

Dear Readers,

ICT for financial system development is in the spotlight in this issue of the ict4d newsletter. In a variety of ways, ICT provides an important contribution to financial inclusion in developing and emerging countries. Here, you will notably find articles on mobile banking, ICT and financial inclusion and software solutions for Microfinance Institutions.

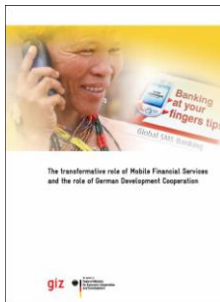
Other aspects of ICT4D covered in this issue include universal access regulation, e-learning and IT sector development in developing countries.

Beyond this issue of the newsletter, do not hesitate to follow our activities and wider ICT4D news on our [blog](#) and Twitter (using the tag #GDCICT).

Pierre Lucante

General ICT4D News

Study "The Transformative Role of Mobile Financial Services"



On behalf of the German Federal Ministry for Economic Cooperation and Development (BMZ), GIZ has recently published a study on the transformative role of Mobile Financial Services. The study focuses on the Role of German development cooperation but also considers the market player perspective. It offers detailed information about the characteristics of branchless banking and provides an assessment of future challenges with regards to the transformative role of mobile financial services.

To learn more about the role of ICT for financial service provision, read the spotlight below, check out the [weblog entry](#) (where after registration you can also post comments or questions) or [download the study](#).

Market & Business Solutions

MBWin – FAO-GIZ MicroBanking System



GIZ explores the possibilities of increasing its contribution to further innovative developments.

MBWin is the product of collaboration between FAO and GIZ. The application is designed and developed for a wide range of banks and financial intermediaries. Because of its multi-tier architecture, the system is highly scalable and can cater to a wide range of users and be adapted to a variety of hardware configurations. It is modular in terms of functional range, and supports multicurrency,

fingerprint verification and Islamic bank features, too. The 2010 launched Expert Certification Program secures capacity building regarding qualified professionals to implement, maintain and/or execute MBWin.

The 5.0 version, to be released next month, incorporates, alongside broader features, a multi-branch-version and a ATM module (already deployed in Nepal and Sri Lanka). Furthermore, advanced mobile banking apps are in process.

ICT4D Weblog

To learn more about ICT4D, visit our [weblog](#). With this blog, we aim at facilitating communication between all ICT practitioners working in the field of development cooperation all over the world.

Feel free to tell us about your projects and daily work, post personal opinions and questions and comment on other articles.

Upcoming ICT4D Events

[WSIS Forum 2011](#), May 16 - 22, 2011, Geneva/Switzerland

[IFIP WG9.4 Conference](#):

Partners for Development: ICT Actors and Actions, May 22 - 25, 2011, Kathmandu/Nepal

[eLearning Africa](#), May 25 - 27, 2011, Dar es Salaam/Tanzania

Other ICT4D News

The Centre for International Migration and Development (CIM) is recruiting an ICT business start-up consultant to advise the Senegalese „Fondation des Incubateurs des Technologies de l'Information et de la Communication au Sénégal (FITICS)“. The position will be based in Dakar/Senegal. For further information, please visit the [vacancy website](#) or contact [Ursula Schoof-Camara](#) (an English version of the job description will also be available upon request).

The Royal Holloway, University of London, launched a new ICT4D specialism within its Practising Sustainable Development Masters. The 1-year master programme in ICT4D is offered jointly by the Center for Developing Areas Research (CEDAR) and the UNESCO Chair/Center in ICT4D at Royal Holloway and is designed for those who want to launch or further their careers as development practitioners or

In a review of the software by the Consultative Group to Assist the Poor (CGAP), MBWin is commended for having 'one of the richest user interfaces specifically designed for microfinance'.

For further information please contact [Herbert Henke](#).

