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Mobile money finds a novel use as an e-government tool in Cote d’Ivoire

Executive summary

• Cote d’Ivoire has an unusual new player on the mobile-money scene: postal service La Poste. And even more unusual is the first use to which La Poste’s mobile-money service, M-Poste, is being put – managing and distributing state-school funds.

• State-owned La Poste is using M-Poste to re-enter the financial services market – a space where it existed until 1998 – first targeting enterprise customers in the e-government sector and then moving onto consumers with a cross-network offering that will compete with the closed-loop mobile-money wallets offered by Cote d’Ivoire’s mobile network operators (MNOs).

• M-Poste’s first customer is Cote d’Ivoire’s Ministry of Education, which is using the service to digitize the flow of funds to schools and combat inefficiencies, misspending and revenue leakage – as part of a wider efficiency/anti-corruption government drive.

• The postal service is hoping that such e-government deployments will help to build consumer demand for M-Poste, as well as put regulatory pressure on the MNOs to support the service. M-Poste cannot become fully enabled without the MNOs providing it with access to their USSD channels.

• Mobile FinaGate, a cloud-based mobile financial services platform supplied by Israeli vendor MER Group – Telecom Division, is behind the M-Poste service. MER is entering the crowded African mobile-money market by focusing on areas largely neglected by other vendors, such as organization-budget management, anti-fraud and revenue assurance.

• One the biggest factors holding back development in Africa is corruption, and mobile money has an opportunity to be as transformational in fighting corruption as it has been in extending financial services to the poor.

Overview

Like many Ivorian institutions, La Poste is in a process of recovery after the political unrest and civil war that afflicted the country during the first decade of the 21st Century. As part of that process, it is re-establishing a financial services offering, following its exit from that market in 1998. Cote d’Ivoire has the largest financial-services market in Francophone West Africa, yet banking penetration is below average for sub-Saharan Africa – around 10%. Much of the country’s banking activity is focused on large corporate clients.

One of the ways in which La Poste intends to re-enter Cote d’Ivoire’s financial sector is by rolling out a mobile-money service. M-Poste is the fifth-mobile money service to emerge in the West African country of just over 20 million inhabitants. Three of the other services belong to the mobile network operators (MNOs) MTN, Orange and Moov – which, like so many other MNOs in Africa, have stepped into the gap left by banks to deliver financial services to their “unbanked” subscribers. The fourth service belongs to e-money licensee Celpaid (see fig. 1).
Unlike the MNOs, La Poste is initially positioning its mobile-money offering as an enterprise service, specifically targeting government institutions. Like La Poste, the Ivorian government is rebuilding following the chaos that the country descended into around the millennium. And it is looking to inject efficiency into its institutions and rid them of corruption.

Côte d’Ivoire is high up in the most-corrupt-country rankings – 130th out of the 176 countries tracked by Transparency International (see fig. 2) – and government corruption there is described as a “serious problem” by the US Bureau of Consular Affairs. Bribery is a big issue, distorting – among many other things – the awarding of contracts. And with the country still being predominantly a cash economy, there is very little traceability over the movement of money, making it susceptible to fraud and other forms of leakage.
Over a relatively short period of time, mobile money has become the main means of digitizing money in sub-Saharan Africa, automating the transfer of remittances by migrant workers from urban centers to rural communities, the payment of salaries and utility bills, and a growing array of other transactions. In Kenya, the volume of transactions handled by the M-Pesa mobile-money service equals around a third of the country’s GDP, after only six years of it being up and running. Although M-Pesa is by far the world’s most successful mobile-money service, mobile money is having a big impact in most of the other African countries where it has been launched.

There are over 100 commercially-launched mobile-money services in sub-Saharan Africa – the highest density in the world (see fig. 3). Just under two-thirds are MNO-led, and the rest have mostly been launched by banks and e-money start-ups.

Fig. 3: Sub-Saharan Africa, mobile-money deployments, Oct-13

Source: Mobile Money Tracker, GSMA
The focus so far with mobile-money deployments has been on consumers – on the majority of Africans who don’t have bank accounts or access to other formal financial services. Enterprise involvement has been on the periphery, in terms of enabling mobile-money account holders to pay or receive money from enterprises via their m-wallets. Using mobile money to digitize the internal flow of money in enterprises is a novel approach.

