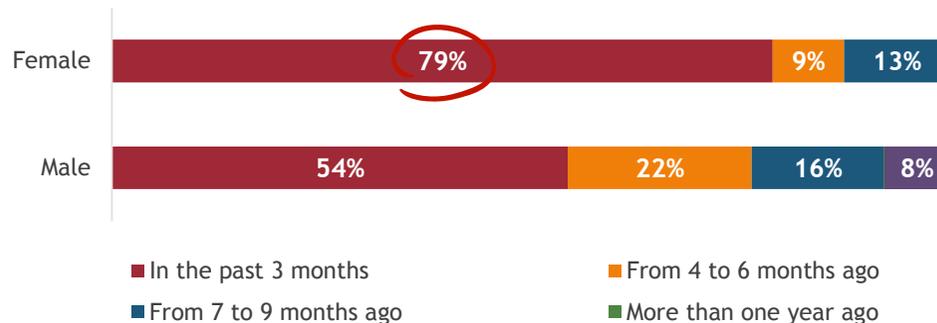
When did you use the service for the last time?

N=48



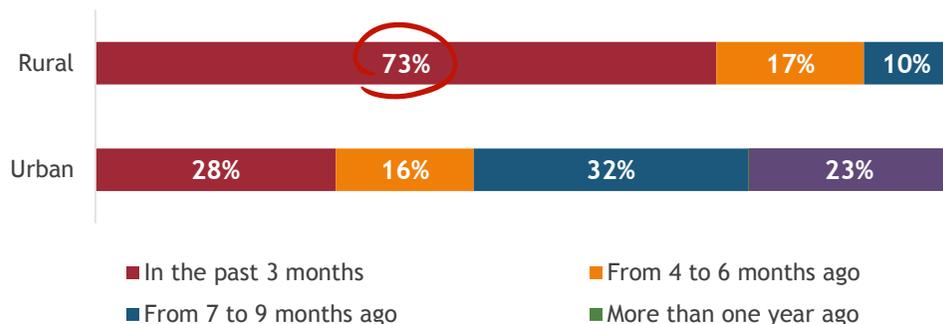
When did you use the service for the last time by gender

N=48



When did you use the service for the last time by location

N=48



From the FGDs

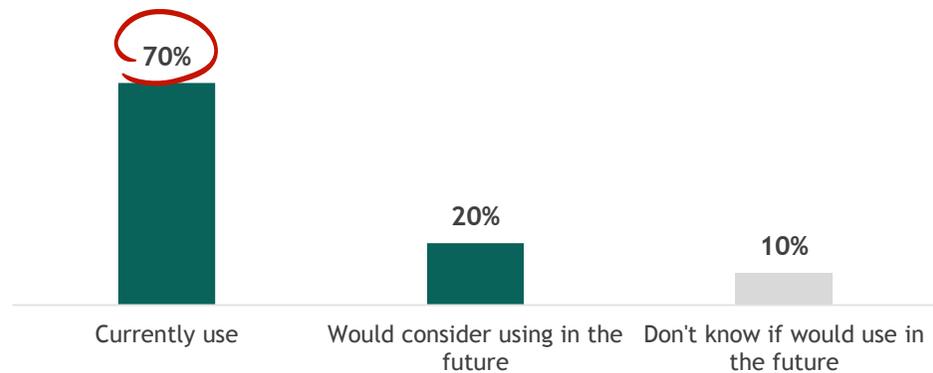
A key theme among FGD participants is that they use the service once a month to withdraw their salary. Moreover, they prefer to withdraw their entire salary given transaction fees. This highlights a dilemma for operators and agents, that cannot capitalize on multiple transaction fees to turn a profit

6. MOBILE MONEY USERS > BEHAVIORS > WHICH SERVICE DO YOU USE > SEND OR RECEIVE MONEY

70% of Mobile Money users currently send and receive money with friends, family, and others, including 81% of men and 76% of urbanites. Some FGD participants state that the transfer is quick but that a critical mass of users is necessary to make the service useful

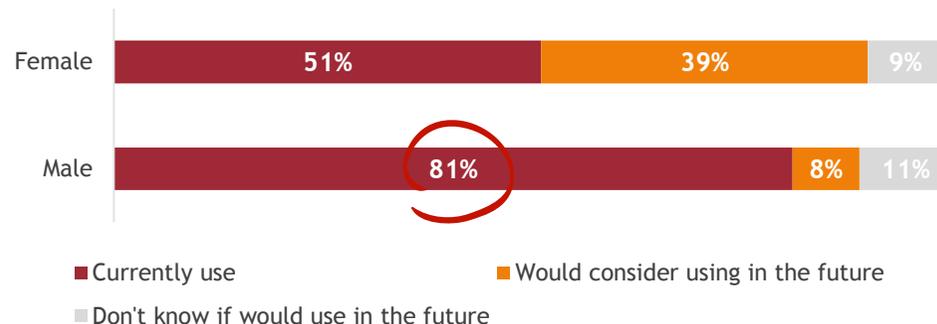
Send or receive money

N=48



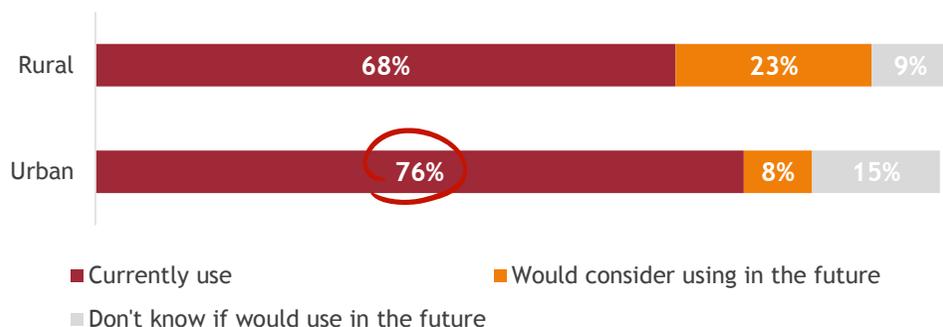
Send or receive money by gender

N=48



Send or receive money by location

N=48



"I send money to my brothers through Mobile Money. They are poor, and they live in a rural part of the province. This service allows them to receive the money quickly. The only problem can be the Mobile agents, as there are not many where they live, or close by. So, when the shop is closed, they cannot receive their money."

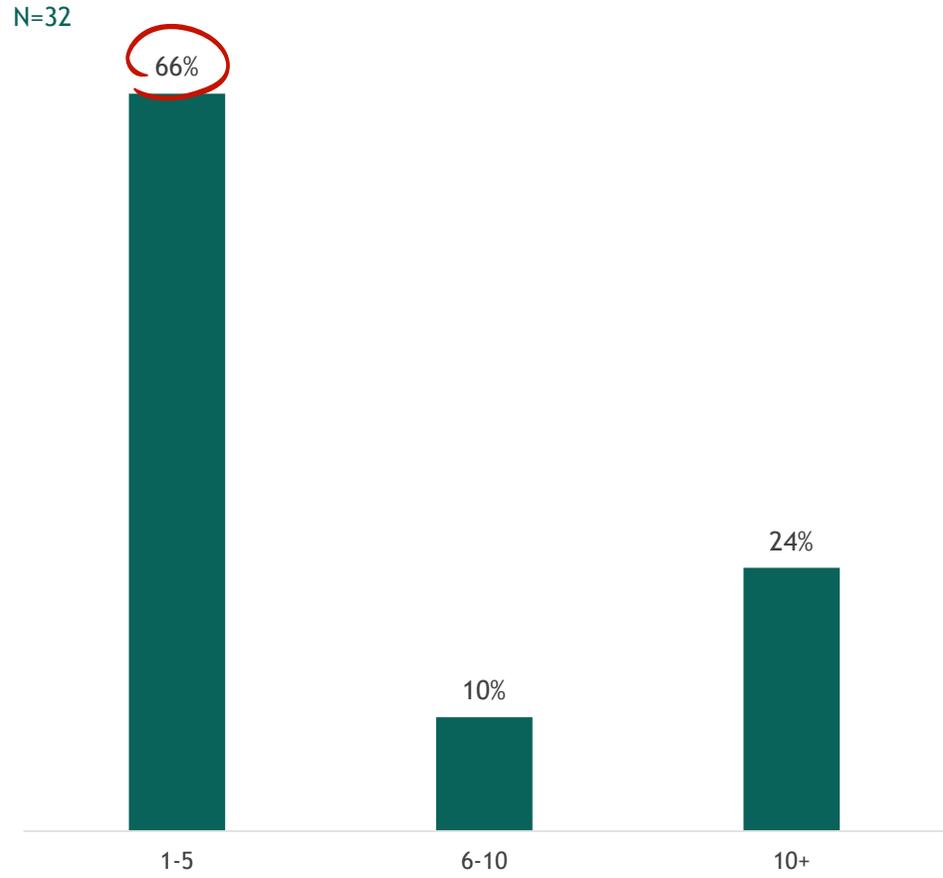
Edress, 42, Teacher, Jalalabad

"I do not send money by Mobile Money. The transfer is quick but most of my family and friends do not have a Mobile Money account. Some do, but sometimes cannot receive the money for days as there are not enough agents. Sometimes, the agents ask for extra money, the corruption level is high. It is easier to give cash"

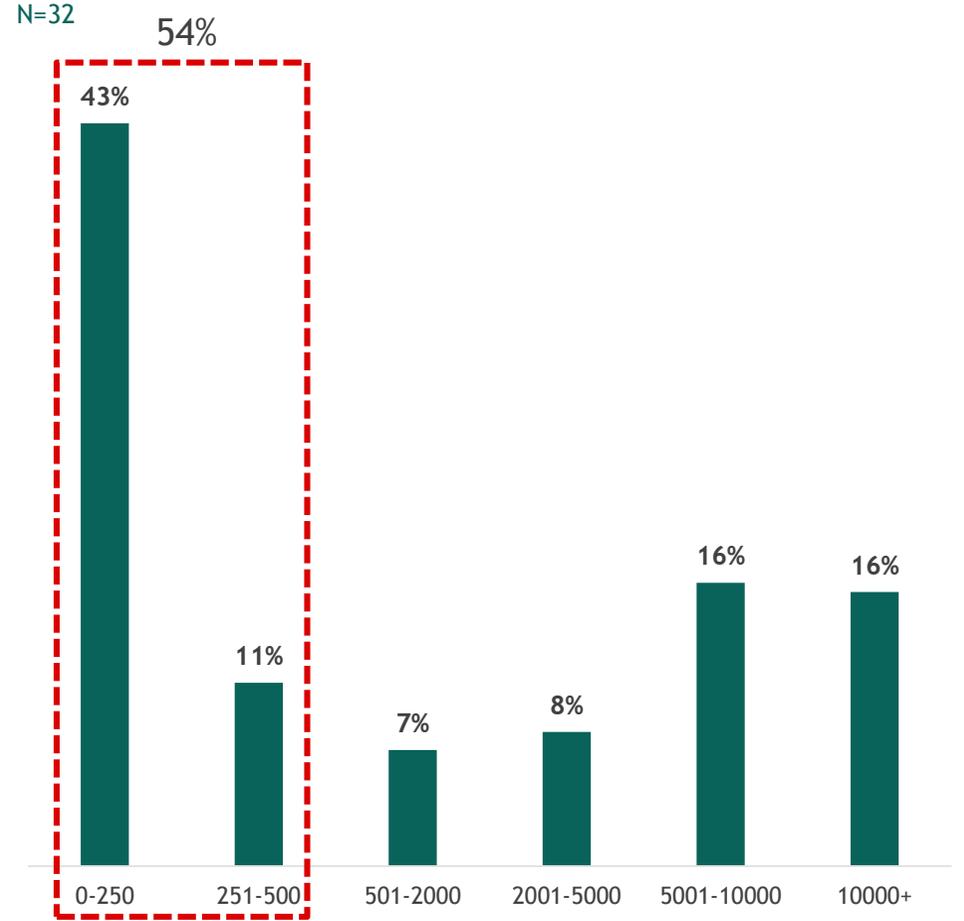
Fereshta, 41, Civil Servant, Kabul

66% of respondents who use Mobile Money to transfer funds use the service 5 or fewer times per month. 54% declare sending less than 500 AFN (\$9 USD) per transfer

How often do you use Mobile Money to transfer funds per month?
N=32



Average amount sent per transfer (AFN)
N=32

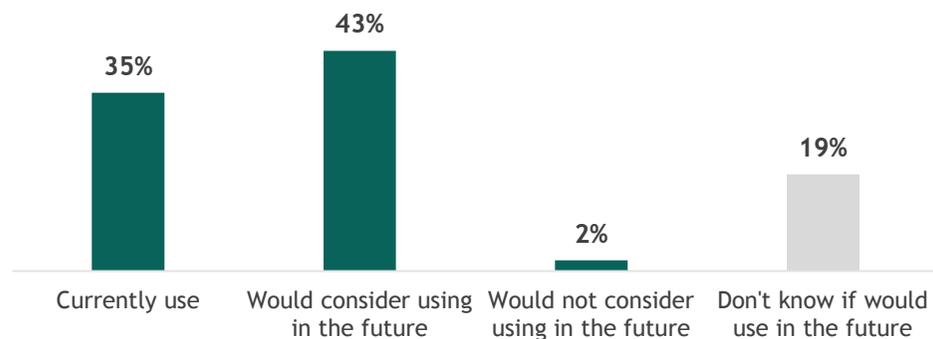


6. MOBILE MONEY USERS > BEHAVIORS > WHICH SERVICE DO YOU USE > RECEIVE A SALARY

48% of male users receive their salary via Mobile Money, in contrast to only 14% of females, as many females are housewives. 42% of rural users receive their salary, in comparison to only 15% of urban users. However, most respondents would still prefer cash

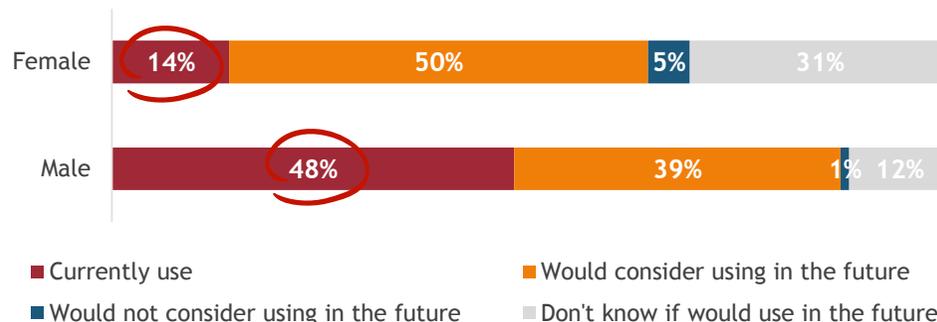
Receive a salary

N=48



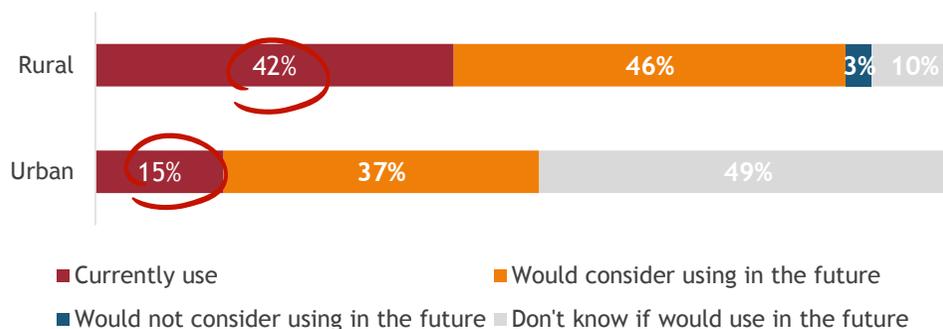
Receive a salary by gender

N=48



Receive a salary by location

N=48



From the FGDs

The majority of users that participated in the FGDs stated that the reason they have a Mobile Money account is because their employer pays them via Mobile Money transfers

