

# PROJECT STATUS REPORT

JANUARY 2015 - JUNE 2015

## SECTION 1: PROJECT SUMMARY

**PROJECT NAME:** Mobile Money for the Unbanked

Project Number: JA-M1031 - Project Num.: ATN/ME-14598-JA

**Purpose:**

The expected result of this project is to increase access to financial services for low-income people through the introduction of a mobile money platform in Jamaica.

**Country Admin**

JAMAICA

**Country Beneficiary**

JAMAICA

**Executing Agency:**

DEVELOPMENT BANK OF JAMAICA LIMITED

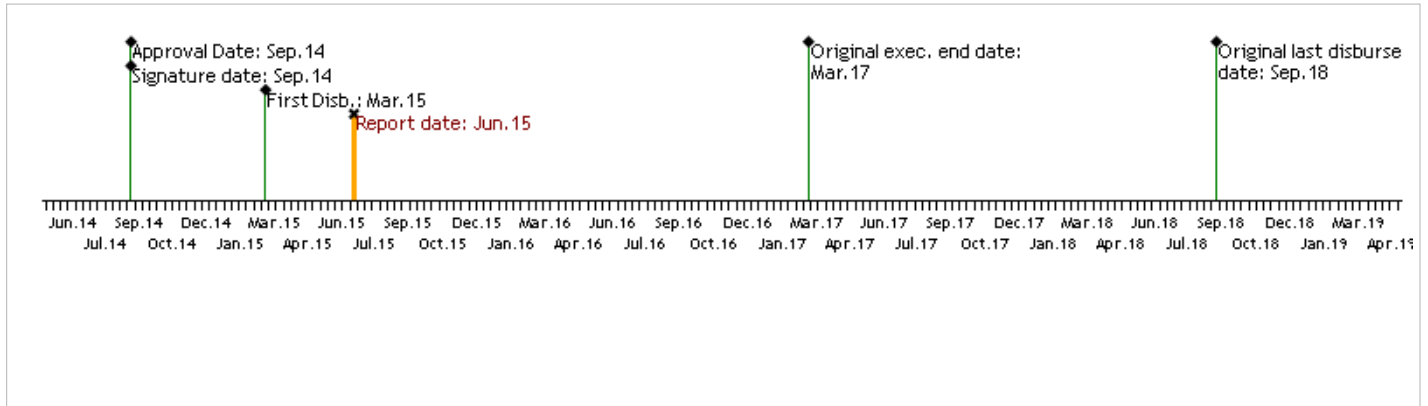
**Design Team Leader:**

WINSOME LESLIE

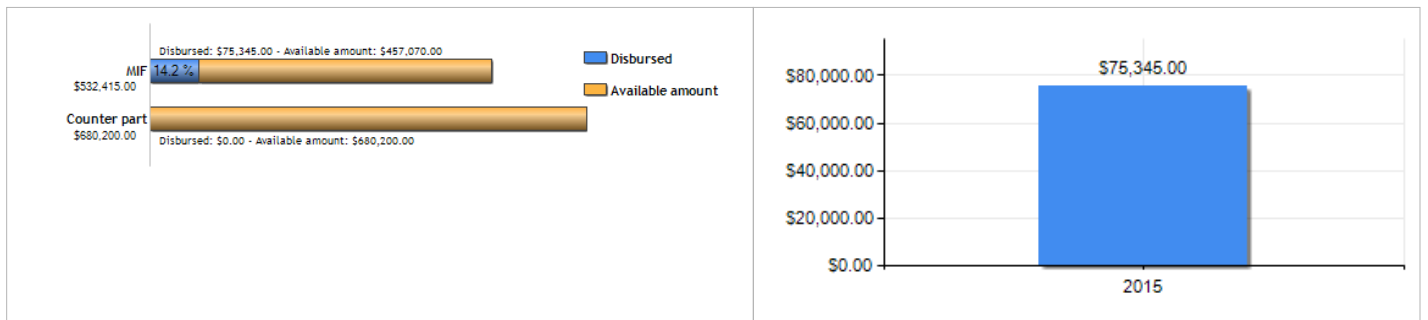
**Supervision Team Leader:**

WAYNE BEECHER

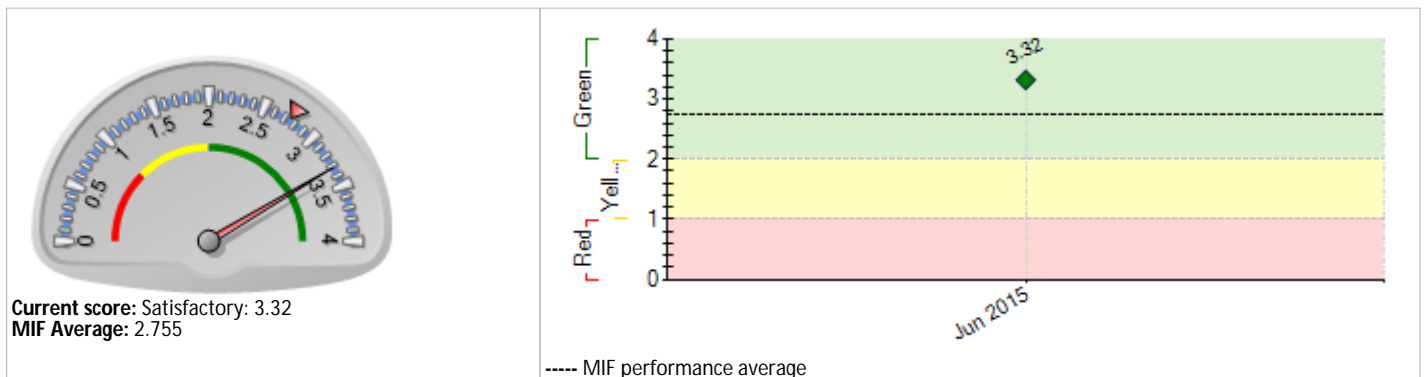
## PROJECT CYCLE



## FUNDS



## PERFORMANCE SCORE



## EXTERNAL RISKS

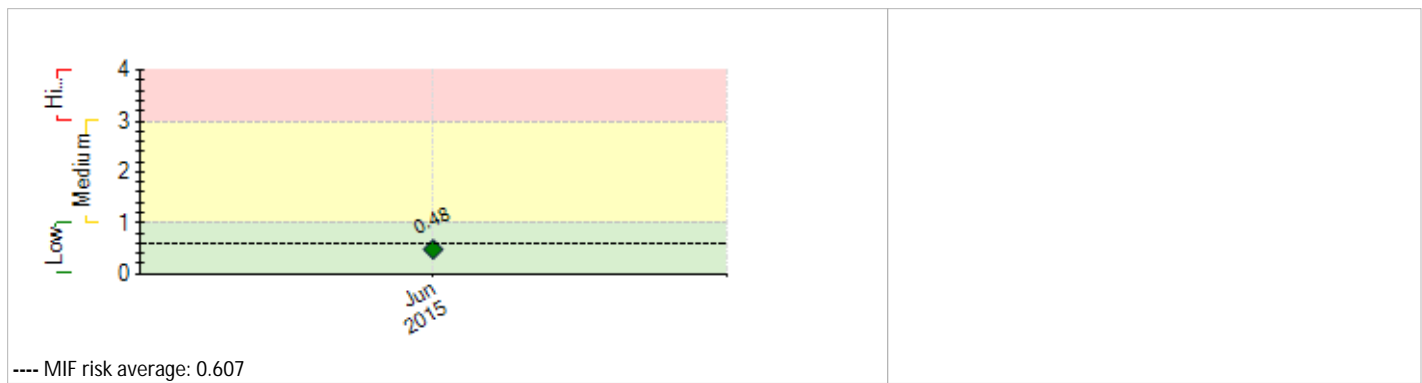
## INSTITUTIONAL CAPACITY

**Risk**

**Financial Management:** Low

**Procurement:** Low

**Technical Capacity:** Low



## SECTION 2: PERFORMANCE

### Summary of project performance in the last six months

Conditions Prior achieved. Project team assembled

- Submission to the Bank of a request for disbursement in the form provided by the Bank (the "Disbursement Request");
- Designation of the person or persons authorized to represent the Executing Agency in connection with the execution of this Agreement, including submission to the Bank of authenticated specimen signatures of such persons;
- Submission to the Bank of evidence that the Counterpart Resources (if emanating from a source other than the Executing Agency) have been contracted, as contemplated in the Budget;
- Submission to the Bank of evidence that the Executing Agency has appointed the Project coordinator;