La Poste’s first mobile-money customer, Cote d’Ivoire’s Ministry of Education, wants to use the service to speed up and secure the distribution of funds to state-owned schools and ensure they are spent on the supplies and services they were budgeted for. It forms part of a wider government bid to promote greater transparency in the management of public funds and accelerate their flow.

The current system for distributing money to schools is very lengthy and it can sometimes take nearly an academic year between when the funds are approved at ministerial level and when they reach head teachers. Time is wasted in convoluted, paper-based procedures involving approval by various people.

The funds are issued in cash and often ministry officials are sent out to schools with a briefcase full of banknotes to hand out. Having to physically transport the money in such a way makes it vulnerable to loss and theft. Crime is a major public concern in Cote d’Ivoire and robberies and armed carjackings are common. This system also makes it vulnerable to embezzlement. It is easy for corrupt officials to pocket some of the money and pay off the intended fund recipients to keep quiet.

Another problem is what happens with the cash that does reach the schools. Each head teacher is given a breakdown of how much should be spent on each cost item, including supplies and services such as building maintenance, furniture, cleaning and teaching equipment. Head teachers are trusted to spend the money appropriately. But often the suppliers chosen are those that pay the biggest bribe or have the closest family or friendship connections, not those that are necessarily the best-qualified to supply what is needed.

The long and the short of it is that a large proportion of school funds are either siphoned off before they reach school coffers or are spent on inappropriate suppliers.

**Strategic goals**
La Poste has several objectives for launching the M-Poste service:

- **Re-enter the financial services market**: La Poste, which is 100% state-owned, used to be a licensed financial-services provider that offered, among other things, savings accounts. But it had to exit that market in 1998 after its license was handed to another branch of government due to what appears to be political reasons. As well as rolling out M-Poste, it has launched an international money-transfer service in association with Western Union. Its CEO is quoted as saying that the company is also interested in developing payment cards for salary transfers in collaboration with all the banks in the West African Economic and Monetary Union area.

- **Improve its image**: La Poste wants to be seen as an innovator and an enabler of social change by offering a service that can inject transparency and efficiency into the management of public funds and extend financial services to the majority of Ivoirians without bank accounts or access to other formal financial services.

- **Generate additional revenue**: La Poste wants to supplement the revenue it makes from its postal service with revenues from financial services, mostly using its existing infrastructure.
It already has in place the most expensive element in rolling out a mobile-money service, a network of agents – comprised of around 200 post offices dotted around the country – where M-Poste users will be able to deposit and withdraw money and perform other financial transactions.

La Poste has two main target markets for its M-Poste service – first it will target enterprises and then consumers.

**Enterprises**
La Poste is initially positioning M-Poste as an enterprise service, targeting government institutions, government-affiliated companies, cooperatives and trade unions. It aims to make mobile money the preferred payment vehicle across all government entities. Targeting enterprise customers first makes sense because:

- M-Poste is entering a crowded market, in which there are already four other mobile-money services targeting consumers. So it makes sense for La Poste to start out by targeting a sector so far neglected by the country's other mobile-money services.
- It helps La Poste avoid entering into too much direct conflict with operators; it needs their cooperation to enable some aspects of the M-Poste service.
- The help La Poste will be giving to the government’s efficiency and anti-corruption drive should encourage the government to put regulatory pressure on MNOs reluctant to give M-Poste access to their networks.
- Rolling out the service within enterprises can prepare the ground for its rollout to consumers. M-Poste enterprise users might also go on to use the service for their own private needs once it becomes available as a consumer service.
- In deployments such as the one taking place among state schools, the “ecosystem” of M-Poste enterprise users also includes the tradespeople, craftspeople and merchants – such as carpenters, cleaners, builders, shopkeepers, etc. – supplying the schools. These suppliers might seed demand for M-Poste among their other customers in the community, by encouraging them to open M-Poste accounts via which to pay them electronically.

**Consumers**
La Poste intends to offer mobile-money services to all mobile users in Cote d’Ivoire, in competition with the four existing mobile-money service providers there, three of which are closed-loop.

As described above, it hopes to get a head-start on building a user base for its consumer offering through its enterprise deployments. La Poste is adopting a top-down go-to-market strategy, deploying mobile money like no one else has done so far – starting at the top with the government and filtering down to schools, merchants and, eventually, consumers.

The mobile-money accounts it will be offering consumers will allow them to:

- deposit and withdraw cash
- transfer money peer-to-peer (both domestically and internationally)
- purchase goods
- pay bills
- check balances
- top-up their mobiles.

