



Project on “Mobile Financial Services: A Systematic Overview”



United International University
Project Report
On
Mobile Financial Services: A Systematic Overview

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Subject: Application for submitting a Project on “Mobile financial services: A Systematic Overview ”

The project contains a comprehensive study on the overall topic which was a great pleasure for me to have the opportunity to work on that. I have endeavored my best to come out with a good one. I would be very happy to provide you with any clarification regarding the project which will increase my knowledge further.

Lastly, I would like to thank you and hope that you would be kind enough to accept my Project.

With best regards,

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Acknowledgment

First of all, all praises and thanks due to Almighty “God” who helped us with bunch of supportive people to accomplish my project. Successful completion of any course requires guide from a variety of people. I was lucky to get the instruction and supervision of our teacher and buddies who helped me in development of my work.

I desire to show gratitude to our respected supervisor Muhammad Enamul Haque sir, Assistant Professor of United International University, for his huge guide and instruction in every aspect of the research. His instruction and response for my each and every question helped me a lot to complete the project.

Finally, I would like to thanks to my mother and father who inspired me to complete the project on this specific topic.

Abstract

People are now becoming more dependent towards the advance technology which is making them more valuable. COVID-19 has triggered the uses of technology more for doing tasks easily rather than going physically to anywhere. From that point of view, this project paper aims to identify the impact of most renowned financial technological platform known as MFS(mobile financial technology) for financial inclusion in Bangladesh. The project paper has been prepared for the fulfillment of the Project program under the requirement of BBA program. In this descriptive type of research, only the secondary data has been used and the main focus of the whole project was the literature review. Based on the findings from the literature review about financial inclusion, whether the financial inclusion of Bangladesh are linked up or not was the main descriptive part of this project paper. First, the data of literature review was collected from the researches made by different scholars in different countries then the relationship, challenges, and the future scopes of MFS of Bangladesh for financial inclusion has been described. It has been noticed that, people are getting more involved into the MFS day by day and they are also looking up for more innovative easier financial technological platforms for making their lives more-easier.

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Chapter: 1 Introduction



1.1. Introduction:

In this era of technology people are becoming more dependent to the technologies that makes more valuable. For this reason, in today's world Financial Inclusion (the availability and having equal access of financial services like: transactions, payments, savings, credit and insurance rather than going physically to anywhere) becomes the most focusing topic, where every country is trying to adopt it in their financial sectors. Some countries already became cashless society and some countries are in position to become in cashless society. Financial technology (FinTech) is the most crucial thing which enhances financial inclusion and the whole are working to create those innovative FinTech platforms for making lives of the people easier. It is the process where, individuals and businesses can access appropriate, affordable, and timely financial products and services like: MFS, online banking, loan, equity, insurance and so on. It's main aim is to bring out all the unbanked, poor, and unserved people into this platform. It's very important to reduce the poverty, for enhancing standard of living, investment initiatives (small businessmen, start-ups, and household women are getting benefited), contribution in the economy (GDP goes will go up), financial opportunities for various products and services and so on. It is the more cost effective solution, safe and secure with more efficiency and in our country MFS(the mobile financial service) is one of the most renowned fintech platform which is the main target of this whole project.

1.2. Origin of the Study

I am Arfin Ara Nishi, a student of Bachelor of Business Administration (BBA), United International University, Bangladesh, declare that this Project paper titled “ Mobile Financial Service; Systematic Review of Bangladesh” is the work I did with the help of my honorable supervisor Mr.Muhammad Enamul Haque.

I further want to certify that this is a unique work that has never been submitted by any other finance students from the United International University under the requirement of BBA program.

1.3. Objectives of the Study

The primary objective of this project is to understand the development of “Mobile Financial Service in Bangladesh”. The other objectives are: Understanding the people about the different facilities and services of financial technology.

- Understanding financial inclusion can reduce poverty, increase the economic growth and income inequality.
- Understanding the areas Bangladesh should work on for faster FI.
- Understanding the ways fintech(financial technology) can increase efficiency in every sector.
- Is to serve the unserved and unbanked people.
- Is to identify and help for easier access to financial services so that new ideas and opportunities can generate to start a business

1.4. Methodology of the study

The following approaches were used to collect data and information for this study to prepare the project.

