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MULTILATERAL INVESTMENT FUND

**JAMAICA**

**PROMOTING FINANCIAL INCLUSION IN JAMAICA THROUGH MOBILE MONEY FOR  
MICROFINANCE (M3)**

**(JA-M1031)**

**DONORS MEMORANDUM**

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## PROJECT SUMMARY

### PROMOTING FINANCIAL INCLUSION IN JAMAICA THROUGH MOBILE MONEY FOR MICROFINANCE (M3)

#### (JA-M1031)

Low-income, vulnerable individuals and micro-entrepreneurs in Jamaica often face two problems when accessing financial services: 1) high user fees and high interest rates; and 2) high opportunity costs when required to leave their place of work to complete financial transactions. This project will pilot and facilitate the scaling of Mobile Money for Microfinance (M3), being spearheaded by the Development Bank of Jamaica (DBJ) in partnership with Transcel, an IT company in Jamaica, and the National Commercial Bank (NCB), the largest commercial bank in the country. This pilot is the first project of its kind in Jamaica and the English-speaking Caribbean, and is being carried out with the approval of the Bank of Jamaica's (BoJ).

The M3 platform will make it easier and less costly for micro-entrepreneurs to conduct financial transactions by enabling them to be completed via mobile phone. Individual accounts will also be linked to a debit card so that clients can conveniently access ATMs and pay for in-store purchases. Financial transactions will be more convenient since mobile banking users can do them from any location and at any time. Most importantly, with the high level of mobile phone penetration in Jamaica (over 100%), M3 will increase access to microfinance services in general, making these services readily accessible to individuals in underserved areas, who are unbanked or under-banked.

This MIF project will be implemented over a 30-month period, which will support the M3 pilot as well as the beginning of the scale-up process afterwards. The pilot is divided into 4 phases. Phase 1, already underway, is focused on developing and testing M3; Phase 2 features live deployment of M3 with at least 1,000 microfinance institutions (MFI) customers; Phase 3 will launch an M3 menu which lists MFIs and allows loan "negotiation"; and Phase 4 will extend M3 to new customers who sign on through the agent network to be established during the pilot. The target population for the initial phases of the pilot will be clients of the 10 MFIs that meet eligibility requirements for DBJ funds for on-lending. Approximately 60% to 75% of these clients will be female. Many of the direct beneficiaries will be individuals in rural or semi-urban areas island-wide with limited physical access to financial services. Project components include 1) a communications campaign to raise awareness about M3 among potential users; 2) MFI training on M3 and technical support; 3) agent network development and scaling of the pilot; and 4) knowledge management and knowledge dissemination.

The expected impact of this operation is to reduce the transaction costs (costs in time and money) of microfinance services for low-income people in Jamaica. The expected result of this project is to increase access to financial services for low-income people in Jamaica through the introduction of a mobile money platform. The M3 project is expected to benefit at least 2,500 low-income individuals and their families by giving them access to convenient and lower-cost microfinance services. In reality, many more in addition to these 2,500 are likely to benefit, given this project's high potential for customer uptake. MIF provides additionality to this project by incorporating its experience and lessons learned in mobile banking as well as project monitoring and evaluation from elsewhere in the LAC region.

## **ANNEXES**

ANNEX I	Results Framework
ANNEX II	Detailed Budget
ANNEX III	Quality for Effectiveness in Development (QED)

## **INFORMATION AVAILABLE IN THE TECHNICAL DOCUMENTS SECTION OF MIF PROJECT INFORMATION SYSTEM**

ANNEX IV	Mobile Money Customer Verification Process
ANNEX V	Preliminary List of Milestones
ANNEX VI	Procurement and Contracting Plan
ANNEX VII	Diagnostic of Needs of the Executing Agency (DNA)
ANNEX VIII	Execution Calendar

## **APPENDIX**

Draft Resolution

## **ACRONYMS AND ABBREVIATIONS**

<b>AOP</b>	Annual Operating Plan
<b>BoJ</b>	Bank of Jamaica
<b>DBJ</b>	Development Bank of Jamaica
<b>DNA</b>	Diagnostic of Executing Agency Needs
<b>GoJ</b>	Government of Jamaica
<b>IADB</b>	Inter-American Development Bank
<b>KYC</b>	Know Your Customer
<b>LAC</b>	Latin America and the Caribbean
<b>M3</b>	Mobile Money for Microfinance
<b>MFI</b>	Microfinance Institution
<b>MIF</b>	Multilateral Investment Fund
<b>NCB</b>	National Commercial Bank
<b>OR</b>	Operating Regulations
<b>PCU</b>	Project Coordination Unit
<b>QED</b>	Quality for Effectiveness in Development
<b>SC</b>	Project Steering Committee
<b>TOR</b>	Terms of Reference



PROJECT INFORMATION

PROMOTING FINANCIAL INCLUSION IN JAMAICA THROUGH MOBILE MONEY FOR MICROFINANCE (M3)

(JA-M1031)

<b>Country and Geographic Location:</b>	Jamaica: Island-wide		
<b>Executing Agency:</b>	Development Bank of Jamaica (DBJ)		
<b>Access Area:</b>	Access to Finance		
<b>Agenda:</b>	Savings, Payments and Credit for Low Income People		
<b>Coordination with Other Donors/Bank Operations:</b>	Caribbean Microfinance Capacity-Building Project II [RG-M1208]		
<b>Direct Beneficiaries:</b>	At least 2,500 individuals of which at least 60% will be women. 10 Microfinance Institutions.		
<b>Indirect Beneficiaries:</b>	at least 10,000 family members of direct beneficiaries		
<b>Financing:</b>	Technical Cooperation:	US\$532,415	42%
	<b>TOTAL MIF FUNDING:</b>	US\$ 532,415	
	Counterpart:	US\$ 680,200	58%
	Co-financing (if available):		00%
	<b>TOTAL PROJECT BUDGET:</b>	US\$ 1,212,615	100%
<b>Execution and Disbursement Period:</b>	30 months of execution and 36 months of disbursement.		