**Deployment**
The M-Poste deployment at the Ministry of Education began two to three months ago and is still in its first phase, following trials at a handful of schools in two cities. As the next step,
La Poste will be rolling out the service to 500 schools across the country. There are a total of 9,000 state schools in Cote d’Ivoire.

The part of the ministry directly involved in the deployment is COGES (Comité de gestion des établissements scolaires), the committee in charge of managing Cote d’Ivoire’s state schools. The other main participants are Diamond Bank and MER. Because it no longer has a financial-services license, La Poste has had to partner with Diamond Bank, a pan-African bank headquartered in Nigeria. The bank is providing the necessary back-end infrastructure to hold the service’s funds (see fig. 4).

MER is providing its Mobile FinaGate platform (see later in this case study for a full description) for the M-Poste service. It is also acting as consultant – advising La Poste on how to implement the service, set up an ecosystem around it and identify the right partners. MER is also hosting the service in the cloud from its base in Israel.

MER looked into the option of installing the Mobile FinaGate platform in La Poste’s premises but decided against it for a number of reasons, including Cote d’Ivoire’s unreliable power supply, scarcity of IT spare parts and lack of security. Delivering the service from abroad via the Internet is feasible because the data throughput it requires is very low. Each mobile-money transaction represents a very small amount of data.

**Business model**
La Poste has not bought the Mobile FinaGate platform from MER. The vendor will be taking a share of the revenue made by La Poste from the M-Poste service. But La Poste has agreed to pay a minimum amount per month should the revenue received by MER fall below that amount.

La Poste (via MER) will manage the platform on the behalf of the Ministry of Education, which will pay service-management fees to La Poste. The fees received will be split between La Poste and MER. The same model will apply to future contracts between La Poste and other government or private entities.

**MNO collaboration**
M-Poste needs the collaboration of the country’s MNOs for its main delivery channel: USSD. The Mobile FinaGate platform provides other service delivery options, including SIM toolkit applets and downloadable apps: The former also requires MNO collaboration, since it’s installed on SIM cards, over which operators have ultimate control.
Most Ivorian mobile users have either feature phones or basic phones, most of which don’t allow app installs. Also, cellular coverage is patchy and unreliable, which means that users often walk around with numerous SIMs or handsets to switch from one network to another to get around black holes in coverage. These two factors make USSD the most appropriate bearer, because of its ubiquity and because it’s not SIM-based.

So far, La Poste has only secured the full collaboration of the third-largest MNO, Moov, and is already connected to the carrier’s USSD channel. MTN is willing to collaborate, but has yet to install the FTPPS protocol on its network required to provide secure USSD access to third parties: A resolution to the problem is expected soon. Orange, however, is dragging its feet. Consequently, the only way of accessing the M-Poste service currently is via either a Moov handset or SIM.

La Poste is hoping that, if Orange continues to block USSD access, the regulator will intervene, since Orange’s reluctance will be jeopardizing a government showcase modernization project. There are also commercial opportunities for the MNOs to work with the Ministry of Education on parallel mobile-money deployments, so it’s not in their interest to upset the Ministry. For example, MTN recently partnered with the Ministry to facilitate the enrolment of up to 50,000 children to the new school year by allowing parents to pay school fees via the carrier’s mobile-money service. Orange collaborates with the Ministry in a similar capacity.

La Poste is using mobile aggregator Compatel to act as the go-between to connect the M-Poste service to the operators’ USSD channels.

Funds transfer
The M-Poste schools deployment revolves around the “organization-budget management” system enabled by MER’s Mobile FinaGate platform. The system allows budget managers within the ministry to electronically transfer the money allocated to each school into e-wallets set up for each head teacher. They are also able to divide the allocated money into separate “pockets” within each head teacher’s e-wallet – each pocket representing a different line item of expenditure. MER calls this the “dedicated money” system and it’s designed to ensure that money placed in a particular pocket can only be spent on certain things – the things that the budget manager intended the money to be spent on.

Once the ministry’s budget managers have worked out what money should be allocated to whom and for what, the transfer happens at the press of a button, in a matter of seconds. There is no lengthy process to physically transport the cash to the schools; no risk of robbery, embezzlement or loss.

Payment approvals
Two further safeguards have been put in place using the Mobile FinaGate platform: “approved suppliers” and “payment-approval lists.” Any state money spent by schools will from now on have to be spent on suppliers that have been previously approved by the Ministry and registered on the M-Poste service. Suppliers will be approved and registered to supply specific products and services.