Type of research: Qualitative research.

Type of Data: secondary data type, where most of the data were collected from secondary sources like reports, websites, articles, and newspapers.

1.5. Scope of the study

- By doing this project, I became known to many innovative fintech platforms in our country and other countries also.
- It helped me to know how FI can make people lives more -easier.

- It enlarged my knowledge about how all the sectors can merged with financial technologies which in turn increases the economic growth of our country.
- I learned about the easier access to financial services can serve better to the unserved people more in our country.
- I learned the ways and reasons that the whole country is focusing for bringing the whole society into cashless society.

1.6. Limitation of the study

To prepare this report I faced some Limitations. The most common of them are:

- The sources of information were not enough.
- I faced problems in finding out numerical data which are not available.

Chapter: 2 Background of the study



2.1. Introduction:

Mobile financial service is the opportunity for having the availability and equality to access the financial services. It is the process where, individuals and businesses can access appropriate, affordable, and timely financial products and services. Its' main aim is to bring out all the unbanked, poor, and unserved people into this platform. It's very important to reduce the poverty, for enhancing standard of living, investment initiatives (small businessmen, start-ups, and household women are getting benefited), contribution in the economy (GDP goes will go up), financial opportunities for various products and services and so on. It is the more cost effective solution, safe and secure with more efficiency. So, our country should work more to promote financial inclusion for making the nation more digitalized because financial technology has been emerged a lot in the global market that some country has already become cashless society like: Finland, South korea, Sweden, China and so on.

Till now though the other financial platforms did not get that much popularity or did not yet get introduced, but MFS the mobile financial services which is one of the FinTech platform has got so much popularity in our country Bangladesh. In our country, currently 15 banks and another one is non-bank are providing MFS platforms are: Bkash-Brac Bank ltd, Rocket-Dutch Bangla Bank ltd, Mcash-Islami bank Bangladesh ltd, Mycash-Merchantile Bank ltd, T cash-Trust bank ltd, U cash-United commercial bank ltd, Ok wallet-One bank ltd, Sure cash-Rupali bank ltd,Tele cash-outtheast bank ltd, BCB Sure cash- Jamuna Bank, Sure Cash-Jamuna bank ltdSonali, e wallet-Sonali bank ltd, Hello-Bank Asia ltd, Nagad-Bangladesh post office and so on. So, the products and services of MFS that they are offering: Merchant payments including all types of purchases using MFS , Bank to bkash, New MFS products like: digital nano-loan and small savings, Cash in, cash out, bill payment, mobile recharge, remittance, donation, purchasing, salary-disbursement and so on.

Among those currently in our country bkash and Nagad are playing major roles in the MFS market and become enable to have more financial inclusion like other countries. Bkash was the first start-up company for MFS and it is the part of Brac group, a nongovernment organization. Their services are provided by a bank/company which is classified as a bank subsidiary by the central bank of Bangladesh. They become successfully to include maximum people of our country in the MFS platform. They are also working hard for bringing more innovative MFS platforms for making the life more -easier. MFS is a system

where the financial institutions provide the banking and mobile wireless networks services to the people for banking transaction. This enables the people to make deposits, withdrawals, and to send or receive funds from a mobile account. Besides these, the bank agents of many branches allow mobile account holders to transact.

The first MFS launched in mid2011 which known as bkaash and at the end of 2013 about 22% of our country's adult population used in our country. This service was represented by Quadir and Iqbal Quadir. In mid 2000s the two brothers noticed the MFS has taken off in Philippines, Kenya, and other emerging markets and from there they decided to bring the MFS in our country. Their target was the rural people where the access to financial services is very difficult. But now, all those unbanked, unserved and even the urban people are having this services most and it becomes more than 50 million users in our country.

On the other hand, Nagad' which was launched in March, 2019 by the government's postal department. From the 2019 to 2021 within these two years the users of Nagad' stands to more than 45million. Till now Nagad' has a very successful history than bkaash. The second major player is Nagad which is also become successful to capture vast amount of people into their MFS platform. On March, 2019 Nagad used advanced technology which brought 5.75 crore users in a short time. It is the part of Bangladesh post office, and it considered to be most successful digital platform of government. Nagad is also continuously working to provide innovative services which are changing the daily lives of the people and also helping the economy development of Bangladesh. In addition, Nagad and bkaash both are working hard for more financial inclusion with more transparency and accuracy.