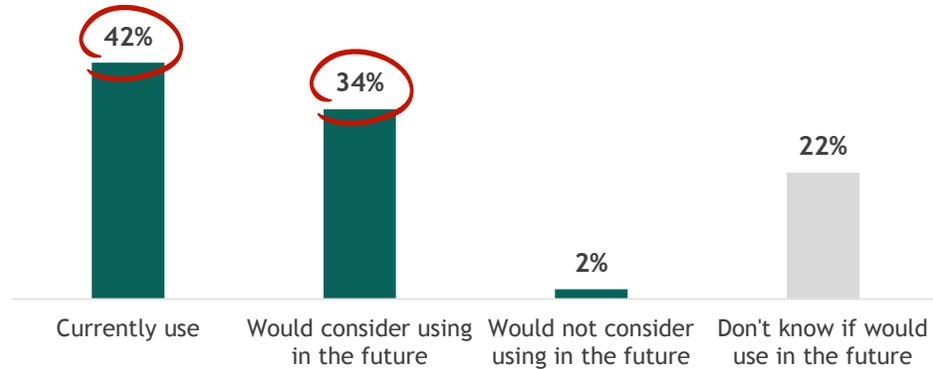
However, the same participants mentioned that they would prefer to receive their salary in cash, given delays in receiving their cash from agents, a lack of liquidity at most agents shops, high levels of corruption from the agents themselves, as well as the fact that some get paid in USD, but Mobile Money is only available in AFN

6. MOBILE MONEY USERS > BEHAVIORS > WHICH SERVICE DO YOU USE > PURCHASE AIRTIME

42% of Mobile Money users currently purchase airtime using their Mobile Money account, and another 34% understand its value and would consider using the service in the future. Female FGD participants believe this is a valuable service as it is safer for women

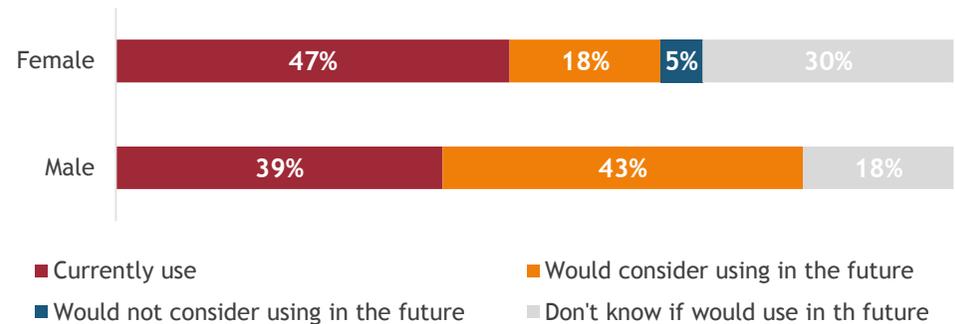
Purchase airtime

N=48



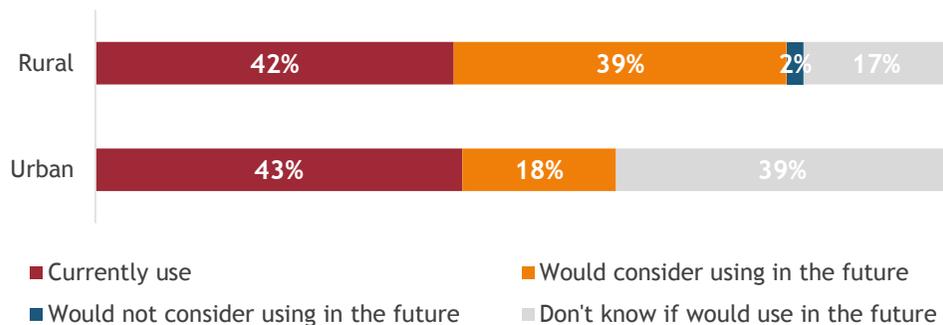
Purchase airtime by gender

N=48



Purchase airtime by location

N=48



From the FGDs

Female FGD participants highlighted that purchasing airtime via Mobile Money is an excellent service for women as it is more convenient, safer, and sensitive to cultural norms in Afghanistan

"I don't like to go to the shop to purchase scratch cards. It can be uncomfortable as a woman. I prefer to purchase using my Mobile Money account."

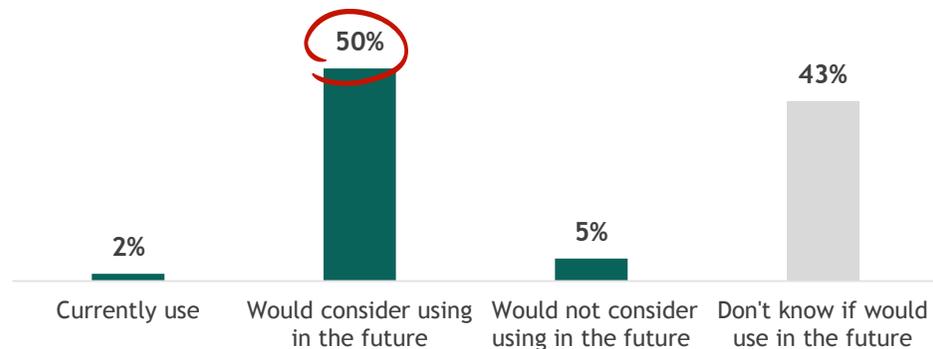
Naema, 30, Civil Servant, Kabul

6. MOBILE MONEY USERS > BEHAVIORS > WHICH SERVICE DO YOU USE > PAY BILLS

Only 1 respondent stated he uses the service to pay bills. However, 50% would consider using the service in the future. The primary reason for not paying bills via Mobile Money is a lack of understanding of how to do it. Users find it too complex

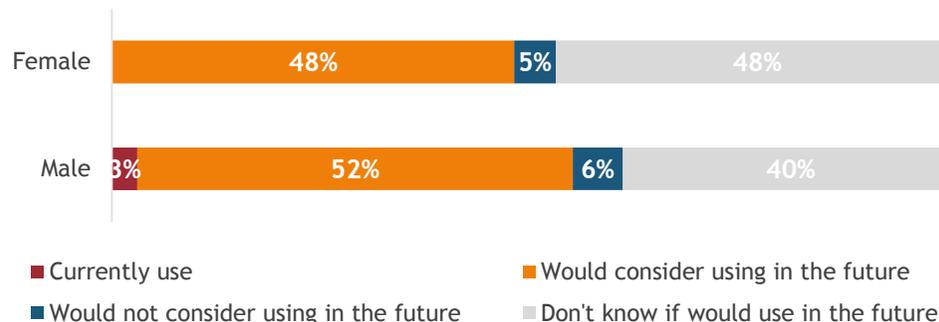
Pay bills

N=48



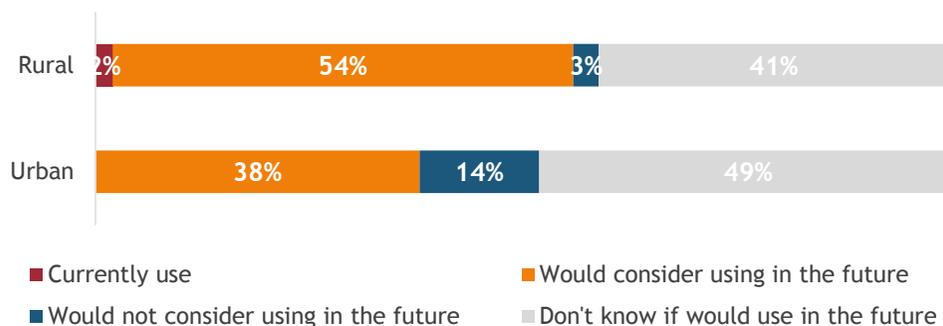
Pay bills by gender

N=48



Pay bills by location

N=48



From the FGDs

"I didn't know I could pay bills with Mobile Money. It seems it would be very quick, but how do I do it? What bills can I pay? How can I be sure they received the money?"

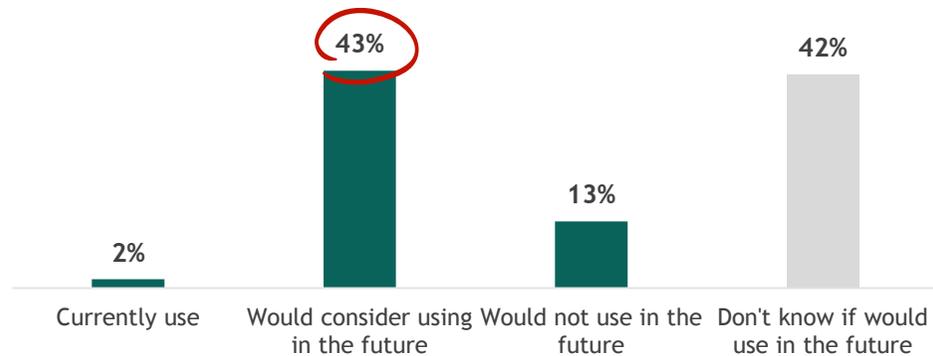
Habibullah, 28, NGO employee, Jalalabad

6. MOBILE MONEY USERS > BEHAVIORS > WHICH SERVICE DO YOU USE > REIMBURSE LOANS

The loan reimbursement service is currently being used by 1 male in rural Afghanistan. More than 40% would consider using the service in the future, but some are skeptical as they consider loan reimbursement to be un-Islamic

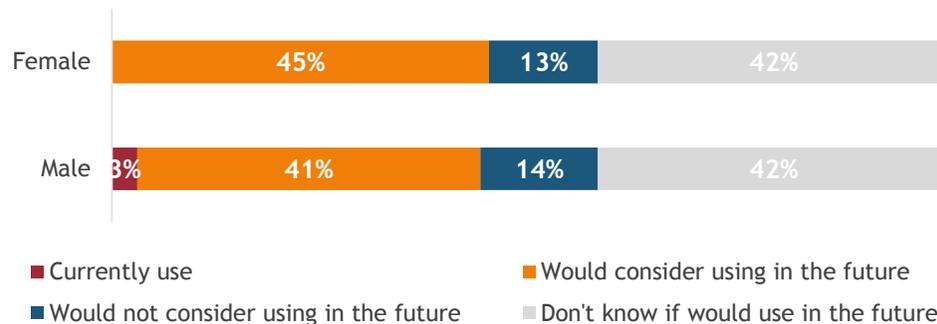
Reimburse loans

N=48



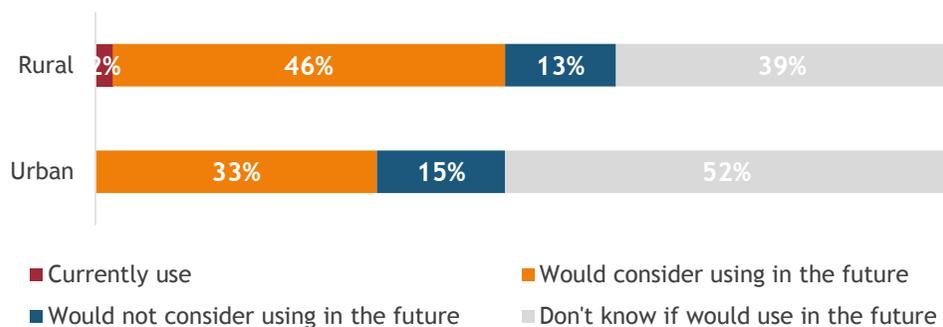
Reimburse loans by gender

N=48



Reimburse loans by location

N=48



From the FGDs

"I have no loans. Loans are provided based on interest. They are un-Islamic and they do not help us."

Rafiullah, 45, Shop Keeper, Kabul

Other FGD participants stated that it is near impossible to secure a loan, and as such, the service is not useful

"Some of the banks are ahead of others, their systems are better, they have Islamic rules-these are better than any other banks. However, it doesn't matter since I cannot get a loan. I need 100% collateral. I am not that rich."

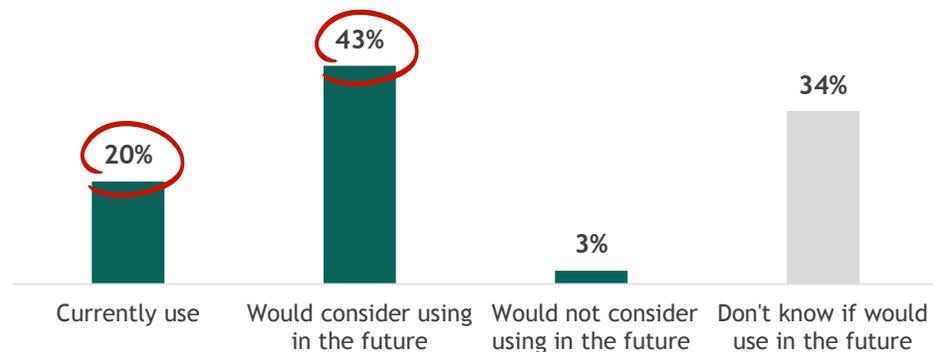
Ahmad Zaher Zaheer, 32, Business Owner, Jalalabad

6. MOBILE MONEY USERS > BEHAVIORS > WHICH SERVICE DO YOU USE > SAVE MONEY

20% use Mobile Money to save money. Another 43% would consider using the service in the future as they trust mobile operators. However, the majority of Afghans do not have savings as they live day-to-day and as such, do not see it as a valuable service

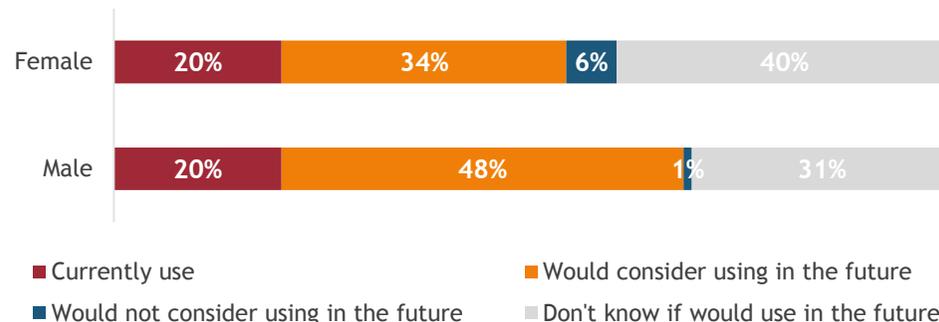
Save money

N=48



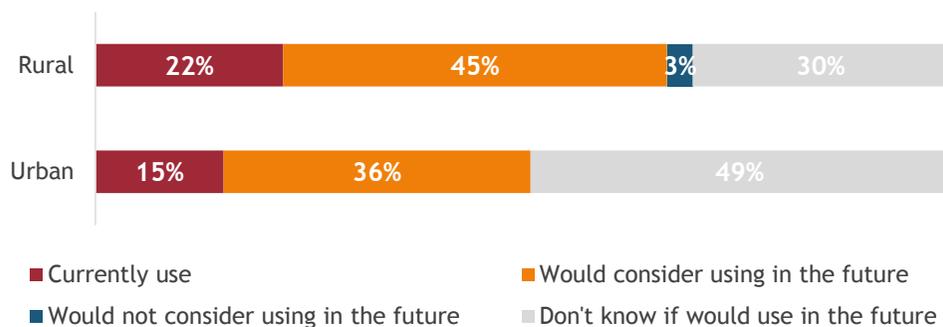
Save money by gender

N=48



Save money by location

N=48



From the FGDs

"I do not have enough money now. I cannot save money in a bank or with Mobile Money"

Khaled, 19, Shop Keeper, Kabul

The majority of FGD participants also are reluctant to pay the transaction fee each time they withdraw money. As such, they prefer to withdraw all of their money at once.