At the same time, before any contract is signed or any order placed with a supplier, it will have to be authorized by the three top-ranking officials at each school – namely the headmaster, head of the board of governors and head of the parents’ committee. When
a request is made for a contract or order – normally by the headmaster – the other two stakeholders named on the payment-approval list will automatically receive a text message requesting their approval. Approving or rejecting the request will require only a quick text reply with either a “yes” or a “no.”

**Recruiting suppliers**

However, although the new SMS-based approvals system should speed up matters, the requirement to only deal with approved suppliers could create a bottleneck, especially in the early stages of deployment when not enough suppliers will have gone through the approval and registration phase. With that in mind, a workaround has been designed into the system. School-budget holders can contract an unregistered supplier – subject to authorization from payment-approval-list members – and open up an account on behalf of that supplier on the M-Poste system, where the contract payment can be deposited. But the supplier can only access that money after formally registering on the system as an approved supplier. To register, suppliers must go to the nearest post office with the right form of ID and other necessary documents.

At the same time, La Poste has appointed teams to go door-to-door in each school locality to recruit local merchants and other suppliers to the M-Poste service. A big incentive for merchants to join the service is the ability it offers them to turn their phones, or other connected devices such as tablets, into mobile POS devices, allowing them to engage in electronic transactions not only with schools but also other customers, as well as suppliers and sub-contractors.

Each La Poste branch is appointing a mobile-money agent to handle M-Poste operations, such as registrations, cash-in/cash-out, transfers and other transactions.

**School dinners**

School dinners are also being incorporated into the mobile-money deployment. Currently, state schoolchildren get given vouchers to claim lunch at the school canteen every day and the ministry wants to digitize this system. Schoolchildren are given SIM cards which can be used in SIM-card-equipped public payphones located in the school. The children insert their cards in the payphone every morning to have their details sent to COGES, which allocates the right funds for the school canteen. The introduction of mobile lunch vouchers, which is supported by the MER platform, is also being considered.

**Ecosystem**

M-Poste will build a complex ecosystem involving several parties and touch points for the schools alone. The cast of participants is long: budget managers (at the ministry’s COGES department); head teachers; school governors; teachers (because they will have their salaries paid via M-Poste); suppliers (including merchants, tradespeople, craftspeople); and pupils.

The interface via which each participant will interact with the system will vary, and the Mobile FinaGate platform is designed to support a wide array of access devices and access methods: For the budget managers, the most likely interface will be a PC installed with an M-Poste client; for the head teachers, it could be a PC, a tablet or a smartphone with a downloaded M-Poste app; while, for most suppliers, it’s most likely to be a feature phone or a more basic handset, using USSD or a SIM toolkit applet to communicate with the M-Poste service.
SWOT analysis

Fig. 5: M-Poste mobile-money service SWOT

Source: Informa Telecoms & Media

Strategic outlook
Enterprise front
M-Poste is too early in its rollout to have generated any tangible results yet. Using it to manage school funds meets a real need with potentially profound social and economic effects. It can deliver better funding to schools by ensuring schools receive all the state money earmarked for them, which in turn can improve educational standards and the future prosperity of the country. It also can help fight corruption, as well as prevent crime. And it brings a set of different people, including teachers, merchants and tradespeople, into the formal economy, if only partially. In Cote d'Ivoire, as in most of the rest of Africa and other emerging markets, much of the economy is informal, which means that transactions go undeclared and cash changes hands with little or no traceability. This informality makes it difficult for governments to raise taxation.

Political will
However, a project like the M-Poste schools deployment is ultimately dependent on the political will at the top – in this case the Ministry of Education and the wider government – to embark upon the project in the first place and see it through till the end, in all its implications. A government
has to be truly committed to eradicating corruption within its ranks – and risk making enemies within those ranks – to deploy such as solution. There are too many governments that pay lip service to the fight against corruption but continue to turn a blind eye to it.

Grassroots buy-in

The success of such a deployment is also dependent on the buy-in of participants. Venal civil servants and school heads will naturally resist it. Whether that resistance ends up derailing the deployment or not will depend on how widespread it is and the ability of the top officials driving the deployment to impose their will on reluctant subordinates.

There has been some resistance to the M-Poste deployment at the grassroots of the ministry. But La Poste says that, although some people have voiced worries, the project has been well received in general and there is enthusiasm for it at top level. La Poste is conducting awareness meetings with teachers and COGES employees, during which it tries to allay fears.