So, our focus will be bkaash and nagad about how they are dominating the market and how they are helping in the economy for bringing our country into more digitalized form.

Chapter: 3 Literature review



3.1. Introduction:

In today's world innovations of financial technologies become the main focus because this is the source which can improve the financial health of any country. Day by day mobile phone users are increasing and by taking this as an opportunity every country has transferred all the financial tasks/transactions through the mobile phones and it becomes known as MFS (the mobile financial service). Maximum countries are already in the most forward position who has introduced MFS for more financial inclusion and also has improvement in their financial health. For example: study of having view of financial inclusion in 10 Asian countries including Indonesia, Pakistan, India, Bangladesh, and so on made a positive relationship of MFS and financial inclusion. MFS becomes the most challenging topic for every country with many opportunities and obstacles. From that perspective, for having view of how Bangladesh is prospering in the sector of MFS we took literature review as an indicator.

Findings of the study made by different authors

Authors name and year	Country	Findings
Aduda and Kalunda (2012)	study of FI in Kenya	<ol style="list-style-type: none"> 1.informal financial services like: MFS can play a major role in promoting FI. 2.M-pesa in Kenya enables to attract people trust in electronical payment system for faster economic growth.
KPMG-International Development-Advisory Services (IDAS) (2012)	Report details the M4P model based on two multi-donor FI programs in Kenya	<ol style="list-style-type: none"> 1.cost-effectiveness-and impact of synergies 2.sustainable growth rate
Yang and Seshan (2012)	Investigate cross-border household management of Indian migrant workers in Qatar	<ol style="list-style-type: none"> 1.financial literacy is very important. 2.effort is needed to instill financial literacy in migrant workers and their wives in India.

		3.uses of mobile financial services should increase.
Kempson and Collard (2012)	Britain	1.Inclusion that can bring effective finance. 2.FI is profitable, secure and easy to access.
D`alcantara (2013)	Brazil and India.	1.proposed a banking and postal partnership to promote financial inclusion in rural areas where branch establishment costs can be high 2.it is cost effective 3.enables economic growth in rural areas
Dancey (2013)	Ghana	1.Poverty reduction 2.reduce fraud and leaks 3.increase access to economically disadvantaged people
According to Aker (2013)	northern Ghana	1.found barriers of FI low utilization for poor mobile connectivity and people not trusting mobile money.
Global Findex Database (2014)	Did research on taking maximum countries in world	1.found to improve financial inclusion for women and the poor through inward remittances in mobiles

		<p>2.scope of future FI can increase through Government- and private sector can play an important role</p>
<p>Bayero (2014) Anzoategui (2014)</p>	<p>Regression model run to Survey the cashless economic policies on Nigeria's financial inclusion</p>	<p>1.customer value proposition increased. 2.inward remittances had a positive impact on the penetration of savings accounts.</p>
<p>Schutts (2014)</p>	<p>Indonesia. Report on the effect of paying electronically to a supplier</p>	<p>1.When you start paying electronically to a supplier, you are prompted to encourage your customers to pay electronically, creating a value chain that runs across the supply chain ecosystem.</p>
<p>Robles (2014) Siddik (2014)</p>	<p>Bangladesh</p>	<p>1.promoting-financial literacy. 2.including the high costs of internet and SMS, safety-related beliefs act as barriers.</p>
<p>Cámara and Tuesta (2014)</p>	<p>Used multidimensional index to measure FI levels in 82 countries</p>	<p>1.Found three determinants are uses, barriers and access to financial inclusion is very important. 2.FI is positively related with GDP, education, financial system efficiency and financial stability.</p>
<p>Adalessossiand Kaya</p>	<p>Discrimination model</p>	<p>1.found lower FI in low</p>