<p><b>Special Contractual Conditions:</b></p>	<p>Conditions prior to first disbursement will be: (i) hiring a Project Manager; (ii) completion of the testing phase (Phase I) of the pilot as evidenced by formal correspondence from the DBJ to the Bank; (iii) satisfactory completion of user acceptance testing and certification of the integration with the National Commercial Bank and the security protocol for interface with the national payment system; (iv) approval by the Bank of the project Operating Manual and Annual Operating Plan for the first year; (v) formation of a centralized project management office and establishment of the Project Steering Committee; (vi) designation of one or more representatives of DBJ with legal powers to execute the technical cooperation agreement and any other related documents; (vii) evidence, to MIF's satisfaction, that at least 10 MFIs were approved by DBJ.</p>
<p><b>Environmental and Social Impact Review:</b></p>	<p>This operation was screened and classified as required by the IDB's safeguard policy (OP-703). Given the limited impacts and risks, the proposed category for the project is C.</p>
<p><b>Unit with Disbursement Responsibility:</b></p>	<p>COF Jamaica</p>





## 1. BACKGROUND AND JUSTIFICATION

### A. Diagnosis of the Problem to be addressed by the Project

- 1.1 Micro-entrepreneurs in Jamaica often face two challenges when trying to access financial services: 1) high user fees and loan costs; and 2) significant opportunity costs<sup>1</sup> when required to leave their place of business to complete financial transactions. These transaction costs (time and money) can threaten the sustainability of microenterprises and deter individuals from using these financial services, thereby excluding them from taking full advantage of the financial system. In Jamaica, the second largest economy in the Caribbean, access to financial services is still inconvenient for many. The country has the largest proportion of adults with financial accounts in the English-speaking Caribbean (57%), but the lowest coverage of bank branches (6 branches per 100,000 adults) and second lowest percentage of ATMs (27 per 100,000 adults), partly because about half of the population is rural.<sup>2</sup> Low Microfinance Institution (MFI) penetration in rural areas means that financial services are not easily available, which also increases the time and transportation costs these clients face when trying to access these services.
- 1.2 Lack of access to the formal financial system also raises an issue of financial vulnerability. Micro-entrepreneurs frequently need to keep cash balances for working capital for their businesses and if they do not have a bank account, they keep it in their household. This cash is at risk of theft and is not nearly as secure as it would be in a financial institution. Many are cognizant of this risk, so they spend their income more quickly so that they would not lose as much cash from a potential theft. This tendency causes them to save less than they would if they had convenient access to the financial system and prevents them from saving enough for purchases of large assets or for possible emergencies.
- 1.3 Many prospective MFI clients resort to informal lending arrangements (family or friends or ROSCAs<sup>3</sup>), rather than trying to engage with the formal financial system. Levels of the “unbanked” in the country are significant, estimated at approximately 35% of the adult population. Moreover, of those who are banked, almost 80% do not own money transfer accounts, checking accounts and/or credit cards.<sup>4</sup>
- 1.4 This preference on the part of micro-entrepreneurs for informal credit partly accounts for the low level of market penetration for microfinance services in Jamaica, which in turn exacerbates the challenges outlined above. Although the microfinance sector has experienced considerable growth in recent years, the sector remains underdeveloped.<sup>5</sup> Approximately 60,000 microenterprises out of a potential market of 400,000

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<sup>1</sup> Opportunity cost is the “cost” incurred by not enjoying the benefit that would be had by taking the second best choice available. It can include financial costs, the real cost of output forgone, lost time or any other benefit that provides utility.

<sup>2</sup> Desk Study – Informal Markets for Microfinance in the English-Speaking Caribbean, EA Consultants, October 28, 2013 p. 2.

<sup>3</sup> Rotating savings and credit associations (ROSCAs) are informal groups of people who regularly meet and pay a set amount into a pool of money for a set amount of time. Each meeting, one member takes their turn in receiving the total pool and the cycle ends when all have received payment.

<sup>4</sup> “Economic Impact Analysis.” Carana. August, 2011. pp. 36-37.

<sup>5</sup> Global Microscope on the Microfinance Business Environment 2012, Economist Intelligence Unit.

microenterprises access microfinance services. This represents a 15% penetration, 30 years after microfinance was introduced in Jamaica.<sup>6</sup>

- 1.5 The 2012-2013 Global Competitiveness Report rates the affordability of financial services in Jamaica with a 3.8 out of 7 (7 being best), which gives it a ranking of 92<sup>nd</sup> out of 144 countries examined.<sup>7</sup> The average microcredit rate of 1% per week, compounded, is sometimes greater than the profit margins of many microenterprises. Also, Jamaica's ease of access to loans rating is 2 out of 7 and its ranking is 127<sup>th</sup>, indicating the difficulty that many potential borrowers experience in obtaining a loan.<sup>8</sup> The 2013 WeVenturescope ranks Jamaica last out of 20 Latin American and Caribbean countries in support for women's entrepreneurship, with access to finance identified as one of Jamaica's biggest challenges.
- 1.6 With only 31.5% of individuals in Jamaica using the internet regularly and only 3.9% subscribing to broadband internet,<sup>9</sup> the vast majority of individuals cannot take advantage of online banking, which would save time, reduce their expenses and be more convenient. Instead they must commute to their nearest branch and wait in line to complete transactions. For micro-entrepreneurs, this means that they forego revenue-generating activities, particularly since banking services in Jamaica are highly concentrated along the coast, causing rural micro-entrepreneurs to face long commutes to transact business. On the other hand, Jamaica has a high mobile phone penetration of more than 108%,<sup>10</sup> and island-wide coverage. Many individuals have more than one phone, linked to the two largest service providers, Digicel and LIME.
- 1.7 Structural inefficiencies within MFIs are the main reasons for the high cost of microfinance services, making them unaffordable for most micro-entrepreneurs. The following factors contribute to MFI costs: 1) Limited economies of scale for MFIs due to low population densities, especially outside of Kingston; 2) High cost of new client outreach, due to factors such as high security and transport costs; 3) Lack of an efficient delivery channel for affordable and accessible microfinance services; 4) Inefficient manual (in-person) systems for disbursement, collections, and monitoring of client transactions; and 5) Low levels of financial literacy among micro-entrepreneurs resulting in high default risk, which inflates monitoring costs.
- 1.8 This project, through the M3 platform, will pilot a mobile banking solution to not only address the issues of high transaction costs (costs in time and money) for micro entrepreneurs, but also the issue of lack of access for the unbanked. The M3 platform is being developed by Transcel Ltd, a technology company and a key partner in this project. The company has been working to introduce mobile banking in Jamaica since 2009, and is leading the technical implementation of the M3 platform. Most of Transcel's staff of 28 employees is working on the development of the platform. Transcel is developing M3 with support from Alaric Systems Ltd. in the U.K., an international payments and fraud prevention technology company. Transcel's principal

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<sup>6</sup> [www.ilo.org](http://www.ilo.org); <http://www.neweconomyproject.com/>.

<sup>7</sup> World Economic Forum. Global Competitiveness Report 2012-2013.

<sup>8</sup> World Economic Forum. Global Competitiveness Report 2012-2013.

<sup>9</sup> World Economic Forum. Global Competitiveness Report 2012-2013.

<sup>10</sup> World Economic Forum. Global Competitiveness Report 2012-2013.

founders and partners combine extensive experience in technology, financial services and the business and regulatory environment in the Americas. Since the beginning of 2014, the company has raised an additional US\$2 million in investment for this pilot and diversified their board to improve their governance structure.