Top-level enthusiasm for the project is evident from the fact that the government is about to issue a decree to promote the use of mobile money in all branches of government. This bodes well for the chances of other M-Poste government deployments taking place, especially if the schools one proves successful.

Opportunities elsewhere

The need for similar deployments elsewhere in Africa is strong. Four-fifths of African countries appear in the bottom half of Transparency International’s Corruption Perceptions Index, with the bottom-ranked countries being the most corrupt. The question is whether there is the political will to conduct such deployments. But, even if demand does not match need, it is a largely unexploited market, so MER has first-mover advantage.

Interest has already been expressed by other postal services in Francophone West Africa, of which Cote d’Ivoire forms part.

The MER platform could also be of interest to international organizations channeling foreign aid or loans to African countries. Africa is a big recipient of foreign aid, but a lot of that aid is siphoned off by corrupt officials. Digitizing the flow of aid money and channeling it directly to its intended recipients would prevent much of the fraud that is perpetrated. It would also be in the interests of African governments to collaborate with this way of managing foreign aid, since the more the international community feels a country can be trusted with the money it receives, the more the international community will be willing to give.

Consumer front

M-Poste is likely to find it more of a struggle to gain traction as a consumer service. It is entering a crowded mobile-money market that is fairly mature. The first mobile-money service to arrive in Cote d’Ivoire, Orange Money was launched back in December 2008 and, at the end of 3Q12, there were a total of 2.6 million registered mobile-money users in Cote d’Ivoire. In fact, Cote d’Ivoire ranks among the most penetrated countries in terms of mobile money. Also, the two top MNOs, Orange and MTN, had a combined total of over 3,000 mobile-money agents dotted around the country – which dwarfs the 200 outlets that La Poste has at its disposal.

But 2.6 million users equates to only just over 10% of the population, so there is still plenty to play for. And M-Poste offers an important differentiator – cross-network access – to three out of the four other mobile-money services in the country, including the two leading ones, Orange Money and MTN Mobile Money. That means that, while Orange Money, MTN Mobile Money and
Flooz are “closed-loop services” limited to the mobile subscribers of their respective MNOs, La Poste can recruit mobile-money users from anyone in Cote d’Ivoire with a mobile phone. La Poste is not alone in offering cross-network access, however. Celpaid also offers it.

Another advantage for La Poste is the head-start that its initial foray into the enterprise sector might give it. The varied ecosystem of users it builds up around enterprise deployments should pave the way for a user base around its consumer offering.

For Mobile FinaGate, there could be further consumer-facing opportunities in other parts of Africa via Diamond Bank. The pan-African bank wants to extend its reach to the “unbanked” in areas where it doesn’t have a physical presence. It also wants to start offering transborder peer-to-peer money transfers within the region.

Although sub-Saharan Africa is the region of the world with the highest density of mobile-money deployments, just under a third of countries there (15) have yet to launch commercial services, according the GSMA’s latest stats.

The Mobile FinaGate platform
Mobile FinaGate, MER’s platform for mobile financial services (MFS), is multipurpose, designed to deliver services to both banked and unbanked, low- and high-end phones, consumers and enterprises, and developed and emerging markets. The platform enables MFS staples such as banking, payments, transfers and mobile prepaid top-ups, as well as coupons, gift cards and loyalty points.

Organization budget management
Uniquely, Mobile FinaGate also offers an enterprise service called “organization budget management,” which uses mobile-money technology to digitize the flow of funds within organizations, and automates budget-allocation and spending-authorization procedures (see fig. 6).

Fig. 6: Mobile FinaGate’s organization-budget management solution, as applied to state schools
The service is targeted at emerging markets, where the lack of banking and IT infrastructure means that a lot of organizations, such as government bodies and businesses, rely on cash to distribute money internally to budget holders. The combination of cash, paper-based accounting systems and corruption – which is endemic in many emerging markets – makes funds particularly vulnerable to misappropriation and misspending.

**Dedicated money**

Mobile FinaGate has a feature called “dedicated money” that allows an amount of money to be allocated to a specific person for a specific purpose. Users can create “pockets” within the Mobile FinaGate e-wallet and put money aside in each pocket, specifying on what it should be spent and by whom it should be spent. As in conventional e-wallets, the pockets are also used to hold payment cards or money accounts (bank, prepaid, etc.) in the wallet that is linked to fund payments.

