

ELAN NOVEMBER UPDATE

Report-out from the London prepaid card event; the tyranny of auto-subscribe services; and cashless in Sweden and Zimbabwe.

Improving our Use of Prepaid Cards

The ELAN has released learnings from September's prepaid card event, which brought together experts from prepaid card companies and humanitarian organizations. [Prepaid Card Products for Humanitarian Programs: Actors, Insights & Recommendations](#) offers clear visuals and concrete recommendations for improving the use of prepaid cards in humanitarian work.

Highlights and recommendations include:

- clear definitions for industry roles and terms
- frank discussions about the business case for card deployment
- tips on know your customer (KYC)/ anti-money laundering (AML) interpretation
- running better tenders (and stay tuned for more on this topic soon)
- and more!

New This Month:

Does mobile phone ownership actually impoverish rural women? Safaricom's "Premium Rate Services"

At [ICTworks](#), Wayan Vota argues that the ability to unsubscribe from some mobile network services is so complicated that it becomes "nearly impossible" for clients who are device or digitally illiterate. And what many find annoying is actually predatory.

A tale of two (cashless) cities*

What might cashless by choice look like? [The New Yorker](#) explores Sweden's push towards life without paper currency. And its opposition.

In contrast, [The New York Times](#) highlights how Zimbabwe's financial crisis has forced the country into a cashless economy. Is this an e-transfer victory? Not for those resorting to barter.

**Okay, we know it's technically countries, but what kind of a headline is that?!*



Meaningful Financial Inclusion Approaches for Refugees

In The Center for Financial Inclusion's [fourth and final blog entry](#), Daniel Baslon of the Smart Campaign recommends donors, practitioners, and governments alter their approach to achieve genuine financial inclusion for refugees. Recommendations include:

- credit score portability
- mobile lending units
- alternative creditworthiness tools, and
- telling a better story

Ask the Expert: Fennie Wang – MONI

The ELAN paused between mouthfuls of turkey to ask MONI's Fennie Wang how Finnish millennials and refugees are connected and why KYC regulations are up for interpretation.

What do you do?

I am responsible for all legal issues, including KYC and AML regulations and getting compliance approvals for novel products. I am also involved in business development, including for the humanitarian sector.

Are you enjoying it?

It has been so fascinating to learn about what's happening on the ground in the humanitarian aid world. In 2010, I spent five months in Uganda – my first foray into the aid world. I started volunteering in a local credit union and then set up a brand-new NGO. It's good to be back and learn more about that world.

What is [MONI](#)?

MONI is a financial technology company. We're a start-up, and we like being seen as people who are on the edge – nimble and responsive. We have our own cloud-based banking platform that integrates with our banking partners. We partner with Paysafe in the U.K. as our issuing bank and have a Mastercard licensed prepaid card program, along with our own payments and banking app that allows the user to instantly send and get money from friends on the MONI network, as well as request and make instant, interest-free P2P loans.

How did MONI land in the humanitarian sphere?

We started working with the Finnish Immigration Service (Migri) when they needed an urgent solution to provide prepaid cards to refugees coming to the country. (We call them "newcomers.") We initially had a product that was targeting millennials, and we saw this as an opportunity to use this robust cloud-based banking platform we had built.

Did you have to make significant changes to the product?

Initially, there were certain restrictions imposed by the government – that the accounts could not be used online and that they could only be used in Finland. Now, [the government] has allowed newcomers access to the full program. We believe strongly that everyone should get the same basic capabilities.

Given this shift, what other products/services have newcomers really taken advantage of?

The peer-to-peer lending platform. They're showing interest in



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Fennie Wang
General Counsel
MONI

sending funds to each other/loaning money to each other. And we're always looking at new ways to augment their experience. One special feature we built is an in-app feature that allows workers to pay for their €20 work permit, which is required in Finland. Once they pay that and find a job – then we can work with their employers to get their salaries paid through their account.

We're also looking at ways to add additional features to support newcomers as they mature through this [assimilation] process. How can we help them become micro-entrepreneurs? How can they invoice easily and pay taxes? And the government has shown interest in this outside of the [refugee] program.

Is MONI working outside of Finland?

We're currently talking to some NGOs in Greece. Some are funded through UNHCR; some have their own [private] funding and their own ideas about how to integrate refugees into society.

Anything else?

We've also been asked to provide prepaid cards to minors who have lost their parents along their journey [to Greece]. Our response has always been – we're not going to categorically say, "No." We can be creative, but there needs to be coordination from the NGO about what is happening with regards to protection. The more information we can get on demographics (e.g., primarily 14 year olds vs. 17 year olds), the better we can build a sensible card program that balances risks and humanitarian needs.

How does this fit with discussions about KYC interpretation and advocacy?

There are different camps of compliance people. Some will be very risk averse, and this is part of their business model. Others may be more pragmatic and take a more risk-adjusted approach.

And for large players, this [type of program] is also a different calculus for them. Someone will say, "Oh, we're only talking about 1,000 cards, 3,000 cards. It's not worth it." Others will ask more questions to think about how something *might* work. "If you think this is risky, what bothers you? How can we develop something to mitigate that risk?"

It is important for us to find partners who take a risk-adjusted approach. When you have this attitude, there is room for education and advocacy. And for us, this is one of the benefits that we're a smaller player: We can do this type of work, we're more nimble, and this is important for us as we build our branding.



The Electronic Cash Transfer Learning Action Network is convened by Mercy Corps, with support from the MasterCard Center for Inclusive Growth.