## **B. Project Beneficiaries**

- 1.9 Of Jamaica's 2.8 million people, 584,000 reside in Kingston and the next largest city, Montego Bay, has less than 200,000 people.<sup>11</sup> Thus, many of the beneficiaries targeted by this project live in rural or semi-urban areas with reduced access to financial services due to long distances and limited economies of scale in these areas. The target population for the initial phases of the pilot will be clients of the 10 MFIs approved by DBJ for access to its funding for on-lending.<sup>12</sup> Based on the profile of these MFI clients gathered from DBJ data, approximately 60% to 75% of the estimated pilot beneficiaries overall will be female and will be located in areas that are rural, semi-urban and urban. These individuals will typically be self-employed (sole proprietorships), frequently heads of household, with two to three dependents and often household-based entrepreneurs. In rural areas they will usually be small farmers and others who are engaged in small income-generating activities. Urban areas activities will be more diverse and will include shopkeepers, service providers, artisans, street vendors, etc. Most of these individuals operate in the informal sector. Based on existing MFI clients, the average loan size requested will be J\$60,000 (US\$583), with an average loan term of 24 weeks, usually for working capital. Based on the experience of the local MFIs, M3 clients will most likely need between one to four loans during the pilot period.
- 1.10 Following the later phases of the pilot, M3 will be made available to micro-entrepreneurs and individuals who operate on a cash-only basis and are not affiliated with either MFIs or commercial banks. Individuals can sign up for M3 with an agent and select their MFI for a microcredit loan if they need one, through the M3 platform. It is anticipated that M3 will also be used by individuals for bill payments and to receive government payments and transfers. Once M3 is available to not only micro-entrepreneurs, but the public more broadly, the direct beneficiaries of this project will be individuals in rural, semi-urban and urban areas, either unbanked or under-banked. This project will have nation-wide reach, as cell phone networks cover the entire island and the vast majority of entrepreneurs have at least one cell phone.
- 1.11. Additionally, MFIs participating in the M3 program will benefit. Efficiencies offered by the M3 platform will enable higher customer outreach and will lower costs per loan. These operational improvements will increase the sustainability of participating MFIs and will further the evolution of the microfinance industry in Jamaica.

## **C. Contribution to MIF Mandate, Access Framework and IDB Strategy**

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<sup>11</sup> <http://www.citypopulation.de/Jamaica.html>

<sup>12</sup> These institutions are: Access Financial Services Ltd, First Heritage Cooperative Credit Union, First Union Financial Company Limited; JN Small Business Loans Ltd.; McKayla Financial Services, Ltd., Micro Credit Ltd. National People's Co-operative Bank of Jamaica, Nation Growth MicroFinance Ltd., St. Elizabeth Co-operative Credit Union, and St. Thomas Co-operative Credit Union. As of May, 2014, five of them have signed up to join the pilot.

- 1.12. The project supports the MIF mandate to promote private sector development and alleviate poverty in LAC. M3 promotes private sector development in Jamaica by broadening the reach of the financial services sector to previously unbanked and under-banked individuals. M3 provides a platform through which Jamaican financial institutions can more efficiently serve potential clients with a suite of services and clients can effectively compare MFI microloan rates and perform other transactions, including bill payments. The project also fosters poverty reduction by providing M3 users with easier and more convenient access to financial services, which supports them in growing their business and increasing their incomes.
- 1.13. The M3 project contributes to the *Saving, Payments, and New Distribution Channels* Agenda by increasing financial inclusion for micro-entrepreneurs and other individuals at the base of the pyramid. Mobile money technology significantly improves the ease with which financial transactions can be conducted, which will reduce transaction costs and bring more individuals into the formal financial system. M3 will increase the ability of micro-entrepreneurs to manage their cash flows and ultimately reduce their financial vulnerability (risk of loss of cash from theft or disaster, which influences people to spend more and save less). Better cash management enables beneficiaries to save or borrow as needed in order to grow their business and provide for their family.
- 1.14. The project also contributes to knowledge under the *Savings, Payments, and New Distribution Channels* Agenda by providing lessons for the design and implementation of other mobile banking initiatives in Jamaica and the Caribbean region. The project will provide information on how to successfully implement these initiatives while ensuring proper integration between the systems of telecommunications companies, financial institutions and agents (points of service).

#### **D. Collaboration with the Bank Group.**

- 1.15. This project is fully aligned with the IDB 2013-2014 Country Strategy for Jamaica, which identifies access to finance and developing the capabilities of MSMEs as critical to improving private sector performance. In addition, as part of the GoJ's growth strategy outlined in the recent Extended Fund Facility Agreement with the IMF, the Government has committed to support the implementation of M3, as a vehicle for providing access to finance for the underserved population in the country.<sup>13</sup>
- 1.16. This operation also has synergies with the Caribbean Microfinance Capacity-Building project II (Carib-Cap II), which focuses on providing grant assistance to 13 MFIs (5 of them in Jamaica), to increase outreach and improve performance. Three of the MFIs that are project beneficiaries are among DBJ's approved institutions for on-lending (Access Financial Services, Ltd., National Peoples Co-operative Bank and St. Thomas Co-operative Credit Union). Carib-Cap II is also implementing a financial education program for MFI clients and M3 will leverage this program for FE training activities tailored to mobile banking.

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<sup>13</sup> Jamaica: Request for an Extended Arrangement under the Extended Fund Facility, IMF, April 17, 2013 p. 58.

## 2. PROJECT DESCRIPTION

### A. Objectives

- 2.1. The expected impact of this operation is to reduce the transaction costs (costs in time and money) of microfinance services for low-income people in Jamaica. The expected result of this project is to increase access to financial services for low-income people through the introduction of a mobile money platform in Jamaica.
- 2.2. This project will achieve those objectives by supporting the Mobile Money for Microfinance (M3) pilot and the subsequent M3 expansion. M3 is a platform which enables users to conduct financial transactions related to microcredit, bill pay and cash transfers on their mobile phone. It is being spearheaded by the DBJ, in partnership with Transcel and NCB. M3 will greatly increase the convenience with which microfinance transactions occur, providing savings in terms of time and cost. M3 will also reduce financial vulnerability of low-income people by allowing them to manage their money efficiently, and it will reduce the need to hold and carry large cash amounts, which are at risk of theft.