(2015)	analysis to investigate the levels of financial inclusion Middle East and North Africa, Sub-Saharan Africa, and South Asia	income countries. 2.gender gap in access to finance.
Zhang (2015)	United Kingdom and China	1.consumer-protection legislation needs to be strengthened to gain the trust in FI.
Fungacova et al. (2015)	china	1.people are not taking formal loans means credit lending facilities through mobiles
West (2015)	Investigated Nigeria's financial inclusion	1.strong government policies and regulatory standards needs to promote FI more.
Choudhury (2015)	northeastern Bangladesh	1.FI is seen as an important external intervention that can help stabilize rural households and reduce risk. 2.FI in rural areas can improve those unserved people better.
Goldstein (2015) Bourreau and Valletti (2015)	JoMoPay project carried out by the Central Bank of Jordan	1.inoperability issues should be solved. 2.benefits of mobile payment services should be raised towards the people.
Martinez et al Pais Sarma (2016); Sanjaya (2016); Kim et al. (2016)	Hypothesis testing in 10 Asian countries(Pakistan, Bangladesh, India, Indonesia,	1.financial inclusion through credit lending increasing economic growth.

	Malaysia, Philippines, and Thailand and so on)	2.making finance available and affordable to all economic agents.
Azman-Saini, and Tan(2016)	GMM test results in 10 Asian countries(Pakistan, Bangladesh, India, Indonesia, Malaysia, Philippines, and Thailand and so on)	1.The rapid increase in 3 dimensions of financial inclusions(banking penetration, access to banking services, and use of banking services) can increase economic growth. 2.financial inclusion is aimed to create capital accumulation which in turn increases economic growth.

De la Torre, Gozzi, and Schmukler (2017)	Hypothesis testing in Asian countries(Pakistan, Bangladesh, India, Indonesia, Malaysia, Philippines, and Thailand and so on)	1.financial inclusion in Asian countries can reduce poverty levels. 2. People with access to financial services tend to be more productive by consuming and investing more to improve their standard of living.
Cihak, Mare, and Melecky (2017)	Panel data setting including a sample of 150 countries like: Asian countries	1.Reduces income inequality. 2.Inclusive finance enable every people to integrate into the economy.
Dupas et al. (2018)	Chile, Malawi and Uganda	1.need to put focus for the uses of online financial-services more. 2.Accounts number

		in FI is not the fact the uses-through-those accounts are more important.
Rhyne and Kelly (2018)	India and China	<ol style="list-style-type: none"> 1.uses of FI accounts are not increasing. 2.People are not initiative for online savings and lending purposes.
Davidovich, Loukoianova, Sullivan, and Tourpe (2019)	Pacific Island countries	<ol style="list-style-type: none"> 1.better access to digital infrastructure, availability of the internet and mobile phones as well high usage of traditional financial services, quality of governance, increases economic growth. 2.people are starting to take credit facilities through mobiles. 3.numbers of user also increasing.
Dabla-Norris, Ji, Townsend, and Unsal(2019)	develop a theoretical model on Switzerland	<ol style="list-style-type: none"> 1.financial-inclusion ultimately affect economic outcomes. 2.entrepreneurship-are increasing
Sahay and others (2019)	Indonesia	<ol style="list-style-type: none"> 1.Access to safe, easy, and well-functioning financial systems to the poor, disadvantaged areas, and disadvantaged sectors is a prerequisite for accelerating

		<p>growth and reducing income inequality and poverty.</p> <p>2.income inequality can be reduced through this MFS</p>
Banerjee, Breza, Duflo, and Kinman (2019)	Hyderabad, India taking sample of 52 neighborhoods	<p>1.Untreated neighborhoods with micro credit facility increases in entrepreneurship, profits, business scale, turnover and employment.</p> <p>2.Improved-household's resilience to income shocks</p>

Cihák and others (2020)	Based on panel regressions for 105 countries	<p>1.MFS lowers inequality.</p> <p>2.better access to digital infrastructure-improve economic structure.</p>
Aayushi international interdisciplinary research journal (aiirj) vol- vii issue- i january (2020)	Northern Ghana	<p>1.suggested-to-promote financial literacy and education and facilitate to access to financial services.</p> <p>2.It-can-be-a-win-win opportunity for the poor.</p>
By Indonesia's Ministry of Cooperatives(2020)	study(2020) in Indonesia	1. COVID-19 has expedited Indonesia's uptake toward digitalization.
Khera et. al. (2021)	Netherland	<p>1.COVID-19 has raised the importance of FI more.</p> <p>2.It is very important to have easily accessible financial</p>