"I have received my salary three times with Mobile Money and, when I received it, I just withdraw the entire salary. Withdrawal fees are too high."

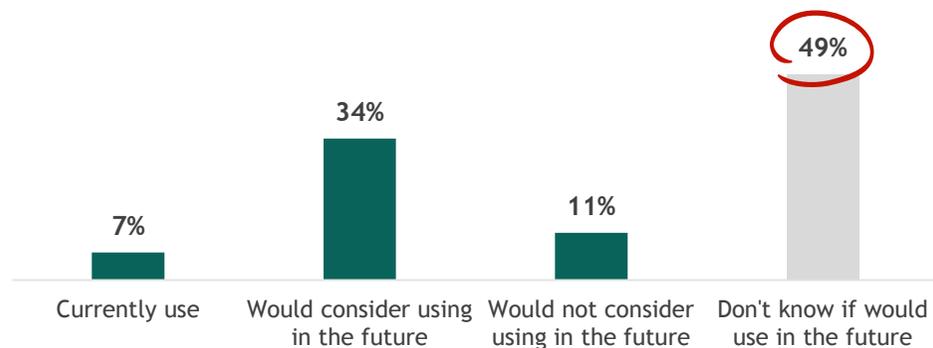
Farid Ahmad, 45, Civil Servant, Kabul

6. MOBILE MONEY USERS > BEHAVIORS > WHICH SERVICE DO YOU USE > PAYMENT OF GOODS

49% of respondents are unsure of whether or not they would use Mobile Money to pay for goods. The primary reason being that they are unaware they can pay for goods via Mobile Money. Business owners would prefer to receive cash

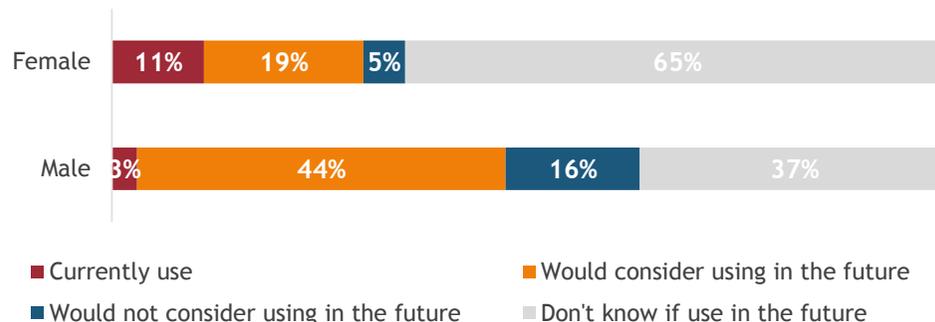
Payment of goods

N=48



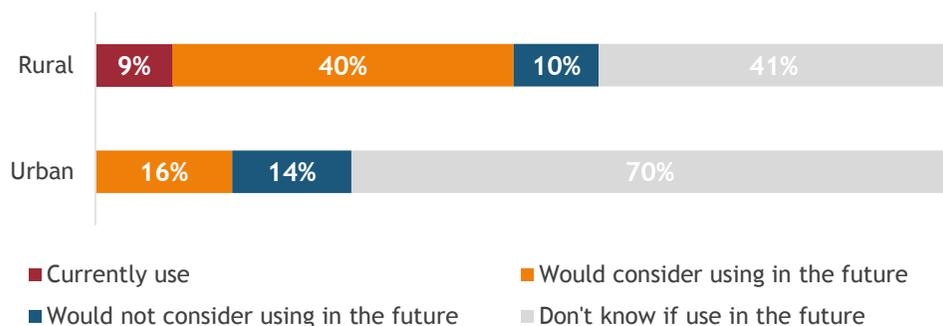
Payment of goods by gender

N=48



Payment of goods by location

N=48



From the FGDs

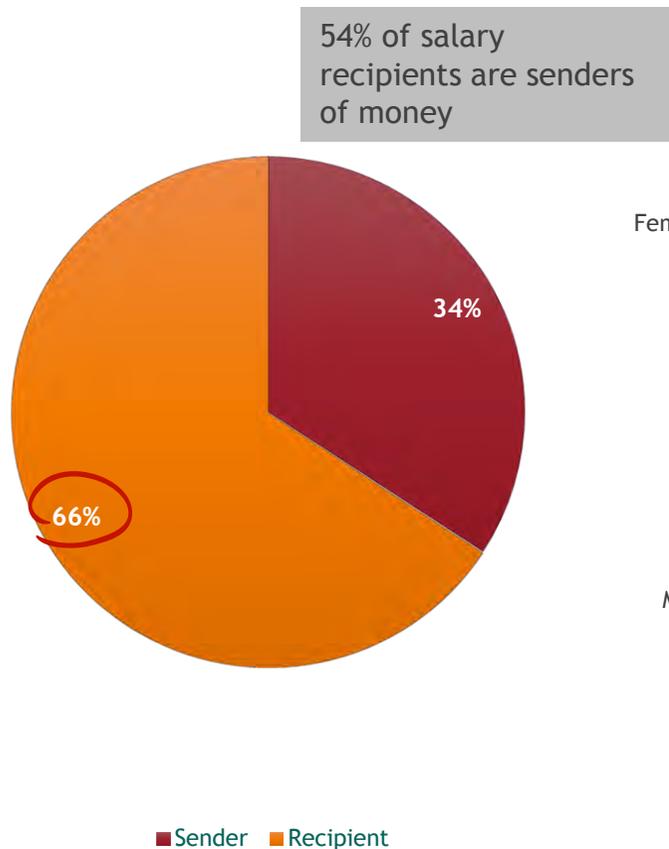
In the FGDs, small business owners state they would not like to receive payment this way. They believe that there would be a high transaction fee, and when most of their business composes of small transactions, they do not see the benefit. Afghanistan is still a cash driven economy, and until a critical mass uses credit cards or Mobile Money, they will not accept transactions in such a fashion

6. MOBILE MONEY USERS > BEHAVIORS > SENDER OR RECIPIENT

66% of users who send or receive money state they are primarily a receiver of payments. However, 54% of salary recipients also send money to others. As such, Mobile Money users do begin to use other services once subscribed

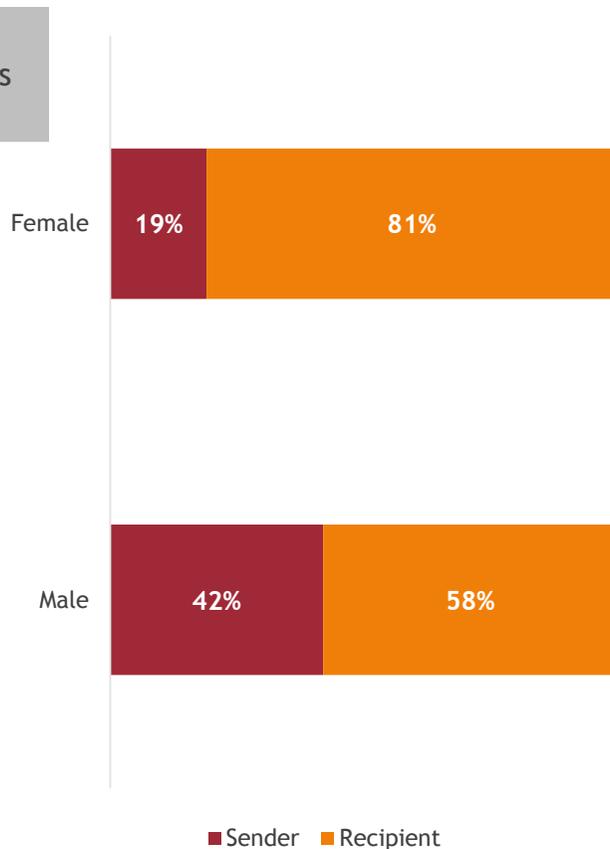
Sender or recipient

N=45



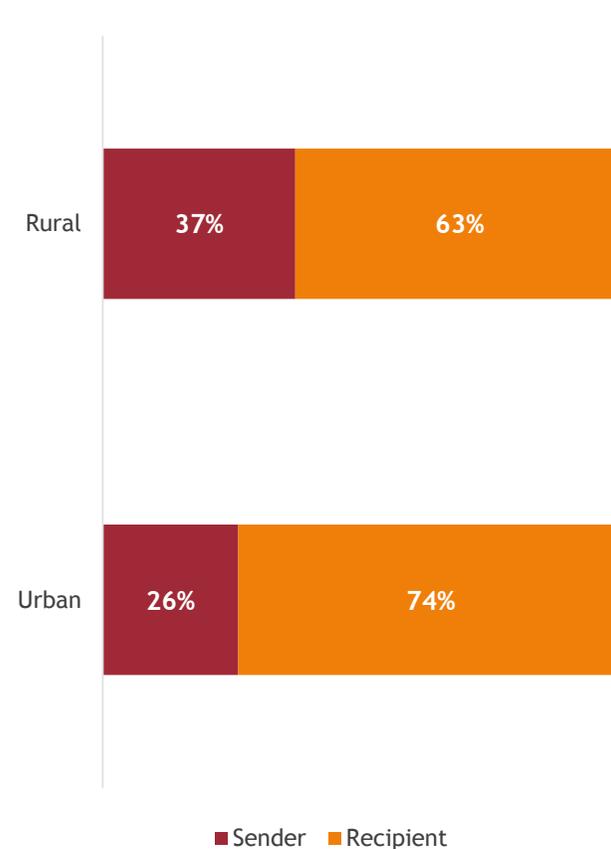
Sender or recipient by gender

N=45



Sender or recipient by location

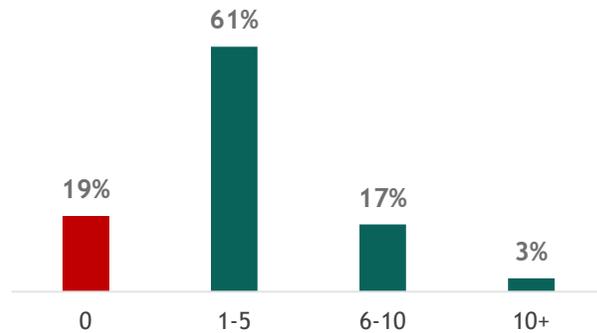
N=45



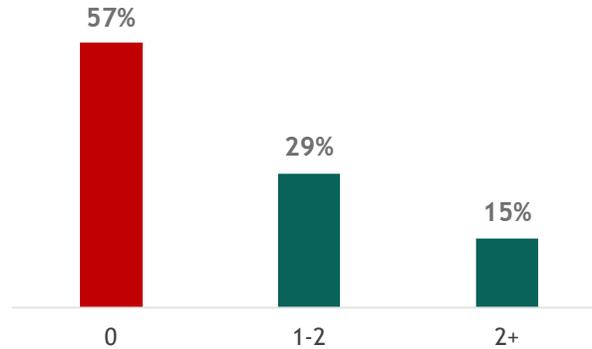
6. MOBILE MONEY USERS > BEHAVIORS > FREQUENCY OF USE IN THE PAST MONTH

The majority of users rarely to never use the services offered by Mobile Money operators apart from sending or receiving money, or purchasing airtime

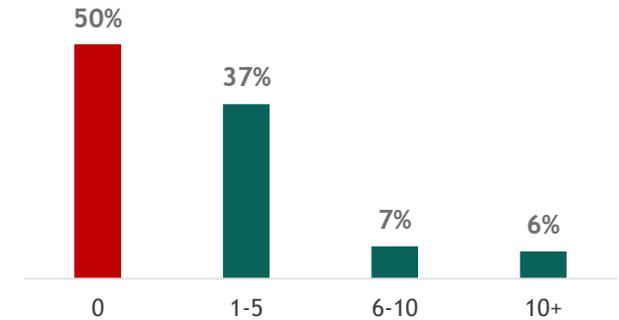
Send or receive money (times per month) N=48



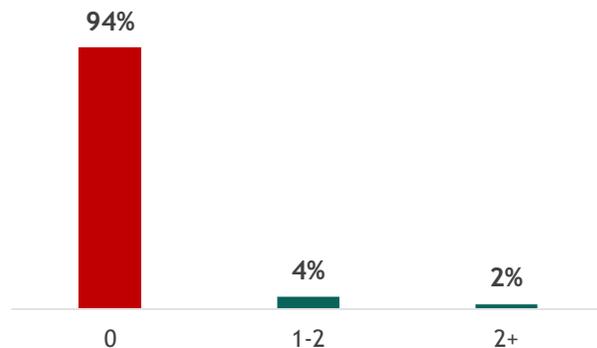
Receive salary (times per month) N=48



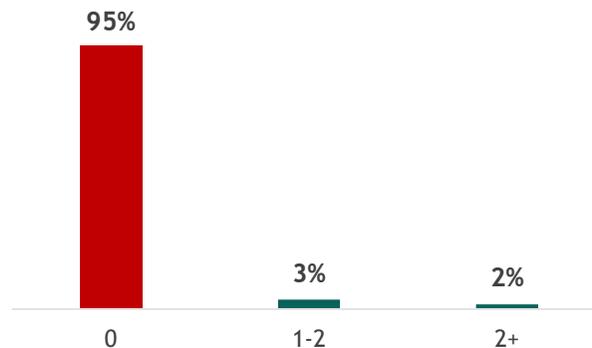
Purchase airtime (times per month) N=48



Pay bills (times per month) N=48



Reimburse loans (times per month) N=48



From the FGDs

FGD respondents stated that they find the sending or receiving money service to be very useful. However, a critical mass of users is necessary for the service to be used more frequently

"It can solve our problems, but only if more people are to use this."