### B. Description of Model/Solution/Intervention

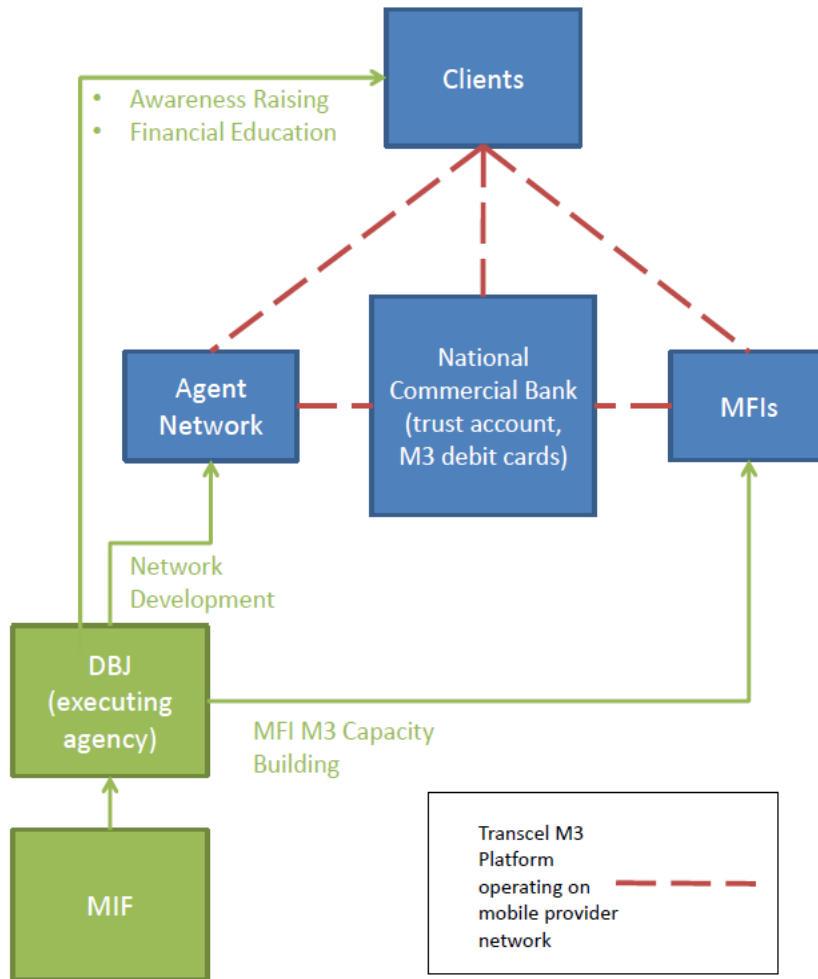
- 2.3. This MIF project has a 30-month implementation period, which supports Phases 2 through 4 of the M3 pilot as well as scale-up afterwards. The M3 pilot is divided into 4 phases as follows:
- 2.4. **Phase 1:** Integration with the commercial banking partner, National Commercial Bank (NCB), platform and services deployment, certification of the system, and testing with 100 Mobile Money live cash accounts. In addition to MFI clients, this testing will include MFI and DBJ staff (including at least 3-5 loan officers from each participating MFI and 3-5 staff members from the DBJ). MFIs will be encouraged to use mobile money for staff salary disbursements for those testing the system, and in the case of DBJ, M3 will be used for staff lunch payments at the staff cafeteria. In addition to testing, Transcel is providing seed funding of J\$1500 (US\$15) to J\$2000 (US\$20) for each mobile account. This first phase is in progress, and it is scheduled to last through the end of October 2014. DBJ, Transcel and NCB are all contributing in respective ways to the development of Phase 1.
- 2.5. **Phase 2:** Live deployment of Mobile Money services and expansion of the customer numbers to at least 1,000 MFI customers. It will test the ability to rapidly scale customer adoption and to deliver mobile and internet customer support. A key element of the phase will be the Mobile Money Customer Verification Process (see Annex IV). During this phase, in order to “jumpstart” widespread acceptance of M3, mobile money services will be expanded to include utility payments with third party electronic payment gateway providers. Efforts will be made to expand the use of M3 for salary payments for MFI and DBJ staff, and to begin bringing on board government payments systems such as the Programme of Advancement Through Health and Education (PATH), the Kingston & St. Andrew Parish Council (KSAC), the Micro Investment Development Agency (MIDA), and others. In this phase as well, a strategy for development of the agent network will be conceptualized and launched, using NCB’s retail network as a point of departure.

- 2.6. **Phase 3:** Launch of the M3 “Conversation Manager,” an “instant messenger” type service, which lists MFI microcredit offerings and allows loan “negotiation” so that customers can identify the appropriate microloan services easily via their mobile phone. The “Conversation Manager” will enable MFIs and their customers to arrive more quickly at suitable microloan terms and conditions, and gives clients the opportunity to effectively compare and negotiate these conditions. In this phase, the agent network will be developed, using as a point of departure NCB’s retail network.
- 2.7. **Phase 4:** M3 will be open to all prospective mobile money customers, i.e., any individual who signs up for an e-money account through an agent. M3 can also be utilized by those who receive government payments and those who want to expedite bill payments. M3 users that are micro-entrepreneurs can use M3 to apply for a micro-loan from a DBJ-approved MFI.<sup>14</sup> They will be able to “shop around” for loan rates from MFIs, using the Conversation Manager application. Phase 4 will test M3’s ability to deliver effective services to the most hard-to-reach population segments, i.e. the unbanked, using an agent network. Growth in M3 customers will also be facilitated to the extent that new MFIs obtain DBJ approval and sign on to the M3 platform. There is potential for high customer scale-up during Phase 4 and afterwards given the ease with which customers will be able to sign-up.
- 2.8. **Post-Pilot:** Following completion of the pilot, this project will support refinement of the model, based on the plan to expand M3 on a commercial basis.

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<sup>14</sup> Note that so far in Phase I, 5 of the 10 approved MFIs have indicated that they will participate in the M3 program. It is anticipated that additional approved MFIs will join the program as it progresses, and the DBJ has indicated that it could approve additional MFIs as eligible for its funds during the pilot, making them eligible for M3.

**Mobile Money for Microfinance (M3)**  
**Stakeholders Map**



2.9. **How M3 will work.** There are currently no comprehensive mobile banking initiatives being implemented in Jamaica<sup>15</sup> and because M3 is the first such attempt, the principal financial regulator, the Bank of Jamaica, has required that Mobile Money be “bank-centric” meaning it must involve a regulated deposit-taking financial institution for compliance reasons, as is the case in other countries in the region with regulations on mobile money. It must also be “inter-operable” meaning allow a seamless interface between the commercial banks, telephone companies and other stakeholders.

2.10. To satisfy these regulatory requirements, the DBJ will open one or more trust accounts at National Commercial Bank (NCB) Jamaica to contain all the monies for the mobile money users and the links to their accounts at the MFIs.<sup>16</sup> The mobile money platform designed by Transcel will operate on the cellular network of both Digicel and LIME. The

<sup>15</sup> The BOJ has granted permission for the Credit Union League in Jamaica to implement a 3-month pilot – a limited mobile solution for e-payment services – balance inquiry against a credit union account, bill payment from that account and mobile phone “top-up”.