- Submission to the Bank of a financial plan that sets forth the amount required to accomplish the activities of the Project, considering the Project's expenses and the estimated future disbursements
- Completion of the testing phase (Phase I) of the pilot as evidenced by formal correspondence from the DBJ to the Bank
- Satisfactory completion of user acceptance testing and certification of the integration with the National Commercial Bank and the security protocol for interface with the national payment system.
- Approval by the Bank of the project Operating Manual and Annual Operating Plan for the first year
- Formation of a centralized project management office and establishment of the Project Steering Committee

### Comments from the Supervision Team Leader

Agree with the Executing Agency comments  
Early issue detected with the technology partner capacity to deliver on time

## SECTION 3: INDICATORS AND MILESTONES

Indicators		Baseline	Intermediate 1	Intermediate 2	Intermediate 3	Planned	Achieved	Status
<b>Purpose:</b> 1 The expected result of this project is to increase access to financial services for low-income people through the introduction of a mobile money platform in Jamaica.	R.1	Number of new MFI clients [210800]	0	200		800	0	
	R.2	Number of M3 users (includes MFI clients)	Sep 2014	Mar 2016		Mar 2017		
			0	1000		2500	0	
	R.3	Number of M3 users regularly conducting transactions with M3 [210400]	Sep 2014	Oct 2020		Mar 2017		
			0	900		2200	0	
	R.4	Simple percentage increase in number of clients per loan officer in participating MFIs	Sep 2014	Mar 2016		Mar 2017		
			0	1		5	0	
	R.5	Increased frequency of financial transactions conducted among M3 MFI clients vs non-M3 MFI clients	Sep 2014	Mar 2016		Mar 2017		
			100	110		120	0	
			Sep 2014	Mar 2016		Mar 2017		