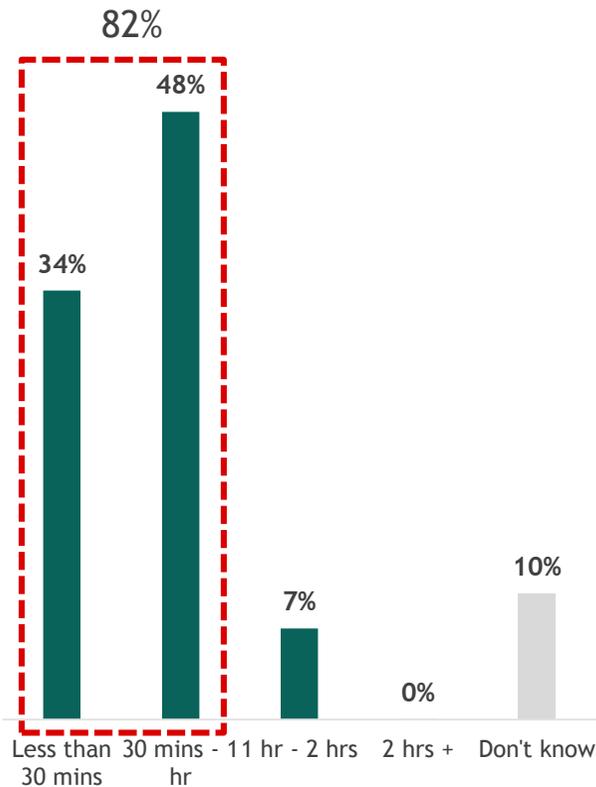
Hussein, 35, Shop Keeper, Kabul

6. MOBILE MONEY USERS > BEHAVIORS > TIME TO REACH NEAREST VENDOR

82% are able to reach an agent location in less than an hour. The breakdown by gender and location is roughly the same as national averages

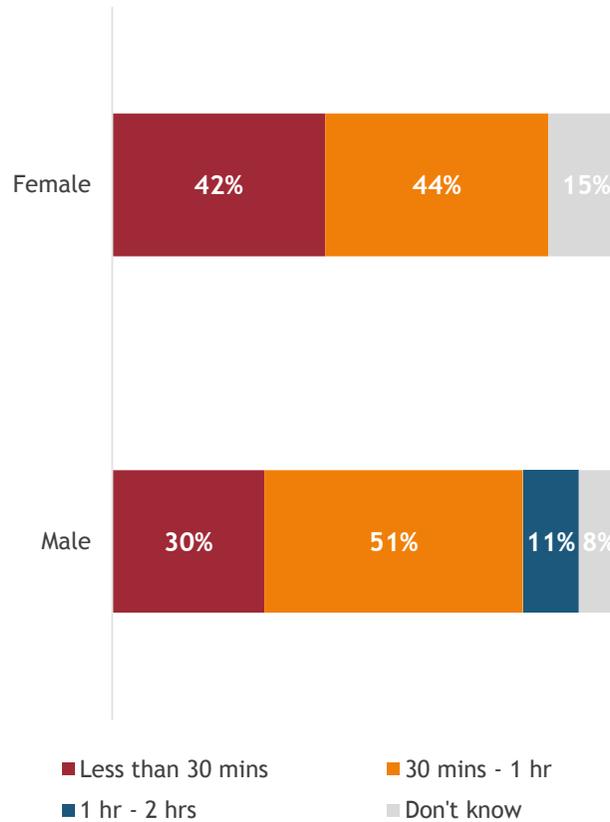
Time to nearest vendor

N=48



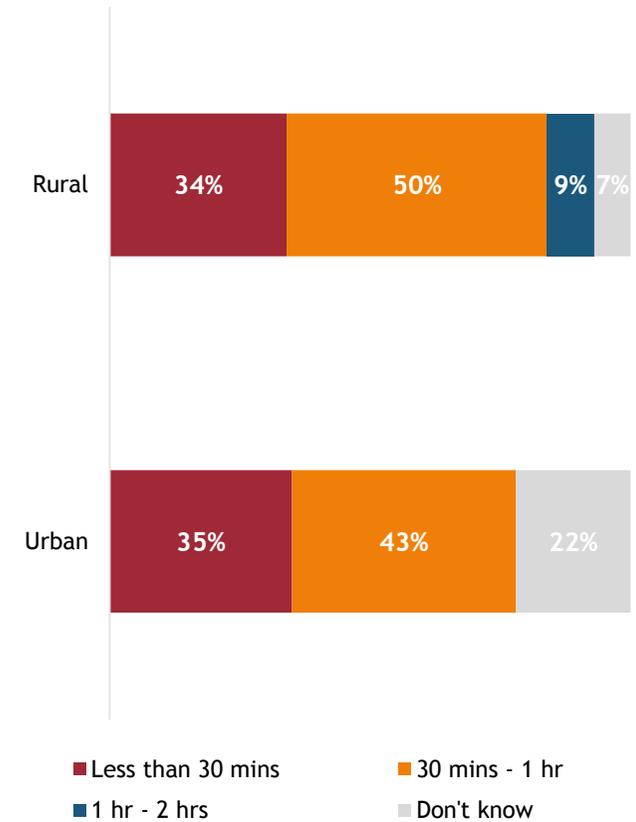
Time to nearest vendor by gender

N=48



Time to nearest vendor by location

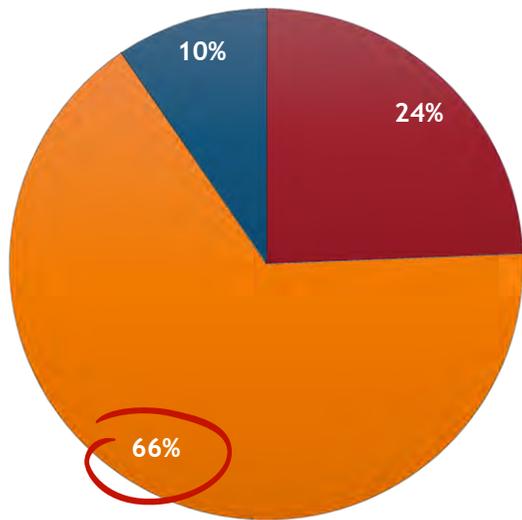
N=48



6. MOBILE MONEY USERS > BEHAVIORS > TYPE OF VENDOR MOST USED

66% of Mobile Money users prefer to collect their money at banks. Despite recent scandals, users collect money at banks more than local shop owners as they know that the level of liquidity at banks is much higher

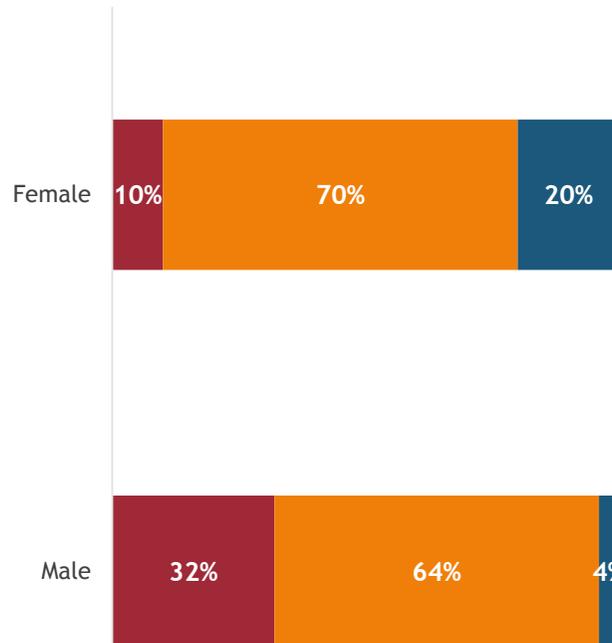
Type of vendor used
N=48



FGD interviews support this data, as participants almost unanimously agree that banks are better vendors

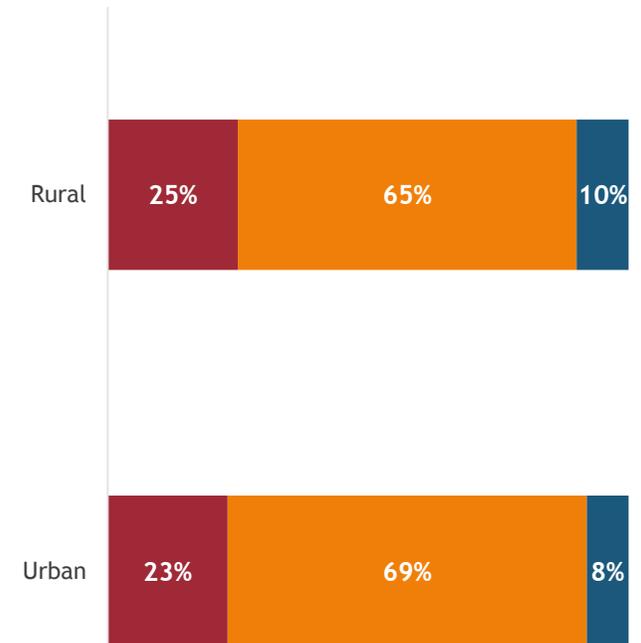
■ Shop ■ Bank ■ Mobile operator store

Type of vendor used by gender
N=48



■ Shop ■ Bank ■ Mobile operator store

Type of vendor used by location
N=48

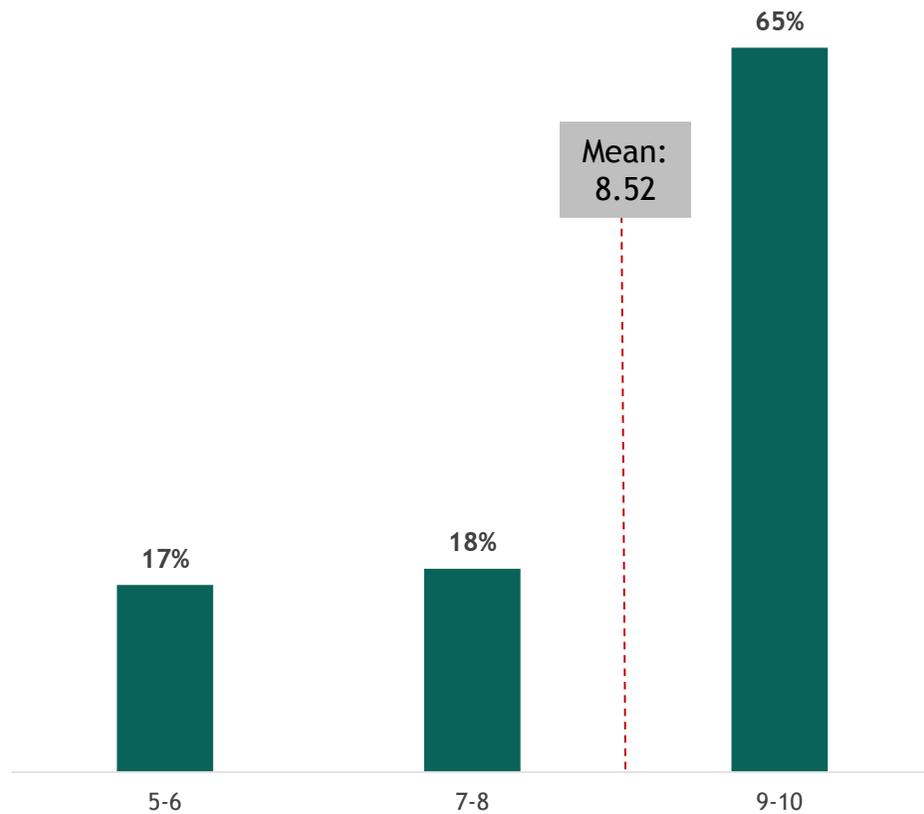


■ Shop ■ Bank ■ Mobile operator store

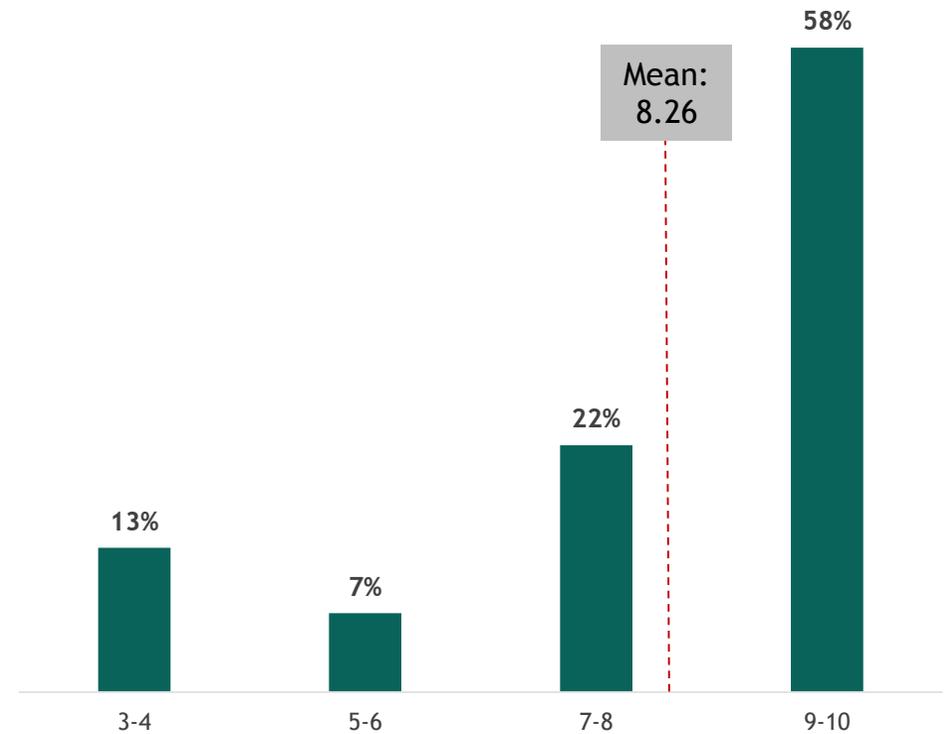
6. MOBILE MONEY USERS > PERCEPTIONS > SATISFACTION WITH MOBILE MONEY SERVICES

Mobile Money users are generally satisfied with the service, as the mean score is above 8 and no respondent gave a score below 5. Moreover, 58% of respondents would strongly recommend Mobile Money to other potential users

From 1-10, how satisfied are you with Mobile Money services?
N=48



From 1-10, would you recommend Mobile Money to services to others? N=48



Note: (left bar chart) From 1 (completely unsatisfied, to 10 (completely satisfied) how satisfied are you with Mobile Money Services.

(right bar chart) From 1 (would strongly discourage) to 10 (would strongly recommend), how likely is it that you would recommend Mobile Money services to others?

1. Project Purpose & Objectives
2. Methodology
3. Key Socio-Demographics
4. General Mobile Usage
5. Financial Services
6. Mobile Money Users
- 7. Mobile Money Non-Users**
 - **Positive and negative perceptions**
 - **Would you consider subscribing**
 - **Which services would you use**
 - **Potential frequency of transactions**
 - **Why wouldn't you subscribe**
8. Businesses
9. Key Findings and Recommendations

7. MOBILE MONEY NON-USERS > POSITIVE PERCEPTIONS

A number of non-users perceive Mobile Money to be safe, fast, useful and trustworthy because of the positive association with telecommunications operators in Afghanistan. They also believe sending or receiving money and purchasing airtime are valuable services

“Banks are a good system. They have brought facilities for the people but I don’t have a lot of trust in them because of the Kabul Bank issue. There are no guarantees. They have not improved in the past three years because now when you withdraw money it takes more time than before. I trust telecom operators to provide better services.”

Aminjan, 57, Civil Servant, Kabul

“They (MNOs) have brought positive changes to our lives and the way that we connect to people. I trust them because of these things that they have brought for us.”

Ehsan, 42, Civil Servant, Kabul

ReceivingMoney
PurchaseAirtime
trustworthy
PersonalSafety
SendingMoney
Roshan
fast
useful
safe

“Yes, it is helpful for us because we can buy scratch cards very easily without having to go to the shop. Seems fast and convenient.”

Waiwalid Khan, 23, Laborer, Kabul

“Yes, I trust them (MNOs) because there is no corruption and I trust the staff they have working at their shops.”

Esakhan, 26, Contractor, Jalalabad

“It will be very good if more people were to hear about it because it would help us all with the problems we face paying our bills and also help the banks to be providing better services.”

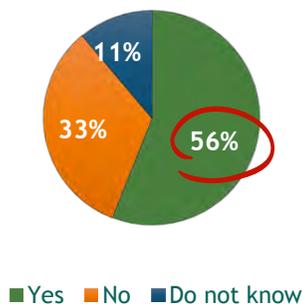
Javed, 48, Shop Keeper, Kabul

7. MOBILE MONEY NON-USERS > WOULD YOU CONSIDER SUBSCRIBING TO MOBILE MONEY?

56% of non-users would be interested in subscribing to the service, as once made aware and explained to them, they see the added benefit. Male and rural respondents are more interested in subscribing than female and urban respondents

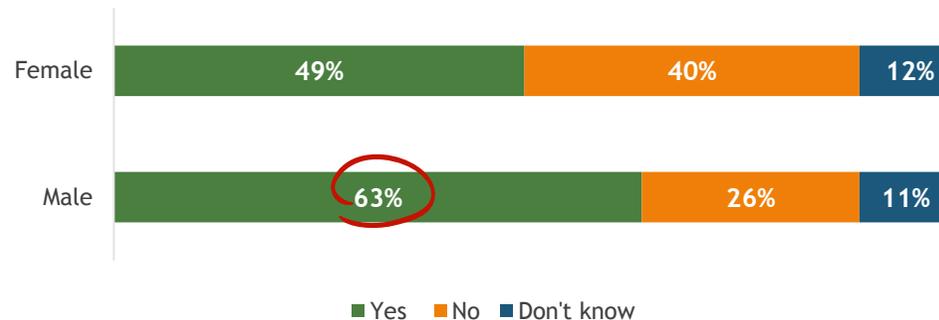
Would you consider subscribing to the service?