		<p>services in home rather than going physically or any paper documentation.</p> <p>3.MFS can reduce overall cost for industries, companies, individuals and can increase economic health at a time.</p>
Sahay and Čihák (2021)	China	<p>1.finds that higher financial inclusion in payments is associated with reduction in inequality.</p> <p>2.female financial inclusion is also high for MFS.</p>
(Ullah et al. <u>2021</u> and Usman et al. <u>2021</u>)	Study in UK with blockchain	<p>1.found-that-financial inclusion has positive impact on growth and has mutual causalities with each other.</p> <p>2.enables to have more transparency and accuracy.</p>

3.2. Objective of the findings:

Finally, the objective of this literature review is to find the relationship between the findings compare with our country Bangladesh. Maximum findings of the literature review talked about the impact of financial inclusion is so positive for the whole world to serve all kinds of people including the unserved, unbanked and rural areas. So, it's very important to enlarge the connectivity, quality, speed of internet in whole world especially in rural areas for including more people for easier financial access. Impact of financial inclusion are like: economic growth, reduce poverty, empower women, reduce inequality, reduce gender gap, increases in entrepreneurship, profits, business scale, turnover and employment and so on. Blockchain is an example of Financial technology which has raised its economic growth

with transparency and accuracy a lot and enables to attract people trust a lot which act as a main barrier to financial inclusion. Some barriers of Financial inclusion also found in literature review like: it becomes so important to increase the financial literacy so that people can know about the benefits of various financial technological platforms, low trust on mobile financial service, poor internet connectivity, low transparency and accuracy and so on which need to solved for faster enlargement of financial inclusion. So, the relationship between those findings with our country Bangladesh are explained below.

Chapter: 4 Development of MFS in Bangladesh

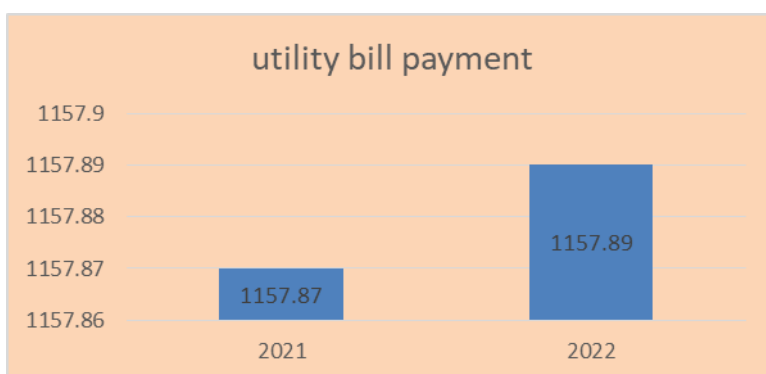


4.1. Introduction:

Developing the relationship of MFS in Bangladesh with the findings of literature review is the main concern of us. So, till now though the other financial platforms did not get that much popularity or did not yet get introduced, but MFS the mobile financial services which is one of the FinTech platform has got so much popularity in our country Bangladesh. So, Bkash and Nagad are the major role player provide mobile financial services in our country. Till 2018-2019 the number of active accounts availing the mobile financial services was 77.68%. But now, during the pandemic time from 2020-2022 the number of active MFS accounts increases to 30 million and in this time the remote areas and the low income people have benefited more.

4.2. Development of MFS linkage with findings:

A news on March 13,2022 of Daily star' mentioned that MFS a revolution for remote regions. It mentioned that daily in average tk2300 crore register by MFS operators for transaction. Now, it becomes possible to transfer money anywhere, getting money instantly, pay at shops and e-commerce platforms, utilities bill, educational fees, transfer money among banks, send remittance and so on and those number of services taken are increasing day by day. For which money is being circulating in the economy more for further enhancement. This MFS becomes more cost effective, affordable, and easily accessible that data from the table given below indicates online utilities payment increased a lot rather than going physically to banks or other financial institutions.

