



Project location:
Rural and urban areas of Cambodia

Project start date:
1 January 2009

Funding source:
AusAID 25%, WING 75%

Total grant funds approved:
A\$1,500,000

Updated December 2012

WING – Mobile Payments In Cambodia

ABOUT WING CAMBODIA

WING is a provider of mobile phone payment services that enable customers to transfer, store and cash-out their money using a mobile phone and has operated in Cambodia since February 2008.

In late 2011 Australia and New Zealand Banking Group Limited (ANZ) sold WING to Inter Logistics - parent company of the Mobile Refresh payments business.

THE PROJECT AND HOW IT WORKED

In 2009, WING Cambodia was awarded an ECF grant of A\$1.5 million to support expanding mobile phone payment services to rural provinces of Cambodia. WING allocated over A\$4 million to the rural outreach.

The grant provided funds for training of rural businesses to operate WING, greater awareness for rural customers and for financial literacy training. Association with a commercial bank provided expertise and strong processes to support the establishment of WING and added reputational value to the program. The project was expected to bring about: -

- savings in transaction costs for 560,000 rural receivers
- improved financial literacy in rural areas
- an additional 750 merchants/small businesses operating in rural areas to service customers
- improved access to low-cost financial services that will facilitate micro-business activities and increased security in their financial transactions

THE RESULTS

WING has achieved significant results and is poised to continue market expansion in both urban and rural markets. Current management focus is on the urban and semi-urban market and optimizing current service offering and operational efficiency and profitability.

- As at December 2012, WING has over 380,000 customers signed up to the payment platform with 14% frequent and regular users. WING has trained 850 merchants (small business owners) to provide WING cash in and cash out functions (called WING cash express) operating in both rural and urban areas. Remittance income transferred by WING has tripled since December 2011 from US\$3 million monthly to US\$9 million and remains a small part of the US\$300 million per month national remittances in Cambodia.
- WING operates in all provinces of Cambodia and is available in 169 of Cambodia's 185 districts. Based on research conducted by the International Financing Committee in 2012, WING is reaching previously unbanked customers with 80% previously having no bank account.
- WING services are available around the country with 80% of customers outside of Phnom Penh and 60% of customers in non-urban areas. Only a small majority of customers are men (65%).
- WING estimates that an average domestic transfer – usually conducted by a network of money changers or sending funds physically via taxis would cost \$2.50 whereas the price of a WING transfer varies between 0.5 cents and \$1. This is an average saving for clients of US \$19 per year on transactions, which has some significance to those earning low wages.

HOW ECF FUNDS WERE USED

ECF funding contributed to about 25% of project costs overall and funded the cost of roll out to urban areas, training of rural agents and financial awareness campaigns with communities.