N=1,021



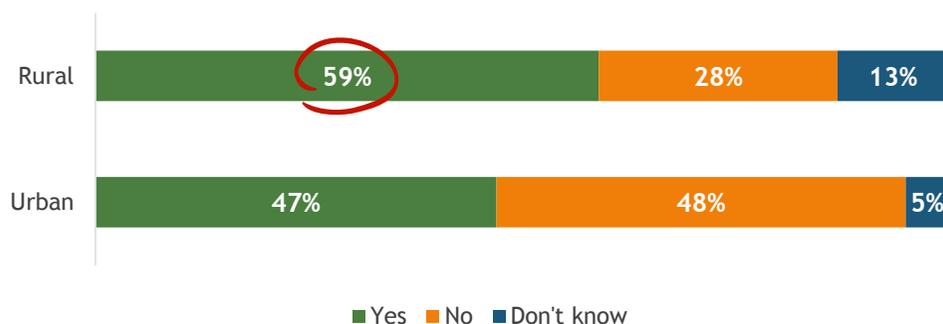
Would you consider subscribing to the service by gender

N=1,021



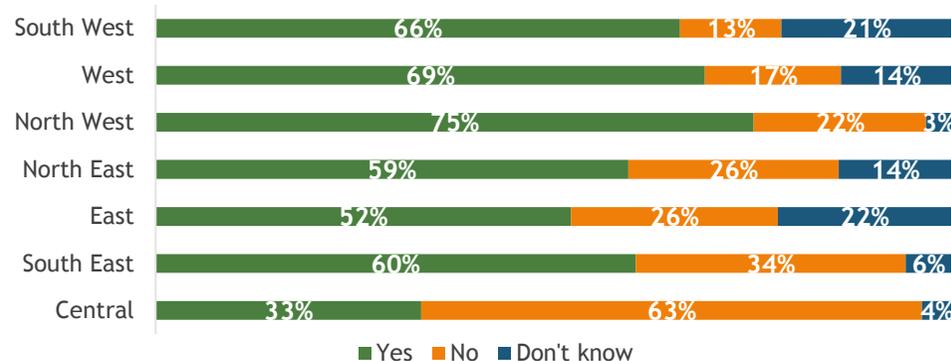
Would you consider subscribing to the service by location

N=1,021



Would you consider subscribing to the service by region

N=1,021



"I did not know that we could do so many things. It would be very helpful to pay our bills this way because there are always too many crowds in the bank."

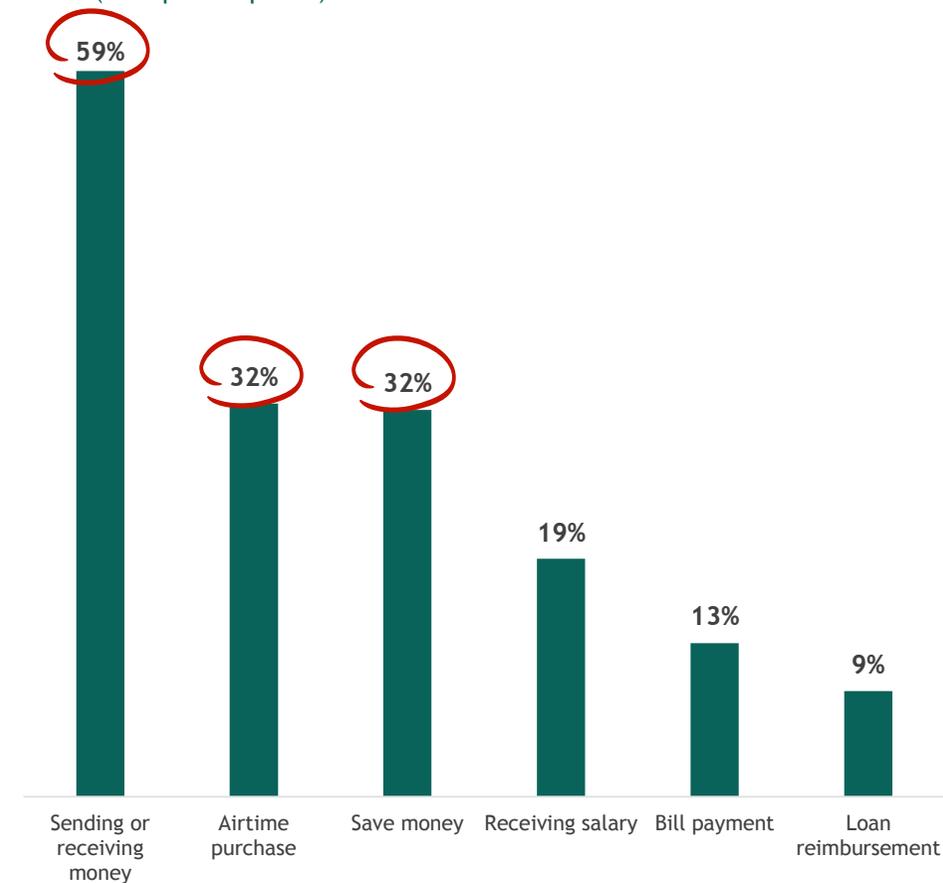
Khaled, 19, Shop Keeper, Kabul

7. MOBILE MONEY NON-USERS > WHICH MOBILE MONEY SERVICES WOULD YOU USE?

59% of Mobile Money non-users that would consider subscribing to the service would send or receive money, followed by purchasing airtime (32%) and as a means to store money (32%)

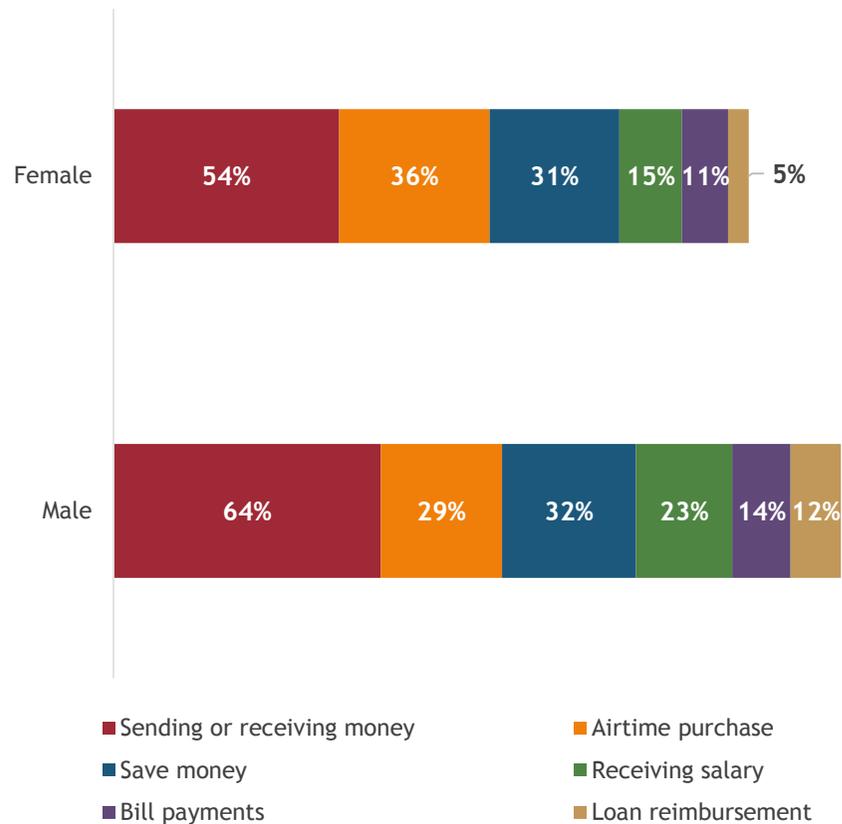
Which Mobile Money services would you use?

N=661 (Multiple Response)



Which Mobile Money services would you use by gender

N=661 (Multiple Response)

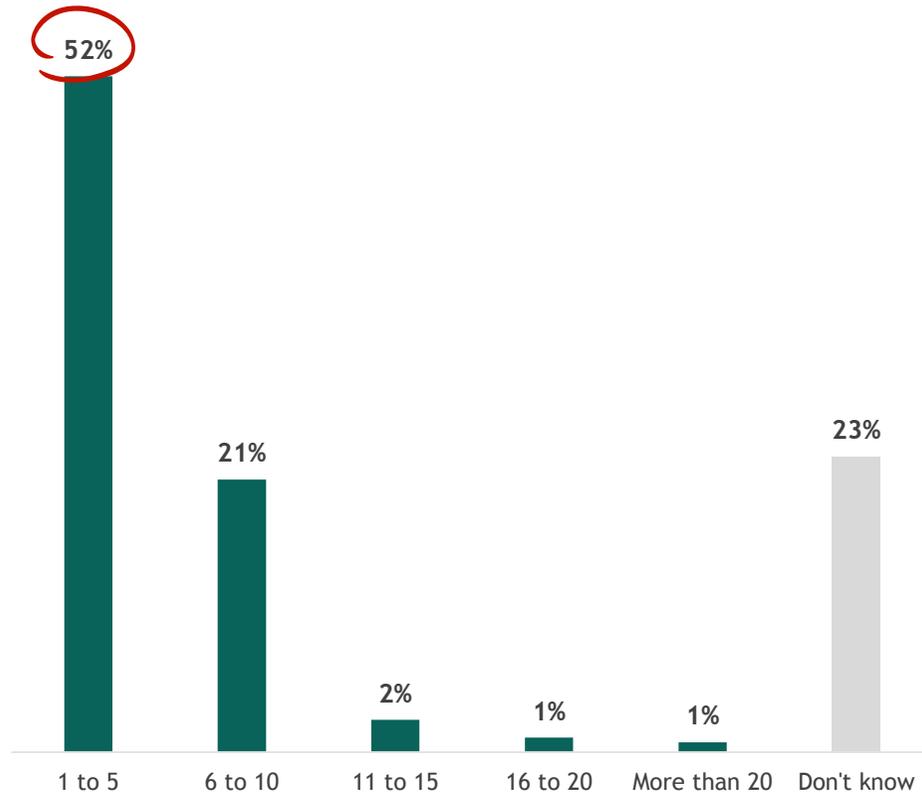


7. MOBILE MONEY NON-USERS > FREQUENCY OF TRANSACTIONS

52% of respondents who would consider using Mobile Money believe they would make 5 or fewer transactions per month. The usage rate among men and women is very similar

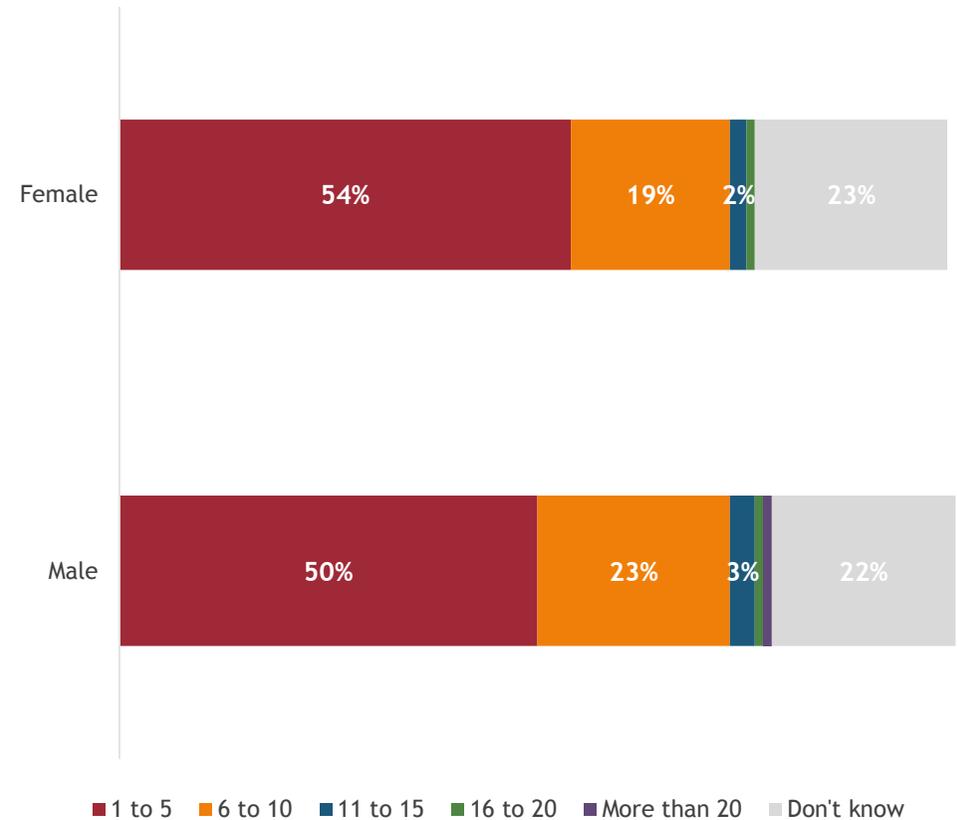
How many transactions would you make per month?

N=628



How many transactions would you make per month by gender

N=628



7. MOBILE MONEY NON-USERS > NEGATIVE PERCEPTIONS

Some non-users perceive Mobile Money to be complicated, for the wealthy, or unnecessary. In addition, awareness is limited regarding which operators provide Mobile Money services

“Cash is better and necessary in Afghanistan because who can we trust but ourselves?”

Leda, Mazar e-Sharif, Teacher

“No, I don’t want to use Mobile Money because it is not a system that many people use, so there is no need to use it.”

Saida, Mazar e-Sharif, Teacher

“It is good. It (Mobile Money) sounds like it would make the way we do things easier, but we need more information on it. I had never heard of it until now”

Javed, 48, Shop Keeper, Kabul



“I don’t think I would use it because I’m too poor to use it.”

Mujtaba, 25, Laborer, Kabul

“All of the services sound good and that they would be useful, especially sending and receiving money would be very useful for my company. But I am uneducated and I fear that I would face many issues trying to use this system, it sounds very complicated.”

Noor Alem, 38, Business Owner, Kabul

“The disadvantage of having a bank account is that it’s expensive and that we cannot take out all of our money that we put in. Mobile ‘Banking’ seems to be the same.”

Sheerzad, 45, Business Owner, Jalalabad

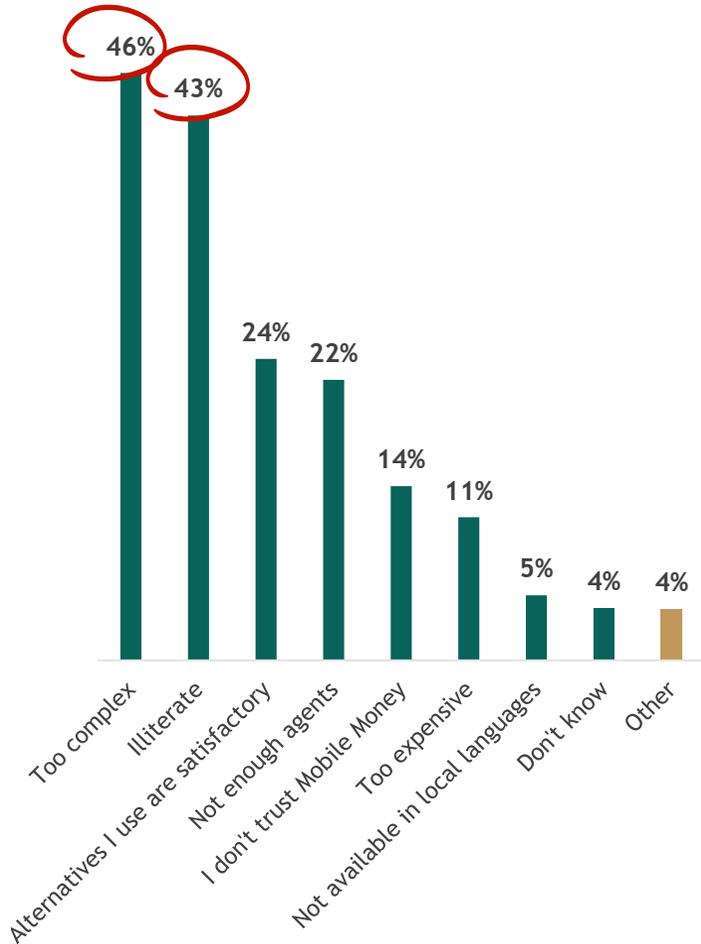
“Yes it is helpful, more than buying the credit card at the shop. However, it needs to be available with other services providers because none of us use Roshan.”