Regulation

Southern African Regulators set up guidelines for Universal Access in rural areas



On 14 – 16 March in Windhoek, the telecom regulatory authorities of southern Africa validated regional harmonized regulatory guidelines on Universal Access Regulation.

These guidelines are aiming at creating regulatory frameworks, which enable populations in rural areas to access affordable and up-to-date telecommunication services like communication via mobile phones or (broadband) internet connections.

The Communication Regulators Association of Southern Africa (CRASA) guidelines have been prepared by the ITU with the support of GIZ's Sector Project ICT4D on behalf of BMZ. The guidelines, to be adopted by CRASA's general assembly later on this year, should play a significant role in reducing the digital divide between rural and urban areas in Southern African countries.

For further information please contact [Thorsten Scherf](#).

General ICT4D News

World Bank Consultation @ BMZ



The World Bank Group (WBG) is currently developing a new ICT sector strategy that better incorporates ICT's transformational power into its work. The strategy will take a cross-sectoral approach that focuses on three pillars: Innovate - Connect - Transform.

To refine and strengthen the strategy and seeks views from all stakeholders on where and how to focus the financial and advisory services within this constantly-changing sector, the WBG is consulting with a wide range of external and internal stakeholders.

On March 23, the German Federal Ministry for Economic Cooperation and Development (BMZ) hosted a video conference to discuss this strategy. Philippe Dongier, Sector Manager for Global ICT at the WBG and his colleagues in charge of the consultation process, Laurent Besançon and Anat Lewin, participated from Washington. German representatives of academic and research institutions, from NGOs, and from the development cooperation sector shared their insights and experience and provided input.

For more information on the ICT sector strategy, visit the [Virtual Consultation Website](#) or download the [strategy paper](#).

General ICT4D News

Paper: ICT for Rural Economic Development - What Can We Improve?



On behalf of BMZ, the Sector Project ICT4D in collaboration with the FAO published a short paper on ICT for rural economic development.

scholars. It combines teaching on ICT4D with training in the field of sustainable development. For further information, read the [brochure](#) and visit the [website](#).

IMF published a working paper "[ICT, financial inclusion, and growth: Evidence from African countries](#)" on the impact of ICTs, especially mobile phones, on development and economic growth. The working paper shows linkages between mobile penetration, financial inclusion and economic growth and argues that financial inclusion could be one of the channels through which mobile phone diffusion contributes to growth.

Six new [papers on ICTs, climate change and development](#) have been published by the University of Manchester's "Climate Change, Innovation and ICTs" research project.

This paper aims to examine the role of ICT for contributing to economic development in rural areas and to reflect ways to address the challenges faced by development cooperation's ICT projects in rural areas. It draws from the proceedings of three events that took place towards the end of 2010 (see January issue of this newsletter).

If you wish to learn more, you can [download the paper](#), or visit the [virtual forum](#) on the e-Agriculture platform.

Knowledge and Learning Systems

GIZ at eLearning Africa 2011: ICT for Development, Education and Training



The Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) is showcasing a number of its capacity building products at the upcoming „eLearning Africa – 6th international conference on ICT for development, education and training”. The

three-day gathering of African e-learning and ICT4D experts will take place in Dar Es Salaam on May 25 to 27.

With GIZ, ICT experts and decision makers can a) learn how to join the GIZ E-Academy b) learn how to free an IT-Business in Africa through Open Source c) learn how to do an OpenECBcheck evaluating the quality of an e-learning programme, or d) learn how to become a proctor of Linux Administration Certification. In addition, the GIZ stand at the main exhibition of eLearning Africa will provide a platform for networking with programmes of German development cooperation in the area of health, statistics, decentralization, e-learning and ICT for business development. Overall, GIZ's presence and action at e-learning Africa is geared towards leveraging the power of Information and Communication Technologies (ICT) and e-learning for sustainable development through human capacity building.

More information on the full GIZ programme at eLearning Africa 2011 will be published soon on the [ict4d weblog](#).