The platform has another feature called “payment approval list,” whereby messages are sent to a list of stakeholders whose authorization is required for a payment to be made via the wallet. It also offers the ability to restrict purchases to a list of approved suppliers or merchants.

In a consumer context, the three features can be used, for example, by parents to manage a child’s pocket money. The parents allocate money to the child, placing it in an e-wallet pocket which they have titled “pocket money” or something like it. That money appears in the child’s e-wallet on their phone and when they are about to make a payment, a message can be sent to the parents to either approve or block the payment. Alternatively, the child’s e-wallet account can be set to only work at specific outlets, such as at the school tuck shop or canteen.

In an organization-budget-management context, the budget manager (CFO or equivalent) creates pockets for each budget holder within the organization and puts the money allocated to each budget holder into their respective pocket. The money is then automatically transferred into each budget holder’s e-wallet.

Prior to allowing a payment, the system is set up to check the budget holder’s profile – answering questions such as: How much money has he been allocated? For what purpose? How much has he spent so far? – and check the supplier’s profile – answering questions such as: Is he a registered supplier? Is he registered to supply what the budget holder says he is buying?

**Interfaces**

Mobile FinaGate is a cloud-based system designed to work with all kinds of devices and bearers. To ensure it can be used by ordinary users in emerging markets, the platform supports ubiquitous mobile communication channels such as USSD and SMS and the installation of applications in handsets via the SIM, using the SIM toolkit standard. All this makes it compatible with most handsets. At the same time, it can deliver services to smartphones via native downloadable apps. It supports the Android, BlackBerry, iOS and Windows Phone operating systems. (Despite its plummeting market share in developed markets, BlackBerry is still an important brand in emerging markets, especially in Africa.)

Because the platform is hosted in the cloud, the services it enables can be accessed via browsers on any Internet-connected device, including PCs and tablets. Mobile FinaGate also tries to be as agnostic as possible with technologies that provide a bridge between the mobile and physical worlds – supporting NFC, QR codes and other methods – to enable actions such
as in-store payments and the delivery and redemption of coupons and other offers in a “bricks-and-mortar” environment.

The Mobile FinaGate platform can be delivered as a software-as-a-service solution, requiring little upfront investment from customers. And MER also offers a “pay-as-you-grow” approach to paying for the solution.

The platform comes embedded with several security elements, including: Know Your Customer (KYC); secured transaction messages and access to the platform core; Anti-Money Laundering (AML); and Combating Financing of Terrorism (CFT).

Conclusions and recommendations
Conclusions
• There is a strong need to inject transparency into the way state institutions handle and distribute funds in Cote d’Ivoire, other parts of Africa and the wider developing world. Any system that can digitize money by using the technology most at hand to those responsible for handling public funds – technology such as basic mobile phones, rather than PCs – can be a practical way of making the flow of public funds more transparent and tamper-proof in cash-based economies.
• MER’s Mobile FinaGate platform puts an interesting new twist on what can be done with mobile-money technology. Its organization-budget management service turns mobile money into an enterprise service that, as shown by La Poste in Cote d’Ivoire, can be applied to e-government deployments.
• Deployments like the one La Poste has embarked on with the Ivorian Ministry of Education to manage the flow of funds to state schools ultimately rely on how truly committed governments are to fighting corruption within their ranks. In Cote d’Ivoire, that commitment seems firm for now, with the government gearing up to issue a decree encouraging similar mobile-money deployments in other state institutions.
• As well as relying on the will of governments, such deployments could draw the support of international bodies channeling aid and loans to emerging markets, keen to stop funds being deflected from their intended destination.

Recommendations
• La Poste should take full advantage of the current political will in Cote d’Ivoire to recruit other branches of government to its M-Poste service, before that will fades or switches direction. If the state-schools deployment starts yielding positive results and other state institutions embark on similar deployments, it will be more difficult for a change in political will to reverse what has been set in motion already.
• MER should explore similar opportunities elsewhere in Africa and the rest of the developing world. As well as seeking out willing governments, it should solicit the support of international aid and creditor bodies, which could put pressure on governments of all shades to implement solutions like MER’s.
• Rather than try to block M-Poste, Cote d’Ivoire’s MNOs should see the service as an opportunity to extend the mobile-money ecosystem to new environments such as state schools and small merchants. Ultimately, MNOs and other mobile-money service providers should tear down their walled gardens and interconnect, to ensure that traffic growth reaches its full potential for all the market participants.
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