Hussein, 35, Shop Keeper, Kabul

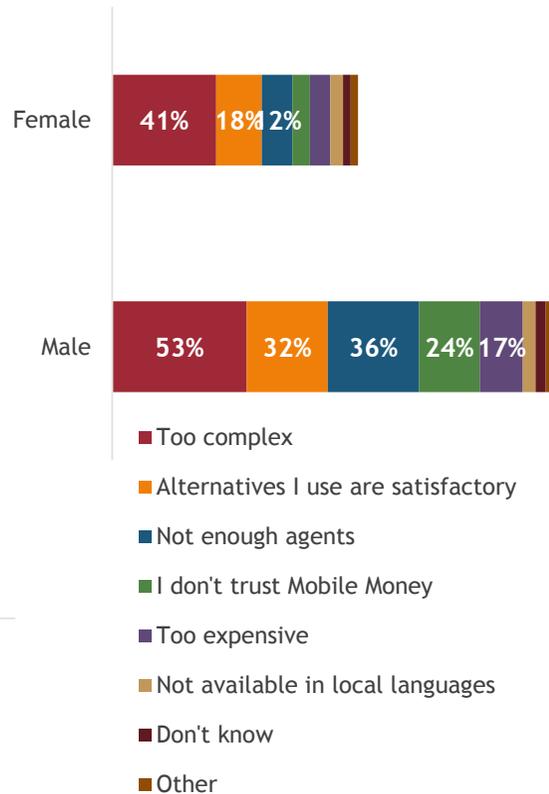
7. MOBILE MONEY NON-USERS > WHY WOULDN'T YOU CONSIDER SUBSCRIBING TO MOBILE MONEY?

46% of respondents who would not consider subscribing perceive Mobile Money to be too complicated. 43% state they are not literate enough and as such, cannot use the Mobile Money interface

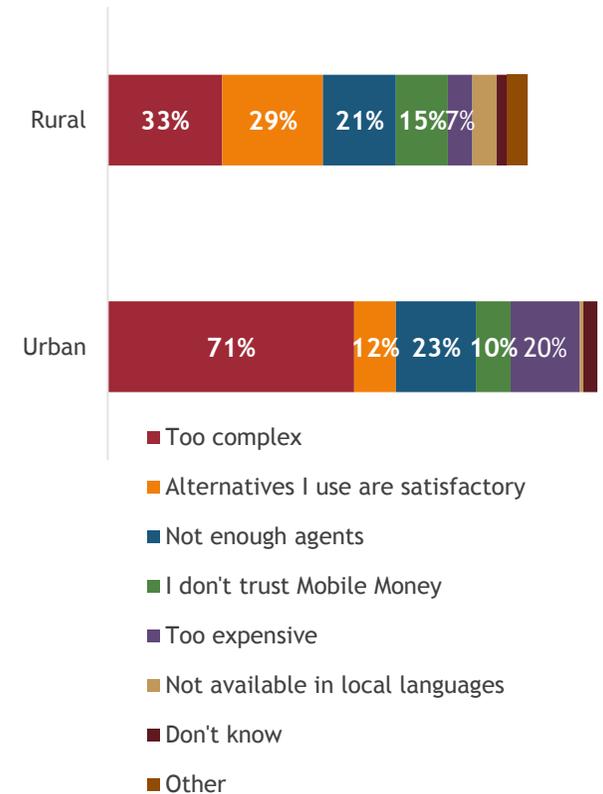
Why wouldn't you subscribe to the service? N=327 (Multiple Response)



Why wouldn't you subscribe to the service by gender N=327 (Multiple Response)



Why wouldn't you subscribe to the service by location N=327 (Multiple Response)



1. Project Purpose & Objectives
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- 8. Businesses**
 - **Mobile Money Users**
 - **Mobile Money Non-Users**
9. Key Findings and Recommendations

8. BUSINESSES > KEY THEMES OF BUSINESS MOBILE MONEY USERS

A wide-range of businesses have subscribed to Mobile Money to predominantly send employee salaries. However, a majority no longer use the service as cash and even bank transfers are deemed more convenient

Business Profiles

- Businesses range from a variety of sectors including construction, importing/exporting goods, to retailers and agri-business
- A range of 3 to 63 employees, with an average of 11 employees per company
- **Monthly** revenues range from 26,000 AFN (\$450 USD) to 500,000 AFN (\$8,750 USD)
- At the low end of revenue, the businesses have no offices outside of HQ. At the high-end, businesses have one or more offices in major provincial urban cities

- Almost all businesses interviewed have a bank account for their business and the majority perceive banks to be trustworthy and to provide good services.
- **Businesses interviewed unanimously perceive MNOs to be trustworthy and to have brought great change to Afghanistan**

“I do trust them (MNOs) because they are one of the main achievements in Afghanistan in the last several years. It has provided a lot of change for Afghanistan. They have improved a lot, they have trained Afghan people to have the skills and to work for them.”

Spinghar Limited, Importers of Fabric, 7 employees, Kabul

- The majority of businesses initially signed up for the service as a **safe and more convenient means to transfer monthly salaries to employees, while some saw the advantages of paying bills via Mobile Money**
- However, **half of the businesses we interviewed no longer pay salaries via Mobile Money**, as staff members primarily complained of corruption at non-bank agents, lack of liquidity, and waiting times at banks because there are not enough dedicated Mobile Money staff members at financial institutions. At the high-end, businesses complained of not being able to pay in USD
- Also, businesses find the payment system to be complicated, easy to make mistakes, and riddled with “bugs”

Perception of Financial institutions, MNOs, and rationale behind Mobile Money Usage

8. BUSINESSES > KEY THEMES OF BUSINESS MOBILE MONEY NON-USERS

Non-user businesses are largely unaware of Mobile Money. None would consider subscribing as at the high-end of businesses interviewed, banks provide the same services and are more widespread in usage. At the low-end, cash is more convenient

Business Profiles

- Businesses range from a variety of sectors including importing/exporting goods, auto repair shops, carpet dealers, and retailers
- A range of 2 to 80 employees, with an average of 18 employees per company
- Monthly revenues range from 25,000 AFN (\$436 USD) to 2.3 million AFN (\$40,000 USD)
- At the low end of revenue, the businesses have no offices outside of HQ. At the high-end, businesses have one or more offices in major provincial urban cities

- All non-user businesses unanimously agree that banks are trustworthy, and very useful to pay vendors. **Half of the surveyed business non-users have bank accounts**

“We trust them, which is why we opened an account. The government controls them so we have even more trust. They provide services for the people in sending and receiving money, and receiving salaries. The banks are improving as they have opened 2 more branches in the past 3 years.”

Wahidulla, Brotheran Amiri Limited (foods importer), 18 employees

- Businesses interviewed perceive MNOs to be trustworthy and to have brought great change to Afghanistan. However, almost all non-user businesses state **they know little to nothing about Mobile Money services, and which MNOs provide the service.**
- **None of the non-user business would consider subscribing** to the service primarily because they need more information on the services, costs, and more users are needed to make the service useful. They also asked if **interoperability is possible, or if they would have to purchase all new SIM cards for staff.**
- Once services were explained to them, the businesses with bank accounts suggested that it does not make sense for them to join as the services are exactly the same as what they can do at their bank. The businesses are satisfied with their banks, and usage of banks is more widespread
- The businesses without a bank account stated that they would not subscribe because cash is just more convenient

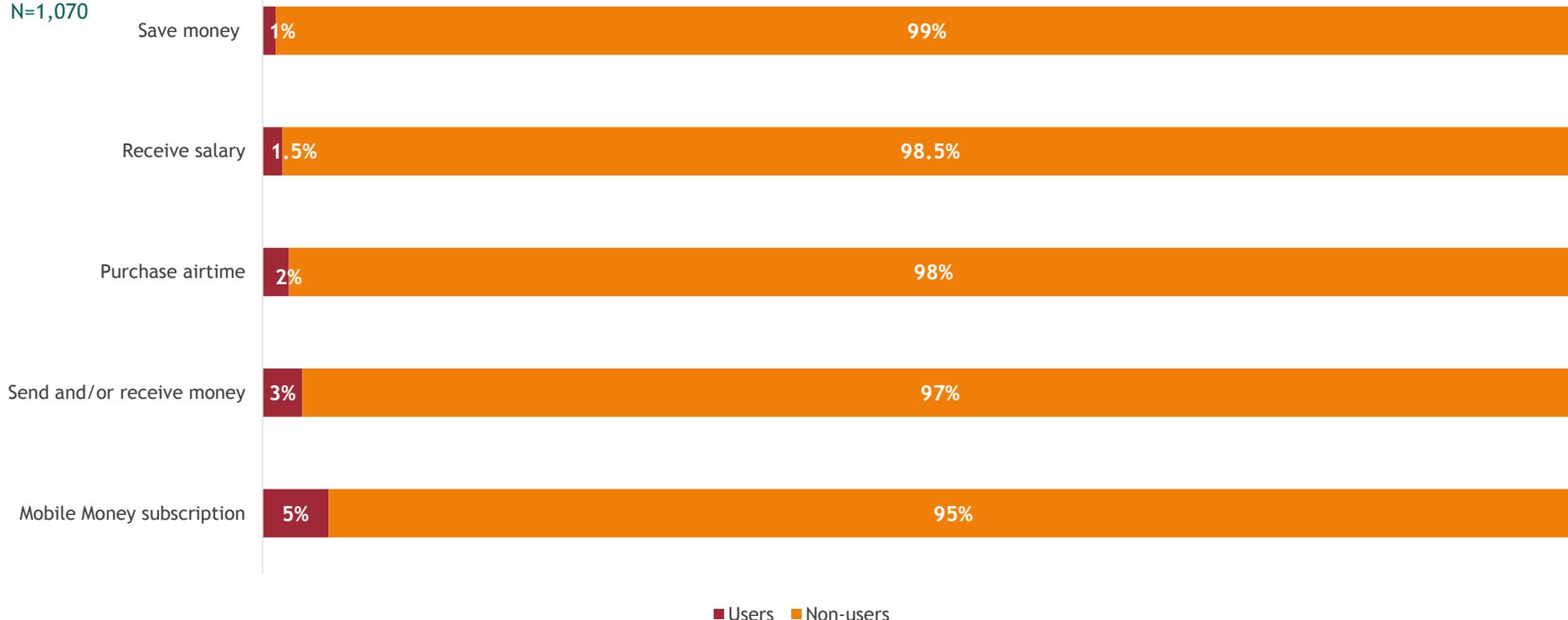
Perception of financial institutions, MNOs, and perceptions regarding Mobile Money

1. Project Purpose & Objectives
2. Methodology
3. Key Socio-Demographics
4. General Mobile Usage
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7. Mobile Money Non-Users
8. Businesses
- 9. Key Findings and Recommendations**

On a national scale, 5% of SIM owners have subscribed to Mobile Money but only two-thirds of them actually perform functional transactions, with some services essentially not used at all

Current usage

N=1,070



In the study “State of the Industry 2012” , the GSMA defines active usage as “the number of accounts used to perform at least one P2P transfer, bill payment, bulk payment, airtime top-up, cash-in, or cash-out, in at least one of the following time periods: 30 days, 60 days, or 90 days”

Functional transactions typically exclude cash-in and cash-out

Note: Our sample included only SIM owners. As such, the penetration rate nationally is lower.

Users are predominantly recipients of funds and prefer to withdraw money from banks even if agents are easy to reach. Regular usage of the service remains a challenge

Users are predominantly recipients of funds

- Mobile Money users in our sample do not have clear socio-demographics. They include lower income to middle income Afghans, men and women, young and old. Some have bank accounts and some are unbanked. Their employers prefer to pay their employees via Mobile Money
- 66% of users state they are more often the recipient of money
- Interestingly, 54% of salary recipients have also sent money to others. Meaning that some users are branching out and using other services

Users prefer to withdraw money at banks

- 66% of Mobile Money users state they prefer to withdraw funds from banks, in comparison to 24% at official MNO shops, while only 10% with local agents
- Users prefer banks because of higher liquidity, and banks almost always follow the transaction fee rules

Users can reach agents in less than an hour

- 82% of users state they can reach an agent within an hour, while 34% can do so within 30 minutes

Regular usage of most services remains a challenge

- 53% have used the service within the past 6 months, but only 33% have used Mobile Money services in the past 3 months
- In regards to other services such as purchasing airtime, receiving a salary, paying bills and reimbursing loans, a strong majority do not use these services at all
- 61% of users send/receive money 5 or less times per month

9. KEY FINDINGS AND RECOMMENDATIONS > KEY MOBILE MONEY PERCEPTIONS

While 56% of respondents state they would consider subscribing to Mobile Money, there is a general lack of awareness of services, operators, understanding of value, and need for financial services. Business owners are also skeptical of Mobile Money

Most respondents do not use financial services at all

- 85% of respondents do not have a bank account. The primary reason being that they simply do not need one
- The majority of Afghans remain poor and earn money to spend each given day and as such, simply do not have the means to save money

Mobile Money and its operators suffer from an awareness gap

- 58% of respondents are simply unaware of MNOs providing Mobile Money services. 40% are aware of Roshan M-Paisa, but very few are aware of any other operator

Respondents do not know the characteristics of Mobile Money

- Respondents were asked about their perception on Mobile Money transfers in regards to value for money, speed, ease of access, safety (personal and monetary), simplicity, and reliability. A range of 57-59% of respondents had no opinion as they have no information on the services, and almost all had never tried Mobile Money

Non-users would consider subscribing to Mobile Money with more information

- 56% of non-users would consider subscribing to Mobile Money
- Once explained, non-users do see the value in the service but need more information on operators and services provided. Moreover, they suggest a critical mass of users is necessary

Businesses are sceptical of the usefulness of Mobile Money

- Half of businesses that subscribed to Mobile Money services no longer use the services as employees complained of liquidity issues at agents, waiting times to receive salaries, and that banks are simply more convenient
- Business non-users unanimously agreed they would not subscribe because banks and cash are more convenient

9. KEY FINDINGS AND RECOMMENDATIONS > BARRIERS TO PENETRATION

A lack of savings, lack of awareness, the perception that Mobile Money is too complicated and to some un-Islamic have been identified as barriers to market penetration. Moreover, respondents suggest a critical mass of users is necessary for them to subscribe

Afghanistan remains a cash society - Most respondents lack surplus cash for savings

- Bank penetration remains low as the majority of Afghans especially those living in rural areas, are by-and-large poor and earn money to spend each given day. They have little concept of saving money. The majority need money today, not tomorrow

General lack of awareness and understanding of Mobile Money

- Outside of Mobile Money users, respondents knew very little about the services provided via Mobile Money, the value of each service, which MNOs provide Mobile Money, or even that Mobile Money existed

Mobile Money is perceived to be too complicated

- A large proportion of the adult population is uneducated and illiterate, and as such, cannot use the interface of their phone, find the IVR system too complicated, or are unable to understand how to use each service

Perceived to be un-Islamic by a minority

- Mobile Money operators offer a loan reimbursement service which some traditional Afghans are against as it requires interest payments. Given this perception, some Afghans are unwilling to subscribe out of principle, even if they did not use this specific service

Critical mass of users necessary

- Once explained to them, many respondents see the value in the services provided by Mobile Money and would consider subscribing. However, they will not subscribe until using Mobile Money becomes more common

9. KEY FINDINGS AND RECOMMENDATIONS > BARRIERS TO PENETRATION -2

Reputation and liquidity of agents, in particular non-bank agents is a major barrier, as well as user preference to withdraw all money at once. Agents have reportedly little incentive to follow the rules as profits are limited by infrequent withdrawals

Reputation and liquidity of non-bank agents

- Mobile Money users have a poor perception of non-bank agents. Most reported that non-bank agents are corrupt, as they would not pay out the desired sum without the users offering a higher withdrawal fee. In addition, users report that non-bank agents do not have enough liquidity to make payments

User preference to withdraw money from banks

- Mobile Money users prefer going to banks to withdraw money as registered banks have more liquidity to cover payments and FGD participants report better service and absence of corruption

User preference to withdraw all money at once which may jeopardize profitability of agents and create waiting times

- Most transactions happen at the end of the month once users receive their salary and users prefer to withdraw all of their money to avoid multiple withdrawal fees. As such, incentives are low for agents as the 100 AFN maximum fee per withdrawal is not very profitable as transaction size increases
- Issues like long waiting times at bank Mobile Money cashiers have been reported

Mobile Money only available in AFN

- Many Mobile Money users work for international organizations that pay in USD, not in AFN. Users have complained that they are losing money on poor exchange rates offered by Mobile Money operators.

