

How can ICT improve access to financial services in rural areas?

Conference
Information and Communications Technologies
for Rural Economic Development

**Yadab Pradhan,
MicroBanker Nepal**

*18-19 November 2010
Berlin, Germany*

Working group 4: Access to Financial Services
MicroBanking software for Microfinance Institutions in rural areas

Financial Services in Rural Areas

ICT can contribute mainly in the following rural financial services:

- ***Deposit mobilization***
- ***Loan management***
- ***Remittances***
- ***Insurance***
- ***Market price information***



UN Food and Agriculture Organization (FAO) had conceived this idea long ago and developed the FAO MicroBanking system in 1989 for computerization of Rural Financial Institutions.

As a result MicroBanker system was used in more than 35 countries in over 2,000 installation sites.

The logo for GTZ (German Agency for Technical Co-operations) consists of the lowercase letters 'gtz' in a bold, red, sans-serif font, positioned on a white rectangular background.

To further strengthen the ICT in rural areas,

German Agency for Technical Co-operations (**GTZ**)

&

Food and Agriculture Organization of the United Nations (**FAO**)

co-developed the new MBWIN system based on the Windows environment using the latest state-of-the-art technologies in 1999.

MBWin system is currently being used in 17 countries over 900 installation sites.

The FAO-GTZ MicroBanking System

“MBWin” is a Low cost, simplified banking system for automation of rural financial institutions.

It includes the following integrated modules:

- Savings
- Time Deposit
- Current Accounts/Overdraft
- Shares
- Loans
- Customer Information
- General Ledger
- MIS Reports
- MFI group features

The FAO-GTZ MicroBanking System (MBWin)

For the wider use in many countries MBWin system runs in multiple concurrent languages:

- English
- French
- Spanish
- Russian
- Arabic
- Chinese
- Thai
- Indonesian and East Timor-Tetum
- Laotian
- Latvian
- Tamil
- Afghan Dari/Pashtu

MicroBanker Nepal

Partner and the competence center for the MBWin system.

- Established in 1994 to provide MBWin installation, support, training services in Nepal and later in many countries.
- Over 200 installations in Nepal in more than 130 institutions.
- More than 50% clients were added in last two years due to reduction in the software cost.
- Enhanced low-cost add-on modules in MBWin to serve rural finance.

Lesson Learnt:

Low-Cost hardware/software/Free Database/local experts/local support center and localization such as language, required features are the main reasons behind success.

Some of the MBWin add-on product developed by MicroBanker Nepal:

- ATM Interface
- Touch Screen Customer Enquiry Desk
- SMS Mobile Banking system
- Mobile Agent System



MBWin Mobile Agent System (MBMAS) Developed by MicroBanker Nepal

For MBWin System

Simple way to manage field collections and sub-branches

Innovative product Branchless Banking

1.

2.

3.

Easy Steps to use Mobile Agent System

1. Register agent in MBWin system and assign clients.
2. Download data from MBWin system to the mobile phone Before field visit or send the files via email or internet FTP/DropBox to the branch to load data to mobile.
3. Enter transactions directly in mobile phone in the field.
4. Print a receipt for each transaction. Or generate other important client info using Bluetooth printer (Optional).
5. Upload data from mobile phone to MBWin system or send files via email or internet FTP/DropBox to the main office to update MBWin System.

Lets do Banking more productively with innovative ideas.....

Main features of MBMAS

1. *Deposit collection*
2. *Loan Repayment*
3. *Withdrawal with client PIN*
4. *Loan Disbursement*
5. *Account Enquiry*
6. *Customer Enquiry*
7. *Reconciliation Reports & other reports*
8. *File import/export*

Effortless database update

Your customer no longer need to walk miles because every shop could be turned into a bank branch.

Thank you



The capacity of financial institutions who deliver these financial services in rural areas is necessary to be enhanced and helped to develop and support the content and services that ICT make possible. Thus we dedicate ourselves to help them.

Contact Information:

Yadab Pradhan

MicroBanker Nepal Pvt. Ltd.

158 Nirmal Lama Marg Naya Bazar, Kathmandu NEPAL

mbnepal@microbanker.org

www.mbnepal.com