<sup>16</sup> Confidentiality requirements have been established and MFIs will only have access to information on their own clients.



platform will integrate with NCB’s transaction switch and manage all the mobile money “micro accounts” attached to the DBJ trust account(s). MFIs will facilitate initial user sign-up and compliance as well as provide useful user education and feedback. In the first phases of the pilot when there is no agent network in place, the MFI will assist the client in completing the Know Your Customer (KYC) information.<sup>17</sup> The client will then take this form to NCB who will verify the data, enter the customer into the M3 system, and issue an M3 debit card, which can be used to conveniently access ATMs and pay for in-store purchases. See Annex IV for the mobile money customer verification process.

- 2.11. Each MFI loan client will access their micro-account via a downloaded application on their mobile phones that interacts with the mobile money platform. This application will work both in basic and smart phones. Keeping in mind that cell phone users pay based on data usage, the application will use very small amounts of data in comparison to a smart phone accessing a bank website through the internet. Clients will face no additional fees during the pilot, but afterwards, to ensure financial viability for partners, users will pay a small fee per mobile money transaction. This fee will go to Transcel, NCB and DBJ as well as the agents, when an agent is used. This fee will be much lower than the fees bank customers currently pay.<sup>18</sup> Banks in Jamaica charge fees to complete transactions at the branches and the main banks have a limited number of free transactions per month at their ATMs.
- 2.12. A key innovative aspect of M3 is the “Conversation Manager” feature, accessible on a client’s mobile phone, which allows the client to engage in a range of structured interactions with an MFI, including loan cost comparisons between different institutions. This feature is not available on other mobile money systems worldwide.

**Types of Transactions Available on M3**

<b>M3 Mobile Phone Transactions</b>	<b>M3 Debit Card Transactions</b>
Mobile balance inquiry	ATM deposit (NCB)
Person to person transfer (P2P)	ATM withdrawal (NCB)
Transfer to/from NCB bank account	ATM withdrawal (non-NCB)
Mobile bill pay	ATM balance inquiry
Mobile top-up	Point of sale (POS) purchase
Mobile purchase from retail partner (agent)	
Cash-in and cash-out at agent	

<sup>17</sup> Personal information that banks are required to collect to identify their client.

<sup>18</sup> For example, banks in Jamaica currently charge on average a fee of J\$250 (US\$2.30) to cash a check.

M3 Sign-up at agent	
Menu of MFIs offering loans on M3	
Loan request and negotiation	
Loan disbursement	
Loan repayment	

- 2.13. Transcel Limited will own the intellectual property rights for the M3 platform. The IDB will own any and all intellectual property rights derived from any and all knowledge products resulting from the project including, but not limited to, the following:
- i) M3 case study guide and a how-to-guide, focusing on how the project was implemented and the role of the parties involved.
  - ii) Workshop material.
  - iii) Manuals used in training sessions.
  - iv) Seminar supporting material.
  - v) Surveys and survey results.
  - vi) Reports delivered to the M&E consultant and Mid-term report prepared by M&E consultant.
  - vii) Final evaluation (including lessons learned and best practices).
- 2.14. Given the above, the IDB, through the MIF or on its own, may use all the information it deems appropriate to systematize and promote the future development of other mobile money services in Jamaica and in any other countries in the LAC region, through the replication and/or scaling of the project.

### C. Project Components

#### **Component I: Awareness-raising and Communications Campaign. (MIF: US\$100,800; Counterpart: US\$43,200).**

- 2.15. The objective of this component is to stimulate strong interest in and ultimately broad-based demand for mobile banking in Jamaica.
- 2.16. This component will build on activities already being undertaken by DBJ and Transcel to mobilize stakeholders and potential clients. DBJ has already drafted a communications strategy and has begun awareness-raising workshops with MFIs to explain the benefits of M3. These awareness-raising efforts will be expanded under the project. A strategy will be developed to identify key communities island-wide with high potential for adopting mobile banking, and these will be selected in discussions with the MFIs in the program. The communications/media campaign will be aimed at the public as well, but will be designed to focus specifically on these communities, in order to promote large-scale awareness and expedite significant take-up in these areas. Consideration will be given to distinctions between the urban, semi-urban and rural populations as the marketing strategy is developed.

- 2.17. Expected results of this component include: i) at least 18 workshops held with MFIs to build awareness about the benefits of mobile money and the M3 platform; ii) a strategy developed to identify the most promising communities with respect to the adoption of mobile money; and iii) a communications media campaign developed and implemented, targeting these communities.

**Component II: MFI Training and Technical Support. (MIF: US\$146,500; Counterpart: US\$267,000)**

- 2.18. The objective of this component is to finance the necessary training and technical support that the MFI staff will require for the implementation of M3 within each participating institution.
- 2.19. Activities in this component will include the training of MFI loan officers and select DBJ staff in the use of the system and the M3 computer tablets to be used to initiate loans in the field. DBJ and Transcel are already developing the manual needed for these training sessions, and both institutions will collaborate to conduct the training. DBJ has begun the training with the “test accounts” during the current testing phase of M3, and will develop best practices, based on these results, that will be incorporated in the final version of the manual.
- 2.20. In a separate activity, officers will learn how to train their clients in the use of M3, and these client sessions will be bundled with financial education training. This will be coordinated with financial education activities being conducted under the Carib-Cap II project.<sup>19</sup> Where necessary, the development of simple training materials for micro-entrepreneurs with low literacy will be developed as well. A Training Incentive Program will be developed and launched, for MFIs who sign up the most active users over a six-month period. The winner will receive overseas training (participation in an overseas mobile banking conference) for two loan officers. This component will also support DBJ’s establishment of a 24-hour customer support center. DBJ has begun working with MFIs to customize the M3 user interfaces and applications to ensure a seamless integration with their IT systems. Additionally, project funds will finance a consultant to re-engineer individual MFI business processes to better integrate with M3, in cases where changes are necessary.
- 2.21. Expected results of this component include: i) loan officers of MFIs “approved” by DBJ fully trained in the use of M3 and the tablets for loan origination in the field; ii) all MFI loan officers trained in how to train their clients in the use of the system; iii) Financial education training sessions for clients completed; iv) the customer support center established and operating on a 24-hour basis; v) the business processes of MFIs participating in M3 re-engineered to link seamlessly with M3; and vi) the Training Incentive Program launched.