Afghans trust MNOs and are willing to extend their positive association into new services, such as Mobile Money

Positive association with telecommunications operators

- Afghans have a good perception of MNOs. Prior to widespread use of mobile phones, a majority of Afghans could not connect to their loved ones easily, as landlines were not even a possibility in many areas. Due to this positive moral association, mobile companies are considered to have integrity and therefore have consumer trust. As such, Afghans are willing to extend this positive association into other services offered by telecom, such as Mobile Money.

Safety and convenience, in particular for women

- Women interviewed suggest that the purchasing airtime option and sending and receiving small amounts of cash are useful services for them given social constraints in Afghanistan

Positive perception of Mobile Money once the service is understood

- The general population largely lacked awareness of Mobile Money services. However, once the service was explained to our interviewees, the majority stated they would consider subscribing as they view it to be potentially more convenient than having a bank account

9. KEY FINDINGS AND RECOMMENDATIONS > RECOMMENDATIONS

Business and GIRoA can be used as levers to boost penetration of Mobile Money. At the same time, a focus should be put on increasing awareness of the service while reinforcing its value proposition

Focus on businesses and government to build critical mass

- MNOs should focus on building business with medium to large companies as clients as well as with GIRoA and its line ministries to reach a critical mass of users as research suggests Afghans are subscription adverse. Most join only when they are forced to by employers to receive their salaries

Increase awareness on the service and educate potential customers

- MNOs need to increase awareness of the service and educate potential customers since once explained the service appeals to Afghans

Develop a customer friendly and easy to access interface in local languages

- A strong attention should be paid on making the interface as user-friendly as possible and in local languages to overcome barriers like low literacy levels

Develop the ecosystem and incentivize “active” usage

- This research has shown that incentives for Mobile Money users remain limited hence the low amount of functional transactions
- Developing the ecosystem around Mobile Money is a necessary step. The ability of the MNOs to create partnerships with utilities companies, micro-finance institutions, government services, shops, etc. so that payments via Mobile Money can be made will be a strong success factor
- This will allow Mobile Money to develop a value proposition that makes a difference vis a vis banks

Investigate the possibility to allow transactions in USD

- Should the regulator allows it, MNOs should try and provide services such as accounts in USD to appeal to the Afghan workforce paid in USD

Other issues will need to be addressed to increase penetration and usage of Mobile Money

Address agents liquidity issues
Train agents to ensure better service

Interoperability of MNOs

- Agents need an incentive to follow the rules as currently infrequent use of services and high withdrawal sums by users means Mobile Money is less profitable for them. MNOs should make sure, at a minimum, that the liquidity issue is solved and agents are provided their funds and transaction fees within days, not weeks
- Additional training on customer service is also necessary
- Once all AMMOA members enter the market, interoperability will be key to the success of Mobile Money in Afghanistan as users must be able to use services between different Mobile Money operators

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➤ **Appendix I: Strategy Workshop**

Altai professionals provided a strategy workshop for selected FAIDA trainees on the design, implementation, and management of surveys

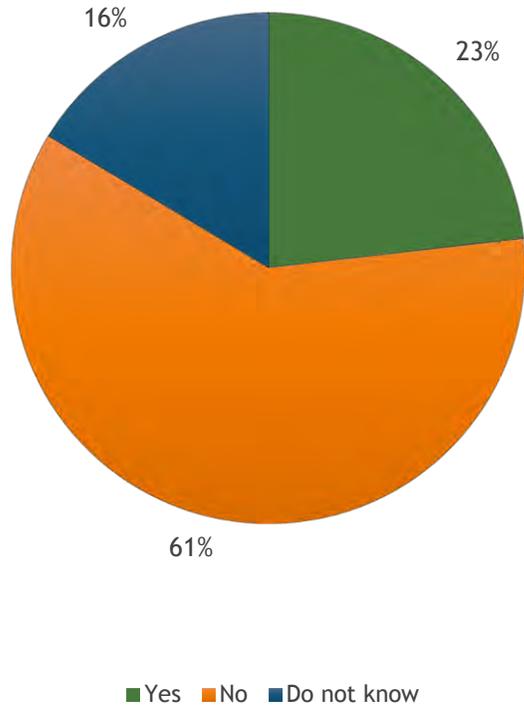
- **2-Day Strategy Workshop:** The workshop introduced the intellectual and strategic components of a data collection process to selected trainees. Thought leadership skills such as methodology and tools design, management and data collection and cleaning were taught to trainees
- FAIDA was provided all training materials such as a student handout detailing each component taught so that future workshops could be offered to their FAIDA colleagues (ToT approach)



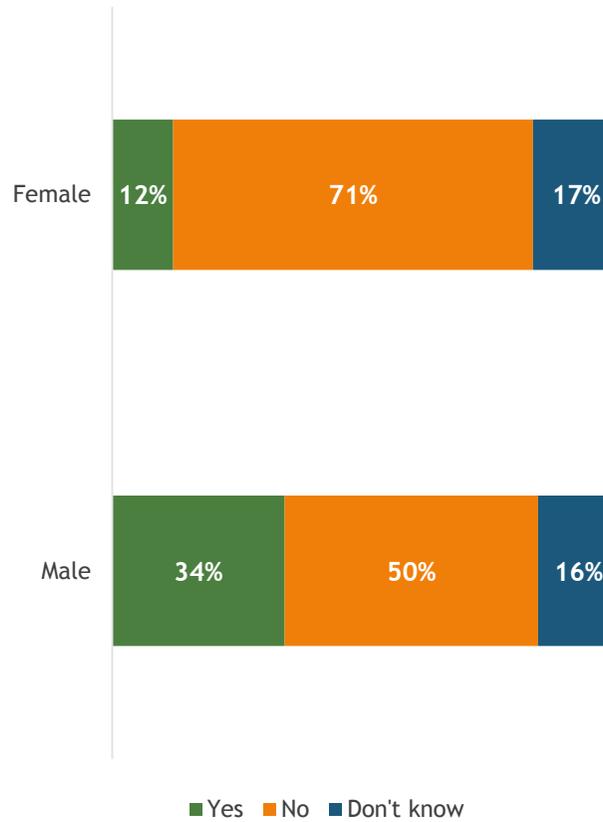
➤ **Appendix II: Mobile Agent**

23% of respondents are interested in becoming a mobile agent, including 34% of men and 25% of rural households. Many of these individuals provided their contact details and can be provided to FAIDA on request

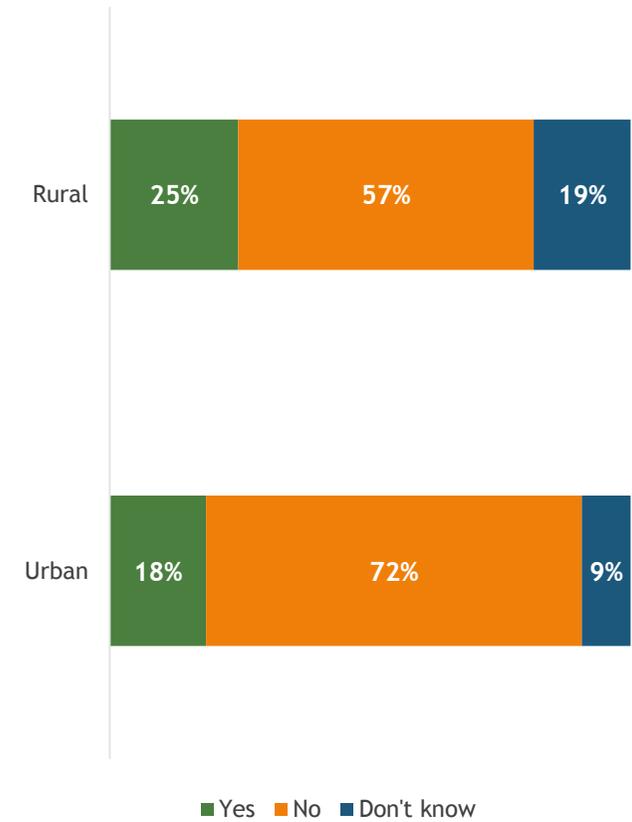
Do you want to be a Mobile Money agent? N=1,070



Mobile Money agent by gender N=1,070



Mobile Money agent by location N=1,070

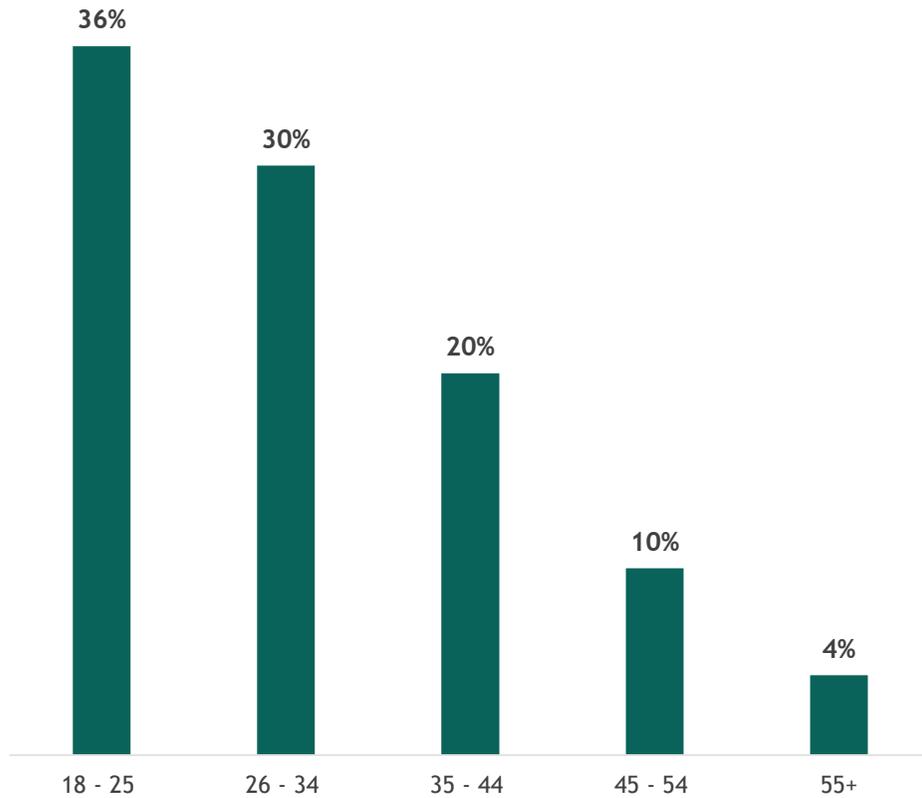


➤ **Appendix III: Additional Socio-Demographics**

The sample is well balanced among different age categories and is representative of the age structure of the country

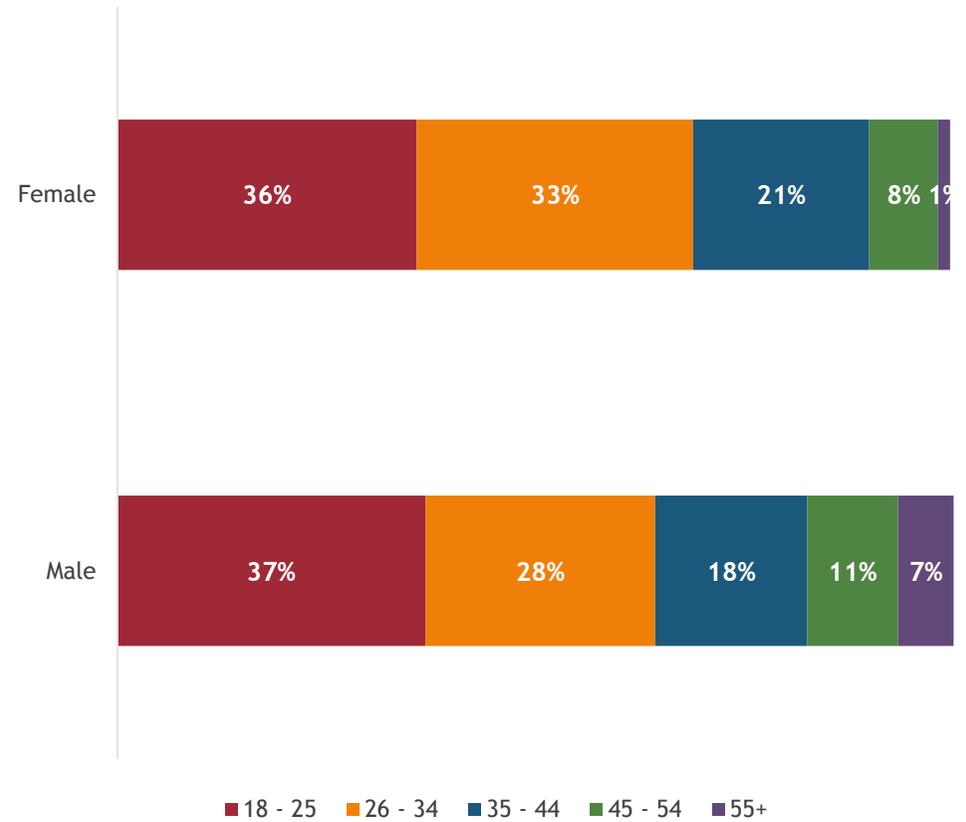
How old are you?

