
Module 4: Digital Financial Services for Wealth Building



Module Objectives

To gain understanding on digital financial services and be able to determine the challenges in using these services to improve financial capability



Learning Objectives

Digital Literacy

- an individual's ability to find, evaluate, and compose clear information through writing and other media on various **digital** platforms

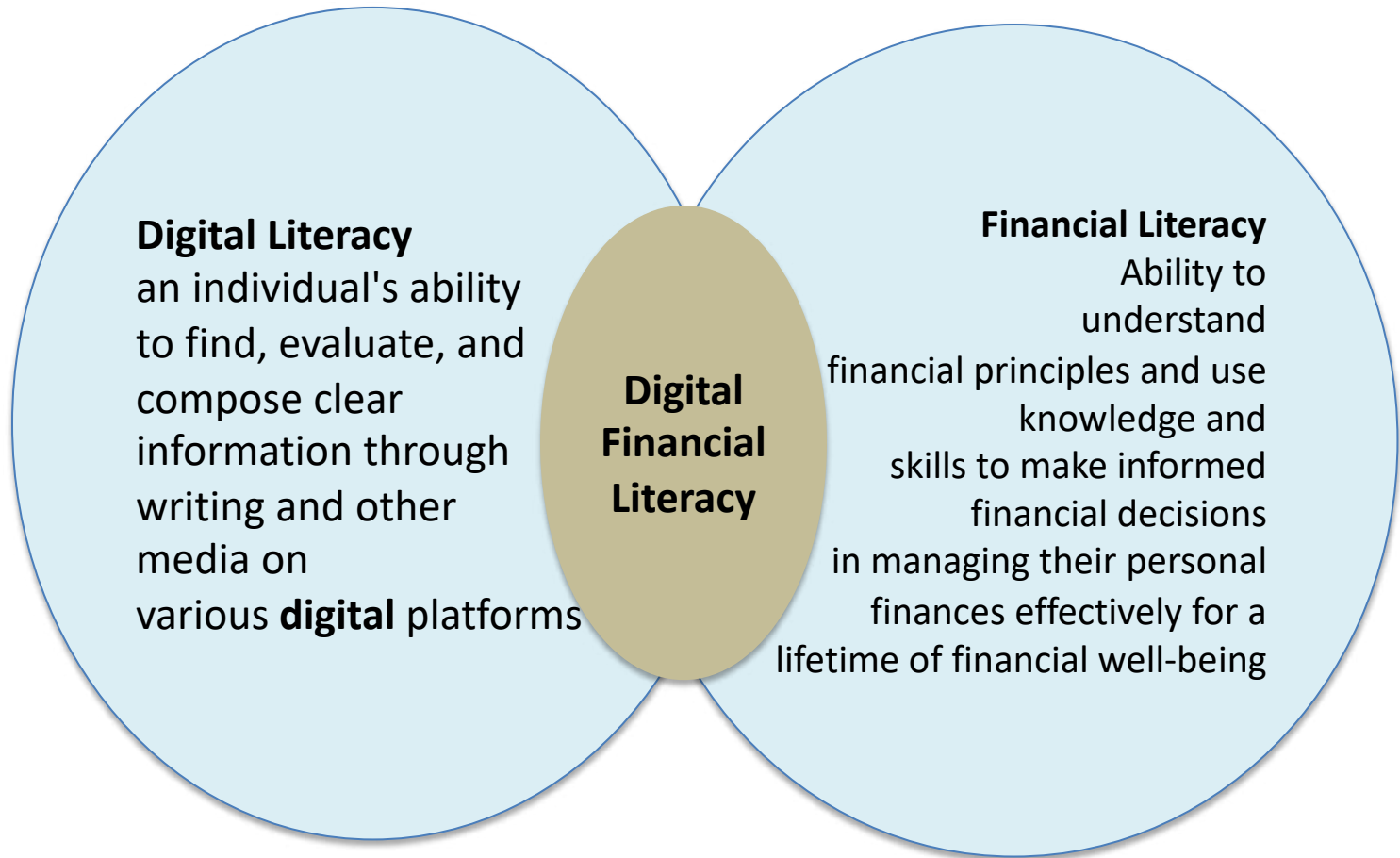


Examples of Digital Literacy

- Understanding how to use web browsers, search engines, email, text, wiki, blogs, Photoshop, PowerPoint, video creation/editing software , etc. to showcase learning.
- Evaluating online resources for accuracy/trustworthiness of information.
- Using online classes to enhance learning in the classroom.
- Choosing appropriate media to showcase learning - understand what platforms will best illustrate your message and learning to peers and educators.