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<sup>19</sup> Financial education training is one of the key activities in the Carib-Cap II project, and is being coordinated by the Caribbean Microfinance Alliance (CMFA). Four of the nine institutions targeted for the M3 pilot by DBJ are currently beneficiaries of the Carib-Cap II project. Two FE trainers, based in Jamaica, have been trained and training manuals developed.

**Component III: Agent Network Development and Scaling of the Pilot. (MIF: US\$133,000; Counterpart: US\$144,000).**

- 2.22. The objective of this component is to support the establishment of the M3 agent network, including the points of sale (retail outlets such as grocery stores) where clients can conduct in-person activities such as withdrawing cash and enrolling in M3.
- 2.23. Funds will be used to hire a consultant to provide support for development of the agent network. Funds will also finance technical support to retail agents for M3 integration into their point of sale process (hardware and software). Project resources will support the training of agents to undertake M3 client enrollment and cash services. Funding will also cover the cost of certifying the integration of agent network systems with M3, as required by the Bank of Jamaica. Finally, the MIF will foster the scaling of the pilot by funding a consultancy to develop a viable scenario for commercial expansion of M3, drawing from best practices in other MIF-funded projects, such as the ones in the Technology for Financial Inclusion Program. This consultancy will be undertaken in Phase 2 of the pilot.
- 2.24. Expected results of this component include: i) agent network developed, agents trained and network operational ; ii) full integration of M3 into the point of sale process of the retail agents identified; iii) certification of the integration between agent network systems and the M3 platform achieved; and iv) a finalized plan for scaling the pilot.

**Component IV: Knowledge Management and Knowledge Dissemination. (MIF US\$80,000; Counterpart US\$47,000).**

- 2.25. The objective of this component is to document and disseminate knowledge about the development and implementation of a mobile money solution (i.e. M3) in Jamaica. The main audiences will be: MFIs in Jamaica and the region, governments, NGOs, national development banks, commercial banks and research entities focused on providing mobile-based banking to micro-entrepreneurs in the Caribbean and elsewhere, as well as the MIF and the donor community. The idea is to substantiate the fact that mobile money is a valuable tool to promote financial inclusion in a Caribbean context. Therefore the message to be communicated is that first, mobile money can effectively link the unbanked and under-banked with the formal financial system and that second, it can significantly increase the convenience with which clients conduct financial transactions and lower the money costs they face as well. We expect that this project will encourage other players in the Caribbean to implement mobile money initiatives based on M3 outcomes.
- 2.26. The main knowledge products to be produced are an M3 case study incorporating the results and impact of the pilot as well as a how-to guide focusing on how the initiative was rolled out and the role of the parties involved. This guide would allow organizations interested in replication of the model to understand the necessary steps taken in their logical sequence, indicating what should be done and how, where, why, and by whom. A closing international/regional seminar will be held to discuss results achieved and the sustainability of M3, based on a sustainability plan to be developed during the project. Since M3 is the first mobile money project in Jamaica and the Caribbean, lessons from the pilot will be critical to subsequent interventions of this kind. The knowledge gap

being filled relates to the application, effectiveness, and scalability of mobile banking to promote financial inclusion for MFI clients in the context of a small Caribbean country.

- 2.27. The case study and how-to guide will be disseminated in the seminar and via the MIF, DBJ, Transcel, NCB and Caribbean Microfinance Alliance (CMFA) websites, as well as social media platforms. On an annual basis, the Executing Agency (DBJ) will update the Project Fact Sheet (template provided by the MIF), which contains basic information on the project, its challenges, the intervention strategy and results. The two knowledge products and any training materials produced in the project will be prepared and packaged following the standards established in the MIF Knowledge Toolkit.

#### **D. Project Governance and Execution Mechanism**

- 2.28. The DBJ will engage with Transcel, NCB and the two key telecommunications providers (Digicel Jamaica Ltd. and LIME Jamaica Ltd.) in the execution of the project. Transcel, a technology company and a key partner, is leading the technical implementation of the M3 platform.
- 2.29. NCB, the largest commercial bank in Jamaica (in assets and outreach), will provide the deposit account holding facility for the project, establishing master trust accounts for DBJ, to service the M3 micro-accounts assigned to MFI clients and other participants in the pilot. NCB will also be the issuing bank for the debit cards assigned to the M3 accounts.
- 2.30. This pilot is being executed on a non-commercial basis. The execution arrangements will include a number of stakeholders that will collaborate to make the provision of the service possible. DBJ has signed a Memoranda of Understanding with Transcel Ltd, and NCB. LIME Jamaica Ltd. and Digicel Jamaica Ltd., the two primary cellular networks in Jamaica will participate in the project, with M3 interfacing with their cellular networks island-wide.
- 2.31. The day-to-day activities of the project will be the responsibility of a project management office, headed by the current project manager assigned to this operation by the DBJ. All project activities will be centralized within this office, with NCB and Transcel reporting to the project manager on the basis of one inclusive work plan.
- 2.32. The project will have a Steering Committee (SC) consisting of at least 4 members— including one representative each from the DBJ, Transcel, NCB and the MIF. The SC will act as an advisory board with oversight of the project and will provide technical advice and make key decisions regarding project activities. The SC will meet every month for the pilot period, and more frequently in special sessions if necessary, to discuss progress and make key decisions regarding project activities.

#### **E. Sustainability**

- 2.34. Clients will face no additional fees during the pilot, but afterwards, to ensure financial viability for partners, users will pay a small fee per mobile money transaction. These fees will compensate the telephone companies and technology platform provider as well as the network of agents. The DBJ and NCB will benefit financially from the mobile money “float” being held in the trust accounts. M3 has strong potential for high customer up-take, given that it increases their convenience and will cost them less than

traditional transactions. Strong growth with continued high transaction volume will enable adequate stakeholder revenues and ensure that M3 remains worthwhile for them. When there is high customer participation, the fee charged per transaction can be quite negligible so that the fee is not a disincentive to client participation.

#### **F. Experience and Lessons Learned from MIF or other Institutions**

- 2.35. MIF brings knowledge and expertise drawn from other mobile banking projects in LAC (e.g. PE-M1085, CO-M1085, PR-M1021), within the context of the Tec-In program. Some lessons drawn from these projects that have been taken into consideration in this project include: a) the importance of a simple, user-friendly mobile money product, b) the need for a well-trained and incentivized agent network to allow clients to do cash-in or cash-out transactions; c) the mobile channel should be seen as complementary to traditional tools and channels, such as debit cards and the internet, rather than as a replacement (i.e. transactions can be done in both channels), especially in the Latin American and Caribbean region where there is a growing usage of smart phones and a growing presence of banking agents with card-reading devices.