R.6	Number of approved MFIs participating on the M3 platform.	4	7			10	0	
		Sep 2014	Mar 2016			Mar 2017		

**Component 1:** Facilitating Mobile Wallet/Digital Economy Industry Development

**Weight:** 20%

**Classification:** Satisfactory

**C1.I1** Design and execution of a Compliance education programme for MFIs

0

1

Finished

Nov 2016

**C1.I2** Design of strategic plan and policy recommendations for mobile money industry growth and development

0

1

Mar 2017

**Component 2:** Financial Education and Technical Support

**Weight:** 30%

**Classification:** Satisfactory

**C2.I1** Number of microentrepreneurs that receive financial education training.

0

1000

2500

Sep 2014

Mar 2016

Mar 2017

**C2.I2** Number of MFIs who received technical support

0

6

4

10

Sep 2014

Mar 2016

Dec 2016

Jun 2017

**C2.I3** Number of MSMEs participating in the agency network.

0

15

25

40

Sep 2014

Apr 2017

Oct 2017

Jun 2018

**Component 3:** Agent Network Development and Scaling of the Pilot

**Weight:** 30%

**Classification:** Satisfactory

**C3.I1** Retail agent network support system designed and tested

0

1

Sep 2014

Dec 2017

**C3.I2** Number of retail agents licensed and trained on M3

0

50

Sep 2014

Mar 2017

**Component 4:** Knowledge Management and Knowledge Dissemination

**Weight:** 20%

**Classification:** Satisfactory

**C4.I1** Case study on M3 completed.

0

1

Sep 2014

Aug 2018

Milestones	Planned	Due Date	Achieved	Date of achievement	Status
<b>M1</b> Conditions Prior	12	Mar 2015	12	Mar 2015	Achieved
<b>M4</b> Conditions prior: (v) formation of a centralized project management office and establishment of the Project Steering Committee	1	Nov 2016			
<b>M2</b> Conditions prior: iii) satisfactory completion of user acceptance testing and certification of the integration with the National Commercial Bank and the security protocol for interface with the national payment system	1	Feb 2017			
<b>M6</b> Conditions prior: (i) hiring a Project Manager.	1	Apr 2017			
<b>M3</b> [*] Align operational plan for the Agent Networks with the technical assistance to MSMEs through a web portal	1	Jun 2017			
<b>M5</b> Conditions prior: (vi) designation of one or more representatives of DBJ with legal powers to execute the technical cooperation agreement and any other related documents	1	Aug 2017			

[\*] Indicate that the milestone has been reformulated

#### CRITICAL ISSUES THAT HAVE AFFECTED PERFORMANCE

[None reported in this period]

### SECTION 4: RISKS

#### MOST IMPORTANT RISKS AFFECTING FUTURE PERFORMANCE

	Level	Mitigation action	Responsible
1. Sustainability Risk: M3 does not reach critical mass of clients one year after pilot to make the initiative viable. .	Low	Mitigation: A marketing campaign, including an incentive program which rewards MFI and their staff for recruitment, will help ensure that a critical mass of clients is reached. Additionally, financial education training will teach clients about how best to use financial services and the benefits of the M3 platform	Project Coordinator
2. Beneficiary Risk: Slow adoption of M3 technology due to doubts about safety, unfamiliarity and unwillingness to lose the face-to-face interaction of traditional banking.	Low	Mitigation: There will be a robust marketing campaign to show clients M3 and explain how it works. Additionally financial education will help clients understand the advantages of M3.	Project Coordinator
3. Technical Risk: M3 technology, systems and processes could fail to integrate appropriately with those in the MFIs, as many of them use older technology.	Low	Mitigation: Resources have been dedicated for integration of MFI business platforms.	Project Coordinator

**PROJECT RISK LEVEL:** Low **TOTAL NUMBER OF RISKS:** 3 **IN EFFECT RISKS:** 3 **NOT IN EFFECT RISKS:** 0 **MITIGATED RISKS:** 0

### SECTION 5: SUSTAINABILITY

**Likelihood of project sustainability after project completion:** P - Probable

#### CRITICAL ISSUES THAT MAY AFFECT PROJECT SUSTAINABILITY

[None reported in this period]

**Actions related to sustainability which have been taken in the reporting period:**

No action necessary

## SECTION 6: PRACTICAL LESSONS

1. Only proven technologies should be included in the design of the project	Relative to Design	Author Gibbs, Marlon
2. Selection of a private technology partner requires detail due diligence	Implementation	Gibbs, Marlon