Digital Financial Literacy



Digitalizing Financial Services

1. Pay Bills
2. Send/deposit/Borrow Money
3. Receive Money
4. Pay on-line
5. Buy cryptocurrency
6. Buy and sell online(e-commerce)



Digital finance delivery channels

- E-banking (Internet Banking)
- Mobile Banking
- Plastic cards
- Automated Teller Machine (ATM) and Point of Sale (PoS) Machines
- Mobile Wallet

KEY COMPONENTS



Digital transactional platform--Apps or Web-based

Retail agents—cash-in, cash-out (CICO)

Access device--Self-initiated or Over the Counter (OTC)



E-Banking (Internet Banking)

- This service allows customers subscribing to internet banking services to do banking transaction by using internet from their PC, laptop, mobile phone, etc.
- Depending upon the service offered by the bank customers may be able to view their account information, transfer funds from one account to another, and pay bills



Mobile Banking

- This service allows customers to perform banking operations by using a mobile phone. It can be through SMS as well as smartphone apps.
- Typical service offered by mobile banking are account information view, fund transfer communication with the bank, bill payment and mobile top-up among others



Plastic Cards

- This is another widely used electronic banking channel. Plastic cards are available in the form of prepaid, debit and credit cards.
- Such cards can be used to withdraw money, pay bills using ATM and POS machine and make payments for goods purchased online among others



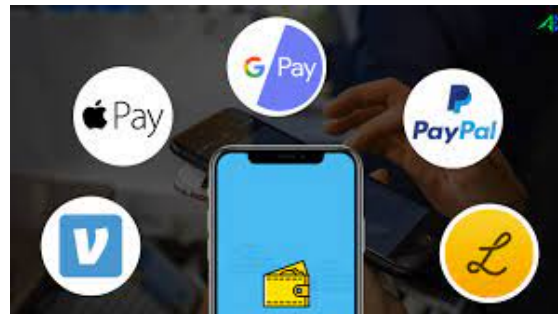
Automated Teller Machine (ATM) and Point of Sales (POS)

- ATM is the device used to withdraw cash by using plastic cards
- POS is the device that reads these cards and payment can be done for the purchased items

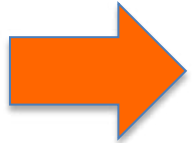


Mobile Wallet (Digital Wallet)

- Digital (mobile wallet) allows customers to hold money in their mobile number without having a bank account.
- Customers can load money from their bank accounts and use the amount for payment of goods and services



Impact of Digital Financial Services



significant positive impact on financial inclusion

1

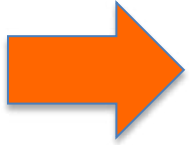
prevalent throughout the payments value chain and ecosystem

"Digital government-to-person (G2P) payments and remittance flows can create the initial momentum for electronic payments."

2

enhance access to credit by using alternative sources of data, such as payment transactions and telecoms data, as well as analytics. *"These improve customer profiling, credit risk assessment and fraud detection."*

Impact of Digital Financial Services



significant positive impact on financial inclusion

3

Savings can be mobilized digitally.

“Emergence of alternative, lower-cost origination and distribution channels and more-convenient product designs, such as mobile wallets connected to savings accounts and intuitive goal-based savings products. Easy KYC and onboarding process can also contribute.”

Main Question

- What are the challenges in Eswatini's smallholders and microentrepreneurs in using digital financial services?



CLOSING SESSION

- **Synthesis**
 - **Oral Feedback**
 - **Training Course Evaluation**
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Ngiyabonga
Ngiyabonga kakhulu!

Dhanyabād

Maraming Salamat!





Thank you.

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Source/Reference Materials

- ❑ *Financial Capability Module 5, CGAP, 2018*
- ❑ *Consumer protection and financial literacy : lessons from nine country studies (English). Policy Research working paper no. WPS 5326 Washington, D.C. : World Bank Group.*
- ❑ *Training Manual for Financial Literacy, ACCESS Advisory, 2019*
- ❑ *A. Robins, 1992, Awaken the Giant Within*
- ❑ United States Department of Labor,
https://www.dol.gov/ebsa/publications/10_ways_to_prepare.html
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- ❑ https://www.youtube.com/watch?v=fQfmkdrw_HY&ab_channel=HSGUniStGallen
- ❑ <http://rahars-funny-world-images.blogspot.com/2012/02/dear-salary-why-are-you-not-growing.html>
- ❑ <http://www.wealthkept.com/simple-truth-3-types-income/>