#### **G. MIF Additionality**

- 2.36. **Non-Financial Additionality.** Mobile banking has been shown to benefit low-income populations and MIF supports its expansion into Jamaica. MIF participation will provide invaluable experience, based on successes elsewhere in the LAC region, so that implementation can be more successful. Given the MIF's role and strong reputation as a major source of development financing in the Caribbean, MIF involvement will also provide the project with credibility and will encourage participation from new potential partners and clients to scale the effort. The MIF presence will give the "stamp of approval" thereby encouraging the development of mobile banking in other countries in the English-speaking Caribbean.
- 2.37. **Financial Additionality.** Mobile banking for microfinance does not yet exist in Jamaica or the English-speaking Caribbean. MIF financial support is important because typical lenders and financiers are reluctant to support this new technological platform, due to its innovative nature, the perception of it being risky, and ultimately, their lack of knowledge about mobile banking. MIF's financial involvement, as a pioneer in what is essentially a public-private partnership with the DBJ, should attract financing not only for the expansion of M3, after MIF funding ends, but for similar subsequent initiatives.

#### **H. Project Results**

- 2.38. The expected result is increased access to financial services for low-income individuals. A desired outcome will be a sustainable mobile banking model that links commercial banks, MFIs, telecommunication providers, network agents, and micro-entrepreneurs in a seamless ecosystem which facilitates low-cost and efficient microfinance transactions. A key result would be full acceptance of M3 as a mobile wallet, and mobile banking as safe and reliable among initial clients (based on high levels of regular usage of the system) and then high growth and uptake following the pilot.
- 2.39. Indicators from the Corporate Results Framework that will be tracked at the results level include a) number of people (gender disaggregated) who have adopted new technologies [210400], i.e. number of M3 users regularly conducting transactions on the

platform; and b) number of micro-entrepreneurs accessing credit products [210800], i.e. number of new MFI clients. Other indicators the project will track include: a) percentage increase in the number of clients per loan officer in participating MFIs; b) frequency of financial transactions conducted among M3 and non-M3 MFI clients; and c) number of approved MFIs participating on the M3 platform at the beginning and end of the project. Much of this data will be captured via the M3 platform itself, as there will be records of every transaction as well as personal data on clients.

#### **I. Project Impact**

- 2.40. The mobile money platform is expected to reduce the transaction costs for financial services for low-income people by providing savings in time and money. The project will gather information on the amount of time and monetary costs for clients to use microfinance services in traditional ways like visiting a branch or calling as compared with transactions utilizing M3.
- 2.41. Impact indicators that will be measured include: a) average percentage savings in terms of time for clients due to M3 versus traditional banking; b) average percentage savings in transaction expenses for clients.

#### **J. Systemic Impact**

- 2.42. This project will finance a plan for scale-up post-pilot, which means that it has significant potential for high uptake throughout the country. The model is sustainable and highly expandable because beyond the pilot, M3 can easily incorporate multiple financial institutions into the system. It is expected that M3 will be scaled through the establishment and expansion of the agent network during and after the pilot, and through the involvement of additional partners. Initially, this will include use of NCB's extensive ATM and retail network (they have a 70% market share). Once M3 is available to all prospective clients, the agent network is expected to include market players with extensive reach (e.g., retailers such as furniture stores, where merchandise can be bought on credit). An indicator that will be tracked at the systemic level is the number of MFIs changing or applying new practices (offering new products, implementing new internal procedures) as a result of M3 [450300].
- 2.43. Transcel also has plans to take the model to other countries in the Caribbean, based on the success of the pilot. DBJ and Transcel's close collaboration on the M3 make this a public-private partnership that will provide lessons to other Caribbean countries seeking to introduce mobile money. The M3 pilot is likely to inspire new players to enter the mobile money industry (e.g. Digicel—which has a strong presence in other Caribbean countries) and Grace Kennedy—a Caribbean conglomerate involved in manufacturing, retailing, banking and remittances), which will create a competitive environment that ensures that costs are kept at a reasonable level for the end-user. M3 will also provide results that will highlight the key supervision issues that are essential for the success of mobile banking in Jamaica. These results will be important for strengthening and further refining the regulatory framework being developed by the Bank of Jamaica for M3. This framework will serve as a model for other countries in the Caribbean region.

### **3. MONITORING AND EVALUATION STRATEGY**

- 3.1. Prior to the start of MIF financing, the DBJ will hire a Monitoring and Evaluation (M&E) consultant to develop a system to track results at each phase of the pilot and for the remainder of the project. The M&E consultant will also validate the issues that need to be evaluated during each phase of the pilot. Lessons learned and best practices will be obtained during the pilot as well, and these will be used to make adjustments to M3 as necessary. The consultant will also design a survey instrument to answer questions about impact of the project, specifically on monetary and time savings for MFIs and their clients. This survey instrument will be administered at the beginning of Phase 2, after Phase 4 and then at the end of the project, as part of the final evaluation. These baseline surveys at the beginning of the project will collect data on the 1000 beneficiaries selected for Phase 2: gender, income level, household size, location, cost of their banking transactions, time taken to perform these transactions, type of transactions done, etc.
- 3.2. MFIs participating in the project will be required to provide regular reports to the M&E expert on key financial indicators, which will be used to assess results as well as the impact of the project on their operations. Data required will include: current number of active clients, frequency of transactions per client, number of microcredit loan officers, portfolio-at-risk 30, loan rates, and other business characteristics. Project execution will be also monitored by the PSR and ex-post reviews will be conducted quarterly to verify the achievement of project milestones.
- 3.3. This project is important to the mainstreaming of mobile banking in Jamaica and is strategically important to DBJ. Therefore there will be a mid-term report prepared by the M&E expert to determine the results of the pilot, and a final evaluation that will seek to answer: a) whether the use of the M3 platform has resulted in cost and efficiency savings for MFIs and their clients; b) whether the MFI savings have been passed on to clients in terms of lower interest rates or fees; or c) whether these cost savings resulted in greater client outreach to the unbanked. These questions can be addressed through a “before and after” comparison of cost and efficiency and in-depth interviews with participating MFIs, without an impact evaluation.
- 3.4. Closing Workshop. The executing agency will organize a closing international/regional seminar at the end of the project to assess along with other key stakeholder the outcomes achieved, identify additional tasks to guarantee sustainability and identify and disseminate lessons learned and best practices.

### **4. COST AND FINANCING**

- 4.1. The project has a total cost of US\$1,212,615, of which US\$532,415 (42%) will be provided by the MIF, and US\$680,200 (58%) by the counterpart. The execution period will be 30 months and the disbursement period will be 36 months.
- 4.2. Retroactive Recognition of Counterpart Funds. The sum of \$120,270 in counterpart financing will be retroactively recognized for expenses incurred during the first phase of the pilot and after 10/25/13 (date of eligibility). These were expenses that were vital to the initial development of the project and focused on marketing, business system



prototyping, financial education of entrepreneurs and system development and integration.