N=1,070



How old are you by gender

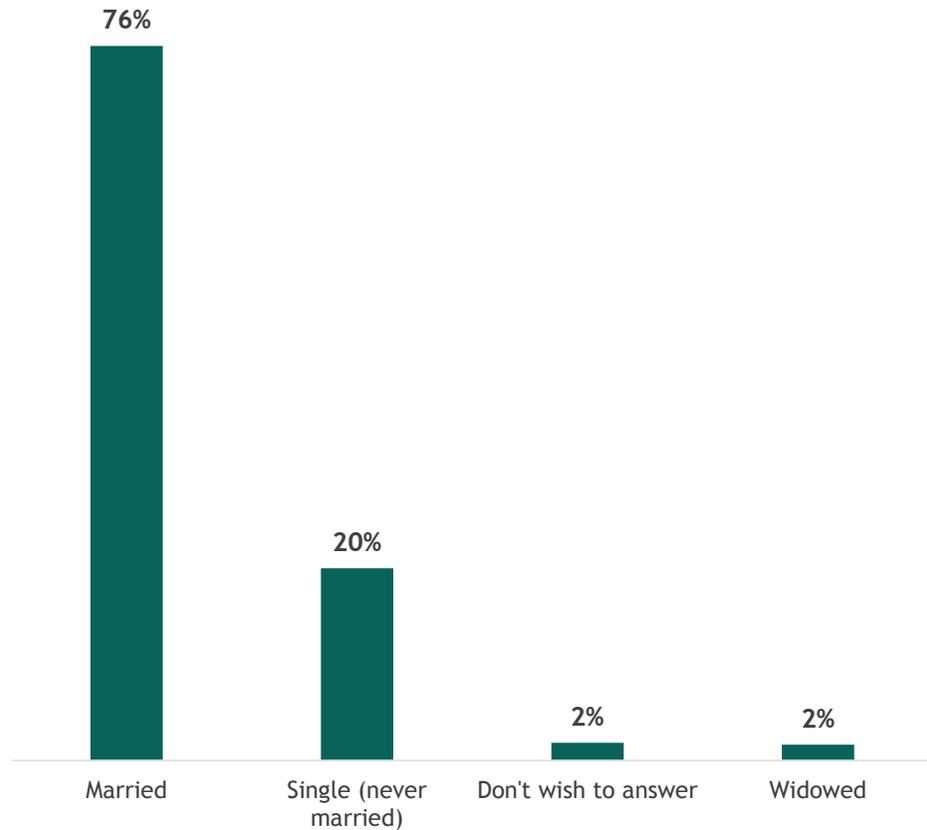
N=1,070



76% of respondents are married, while 20% are single. When the data is disaggregated by gender, the breakdown is similar to national figures, with the exception that 3% of women admitted they are widowed, and 4% of women refused to answer

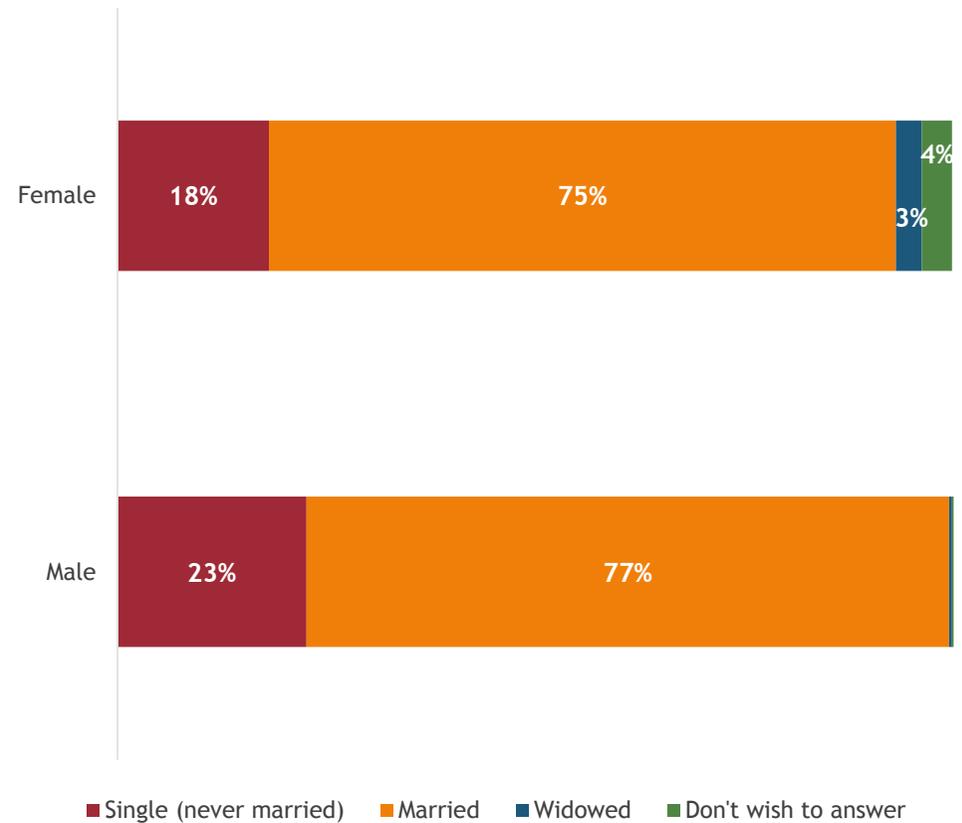
What is your marital status?

N=1,070



What is your marital status by gender

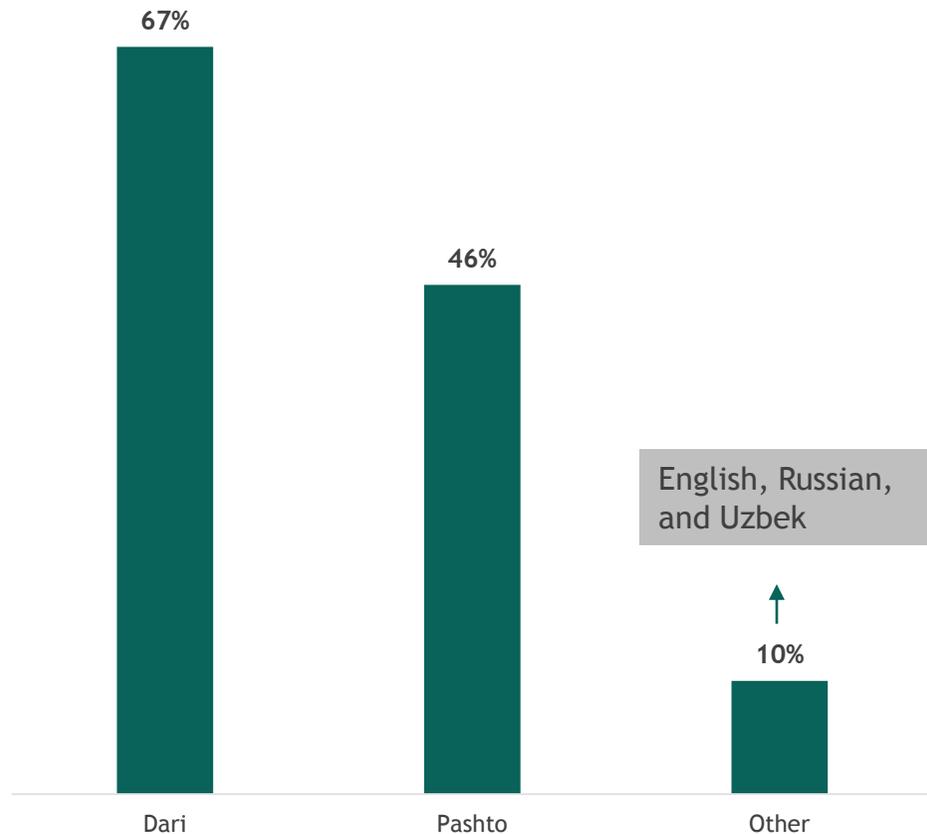
N=1,070



67% of respondents state they can speak Dari, followed by 46% of respondents who state they can speak Pashto, and 10% state they can speak one or more other languages. Predominantly English, Russian, and Uzbek

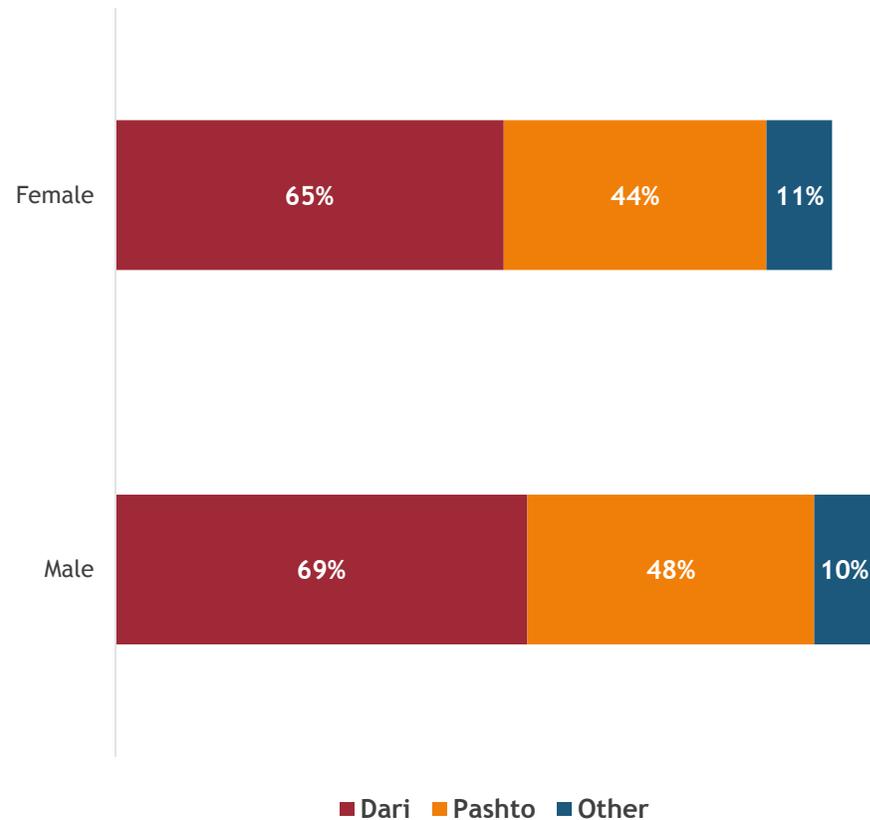
What languages do you speak?

N=1,070



What languages do you speak by gender

N=1,070



➤ **Appendix IV: Introduction to Altai Consulting**



Altai Consulting is a boutique consultancy providing consulting & research services to private companies and public institutions in emerging markets

Altai Consulting advises telecom operators, media ventures, investors, governments and international organizations in 30+ countries in the Africa, Middle East & Central Asia region

- Altai Consulting provides consulting & research services to private companies and public institutions in emerging markets. The firm leverages a core team of multidisciplinary experts supported by local staff and networks in the countries where it operates
- Over the past 10 years, Altai Consulting has delivered more than 250 consulting & research projects in the developing world
- 5 permanent offices: Afghanistan - UAE - Iraq - Libya - France
- In Afghanistan since 2003, Altai has been supporting donors, international organizations and the Afghan government in most fields of the reconstruction (governance, health, education, etc.), as well as providing services to the private sector
- Clients in the Telecom and Media sector include:



Examples of relevant experience in Telecom & Media

Altai has advised one of the largest telecom players in **Albania** in the convergence of its fixed & mobile business

Altai is advising a large operator in **Tunisia** on the development of its mobile financial services

Altai is mapping out the media sector in **Libya** to identify barriers and opportunities for growth

Altai is designing and testing innovative solutions to boost data usage in **Niger**

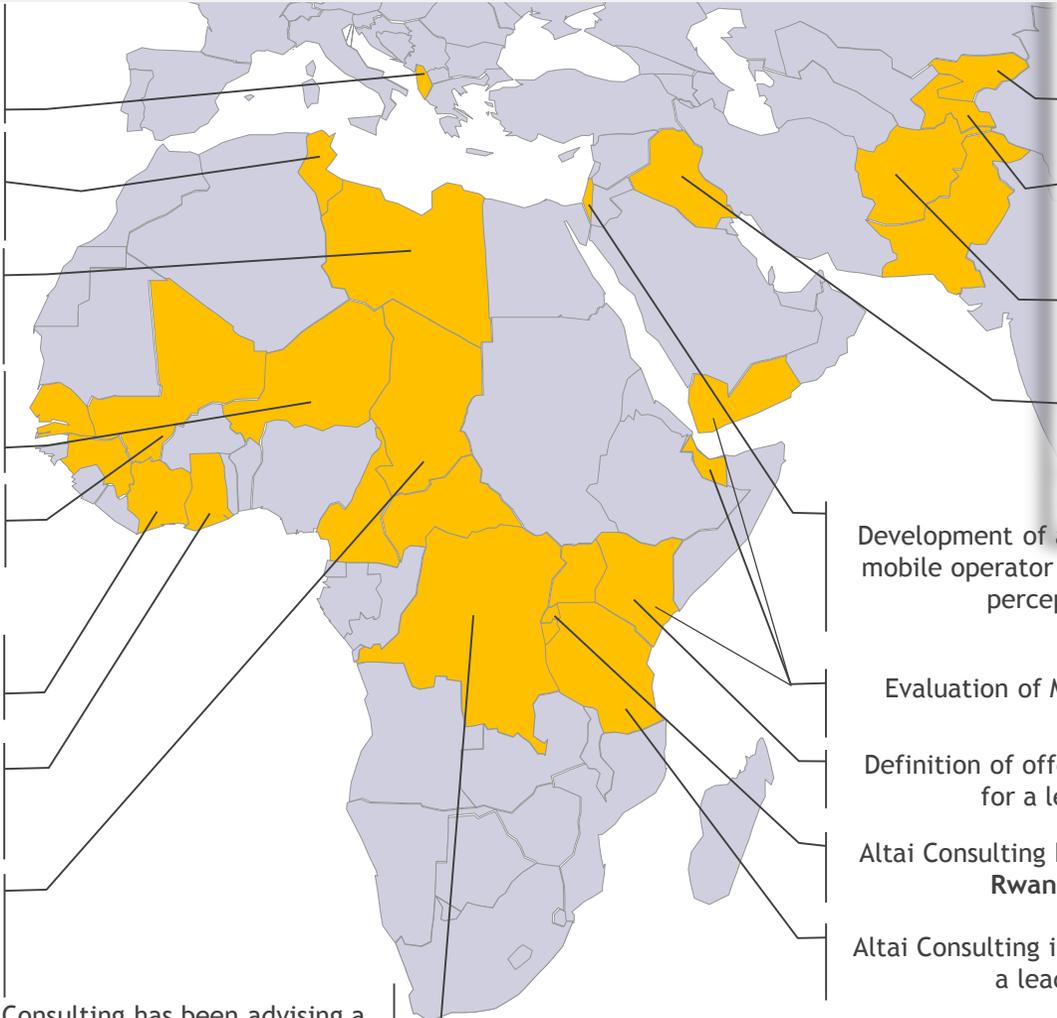
Altai has advised a European bidder for the 3G license in **Mali** to prepare its strategy and business plan to enter the market

Altai is designing and testing innovative solutions to boost data usage in **Ivory Coast**

For a global telecom player Altai is mapping out the likely evolution of the internet industry landscape in **Ghana**

Altai is advising a leading operator on its strategy to boost penetration and usage in remote locations in **Chad**

Altai Consulting has been advising a mobile operator in **DRC** on segmentation, brand perception, and potential development in new regions



Strategic & Marketing advisory to an operator applying for a 3G license in the **Kyrgyz Republic**

Target identification & valuation of media assets in **Central Asia** for a large European-based investment fund

Ongoing advisory to the largest GSM operator in **Afghanistan**

Ongoing advisory to the 2nd largest operator in **Iraq** on its marketing & sales strategy

Development of a roadmap for Mobile Money services for a mobile operator in **Palestine**; marketing studies on brand perception; media consumption; etc.

Evaluation of Media outreach activities in **Somaliland, Kenya and Yemen**

Definition of offering and roadmap for content-based VAS for a leading global operator in **Kenya**

Altai Consulting has conducted qualitative research on the **Rwandan** market for a GSM operator

Altai Consulting is conducting U&A / segmentation work for a leading GSM operator in **Tanzania**

Altai Consulting has worked for many clients in the mobile telephony sector, including on Mobile Money projects

Examples of projects in the area of Mobile Money conducted include:

- **Business Plan and Marketing Advisory for a Mobile Money project in Afghanistan** (2nd country where the M-Paisa application was launched)
- **Comprehensive evaluation of a Mobile Money project, 18 month after launch** (in usage, awareness, and understanding)
- **Financial Sector Mapping & Business Plan elaboration for a Mobile Money project in Palestine**
- **Full strategy revamping for a Mobile Money project** (including new product, pricing, and agent strategy)
- **Organization of a Workshop on “Drivers and Barriers of Mobile Money Adoption”** for a global operator (Latin America & Africa)
- **Altai is advising a large operator in Tunisia** on the development of its mobile financial services
- **Workshop on how to successfully enter the Mobile Money market in Senegal** for a global operator