Knowledge and Learning Systems

Africa and Europe Join Forces in Training on Free Technology



More networking of African IT specialists with Europe and joint building of advanced

training materials – this is what a new partnership of GIZ's ict@innovation programme with the Europe-wide 'Free Technology Academy' (FTA) is all about.

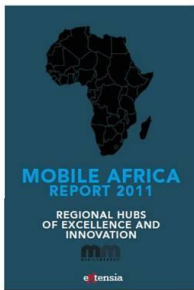
ict@innovation is an African capacity building programme which supports small and medium ICT enterprises (IT-SME) to create a business model with Free and Open Source Software (FOSS) and aims to encourage the growth of African ICT industries. The programme is a partnership between FOSSFA (Free Software and Open Source Foundation for Africa) and the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ), Germany.

The Free Technology Academy (FTA), financially supported by the Life Long Learning programme (LLP) of the European Commission, is a collaboration between the Netherlands-based Free Knowledge Institute and three European universities. Following the signature of a letter of intent, the African ict@innovation community now has access to FTA's European expertise and advanced online training courses.

If you wish to learn more, read the [whole article](#) or contact [Balthas Seibold](#).

General ICT4D News

MobileMonday published Mobile Africa Report 2011



MobileMonday recently published a new report titled Mobile Africa Report 2011: Regional Hubs of Excellence and Innovation. It is the first report published by MobileMonday. The report focuses on the mobile investments listed by operator or investor, but also includes spotlights of country specific developments. It provides us with detailed facts and data on cable capacity and mobile penetration in Africa as well as predictions on the future of the African mobile market.

To learn more, visit the [MobileMonday website](#) or [download the report](#).

Spotlight

The Use of ICT for Branchless Banking

ICT based branchless banking solutions bridge an urgent gap: Two thirds of the world's population – or more than 4 billion people – have no bank account. Of these four billion 'un-banked' people, more than one billion possess a mobile phone – and this number is even expected to increase to 1.7 billion in 2012.

Within the last few years, ICT based financial services, especially via mobile phones, have demonstrated their potential in providing low income households with access to financial products. Other promising branchless banking models have been developed in Brazil, where agent networks, via ICT based point of sale terminals, act as quasi banks for low income households and small businesses. These services do not require users to have a formal bank account, but still offer a large range of financial services such as savings, payments, money transfers as well as cash-in and cash-out.

Efficient ICT solutions dramatically reduce transaction costs, by leapfrogging the physical infrastructure gap, offering financial services even in the most remote areas. CGAP, a multinational 'think tank' estimates that in most cases costs might be halved. However, due to a lack of competition and respective regulation, a large share of this cost saving potential does not reach the consumers. ICT based branchless banking also dramatically reduces additional 'hidden' costs of physical bank access, such as traveling expenses and queuing time. Furthermore, in environments where dealing with cash presents a major risk, a mobile phone based electronic wallet could offer a cheap and safe solution.

In Kenya for instance, the mobile phone operator Safaricom offers the mobile banking service M-Pesa, the first of its kind in the world, with more than 13 million customers (30 percent of the Kenyan population) and 23,000 Agent outlets countrywide. Today, customer wise, M-Pesa is the largest financial service provider in East Africa.

However, major challenges still have to be addressed: Supervisors raise the issues of financial stability and agent-related risks in addition to consumer protection and financial literacy concerns. Insufficient ICT infrastructure (soft- and hardware) and inadequate staff training (maintenance, application) so far prevent many microfinance institutions and other small businesses from making use of the new technological and thus business opportunities.

All in all, ICT based branchless banking approaches are promising tools to 'bank the un-banked' and are changing the face of commercial business and personal remittances transactions around the globe. At the same time, however, there are still some challenges to be dealt with in order to leverage ICT's full potential in the area of branchless banking.

For more information, please contact [Pierre Lucante](#) or [Thorsten Scherf](#).

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