**Table 1 - Budget**

	<b>MIF</b>	<b>Counterpart</b>	<i>Retroactive Recognition</i>	<b>Total</b>
<b>Project Components</b>				
Component 1 Awareness-raising & Communications Campaign	100,800	43,200	20,970	144,000
Component 2 MFI Training & Technical Support	146,500	267,000	39,000	413,500
Component 3 Agent Network Development & Scaling of the Pilot	133,000	144,000	56,300	277,000
Component 4 Knowledge Management and Knowledge Dissemination	80,000	47,000	4,000	127,000
<b>Execution and Supervision Components</b>				
Coordination, Monitoring, and Administration		179,000		179,000
Final Evaluation	12,000			12,000
Ex-post reviews	15,000			15,000
Audit	15,000			15,000
<b>Sub-total</b>	<b>502,300</b>	<b>680,200</b>	120,270	<b>1,182,500</b>
<b>% of Financing</b>	<b>42%</b>	<b>58%</b>		<b>100%</b>
Impact Evaluation Account (5%)	25,115			25,115
Agenda Account	5,000			5,000
<b>Grand Total</b>	<b>532,415</b>	<b>680,200</b>	120,270	<b>1,212,615</b>

## 5. EXECUTING AGENCY

- 5.1. The Development Bank of Jamaica was established in April 2000, from the merger of the Agricultural Credit Bank of Jamaica Limited and the National Development Bank of Jamaica Limited. DBJ is a corporation wholly owned by the Government of Jamaica (GOJ). This gives DBJ the ability to raise funds by issuing different investment instruments. It has a 10-member Board of Directors, headed by Joseph Matalon, Chairman of the ICD Group Ltd., a major investment holding company in Jamaica.
- 5.2. The mission of DBJ is to facilitate and promote economic growth by providing businesses and government with appropriate financing, privatization and technical support solutions. DBJ seeks to achieve this mission through partnerships with financial

intermediaries and other stakeholders. The DBJ is a wholesaler of funds to the MSME sector through traditional commercial banks, MFIs and other financial institutions. The emphasis is on providing funding at attractive interest rates, institutional strengthening, and technical assistance. Given its overall mandate and its specific support to the MSME sector, the DBJ is the most logical institution to link the traditional banking sector and the MFI community, with the promotion of mobile banking.

- 5.3. DBJ has successfully executed 2 projects with the MIF and 4 with the IDB,<sup>20</sup> and has demonstrated strong project management capacity, in keeping with IDB Procurement and Fiduciary Guidelines. DBJ, with its partners, has the necessary financial resources for project sustainability through the expansion of the mobile money network.
- 5.4. This project is consistent with a major element of DBJ's core business. DBJ has been designated as GOJ's lead agency to coordinate all interventions in the microfinance sector. In 2009, DBJ launched its Microfinance Lending Window, which provides funding for on-lending to 10 MFIs with DBJ "approved" status. Furthermore, the DBJ has noted that the low transaction costs associated with mobile networks and the ubiquity of mobile phones suggest that mobile money could play an important role in the accessibility of microloans. The propensity for mobile money to increase access to credit, reduce costs for MFIs and thus facilitate the reduction of interest rates to the microloan borrower prompted DBJ to include the introduction of mobile money as one of its main interventions into the microfinance sector in its 2010-2015 Strategic Plan, as a means of stimulating the growth of the Jamaican economy.
- 5.5. The DBJ will work with Transcel and NCB to assist in the execution of the project. MFIs that have already been accredited for on-lending of DBJ funds will bring clients into the pilot project at its various phases.
- 5.6. The DBJ will establish an executing unit, headed by a project manager, who will be responsible for the day-to-day implementation of the project, based on an AOP approved by the SC. Specific responsibilities will include: a) procurement of local contracts and supervising local consultants; b) preparing administrative and technical reports on project implementation, including PSRs; c) acting as secretary for SC meetings, etc. DBJ has the necessary expertise and resources to effectively and efficiently execute project activities and manage project funds. Details on the structure of the execution unit and reporting requirements are in the technical files for the project.

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<sup>20</sup> MIF:

Development of a Venture Capital Ecosystem JA-M1030 (2012): \$150,000 – project activities end Sept. 2014.

Energy ESCO **knowledge transfer**RG-M1109 (Jamaica-Chile in 2013): \$150,000 - closed

Regional Public Private Partnership Advisory Services Program RG-M1214 (2013): \$400,000 – DBJ is a beneficiary, MIF is the executing agency.

IDB:

Privatization of the Norman Manley International Airport JA-T1065 (2011): \$550,000

Evaluation of Strategic Options for Reform of DBJ's Wholesale Lending Window for Agriculture and Microenterprise JA-T1041 (2008): \$140,000

Global Credit Programme for the Industry and Tourism Sectors 209/IC-JA (1993): \$14.92 million

Support to Promote Energy Efficiency, Energy Conservation and Sustainable Energy in Jamaica JA-T1031 (2010):\$593,000

## 6. PROJECT RISKS

6.1 The following risks have been identified for the project:

**(1) Technical Risk:** M3 technology, systems and processes could fail to integrate appropriately with those in the MFIs, as many of them use older technology. Mitigation: Resources have been dedicated for integration of MFI business platforms.

**(2) Sustainability Risk:** M3 does not reach critical mass of clients one year after pilot to make the initiative viable. Mitigation: A marketing campaign, including an incentive program which rewards MFI and their staff for recruitment, will help ensure that a critical mass of clients is reached. Additionally, financial education training will teach clients about how best to use financial services and the benefits of the M3 platform.

**(3) Beneficiary Risk:** Slow adoption of M3 technology due to doubts about safety, unfamiliarity and unwillingness to lose the face-to-face interaction of traditional banking. Mitigation: There will be a robust marketing campaign to show clients M3 and explain how it works. Additionally financial education will help clients understand the advantages of M3.

## 7. ENVIRONMENTAL AND SOCIAL EFFECTS

7.1. No negative environmental or social effects are expected, and this project has been designated Category "C" by the ESG. Mobile banking can reduce environmental costs associated with transportation for banking transactions and can decrease the amount of paper used for financial transactions. Positive social spillover effects associated with the increased access to affordable financial services are expected, particularly in rural areas.

## 8. COMPLIANCE WITH MILESTONES AND SPECIAL FIDUCIARY ARRANGEMENTS

8.1. **Disbursement by Results and Fiduciary Arrangements.** The Executing Agency will adhere to the standard MIF disbursement by results, procurement and financial management arrangements specified in Annexes V and VI in the Technical Files.

## 9. INFORMATION DISCLOSURE

9.1. Information Disclosure. This project document is classified as public for the purpose of the Bank's Disclosure Policy.