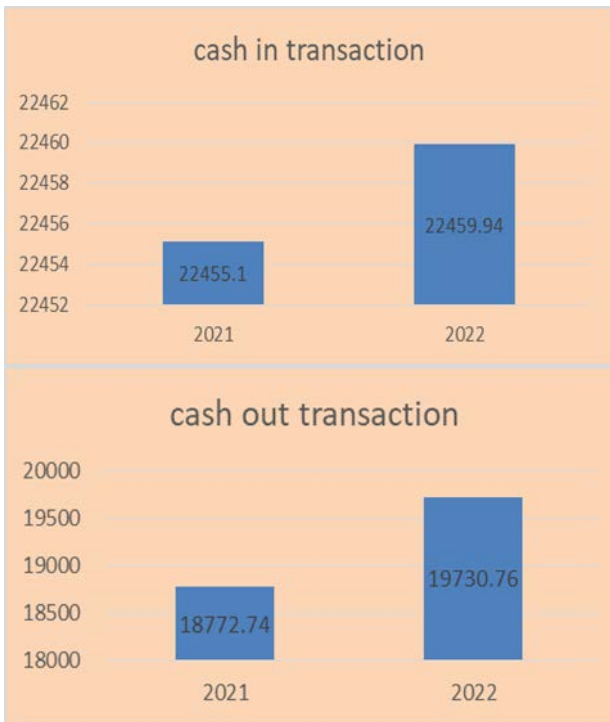


Recently, the bkash and city bank offered the country's first collateral free loan and digital nano-loan and online salary disbursement. Which are helping small businesses, start-ups,

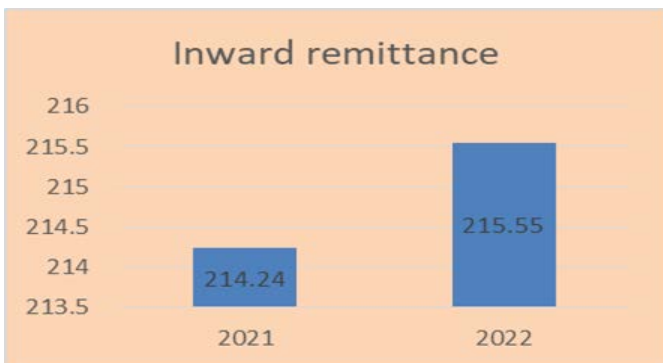
entrepreneurs, households-women a lot. From city to rural areas people are now more getting interested in businesses for getting easier credit facility. Women are also doing home or online businesses, opening small boutique shops or saloons which in turn improving economic health of our country as everyone are getting chance to integrate. As the income facilities are increasing means income inequality are decreasing for which standard of living are increasing which in turn decreasing inequality and poverty. One of the big sector of our country is RMG(ready made garments) where, for bkah now women and men all are getting salaries easily into their mobile phone. Women who are using bKash or nagad are 20 per cent ahead in the ownership of financial assets than the women who are not using bkash or nagad and their participation in income-generating activities has rose up to 9 per cent. This improvement decreasing gender gap in case of earning capabilities. In this way, MFS enabled easier salary disbursement for people which is very clear in the collected data.



From 2020 to 2021 the MFS transactions has increased a lot means except Nagad(central bank issued Nagad to be part of any commercial bank as soon as possible)all MFS providers are backed by the commercial banks. MFS enables savings accounts and all the online transaction for which banks are utilizing those transactions or funds for more reinvestment opportunities (facilitating more loans) which in turn helping the economy. A recent data of 2022 indicates that loan disbursement has increased up to 33% means financial institutions will be generated more revenue where people will utilize that loan amount into more investments. So, we can see in the table that transactions of MFS has increased a lot which are helping the financial institutions for more reinvestments.



During pandemic to till now, the inward remittances also increased where, MyCash” an online platform launched in Singapore which allows any direct transfer to any bkaash wallet in Bangladesh and the prime bank also introduced Remitprime” for any direct inward remittance transaction which are helping households to have easier financial support in anytime for better standard of living.



Besides these, it reduces operational costs and risks: manual works or paper based works are decreasing day by day and transforming into more online banking mobile applications for which it becomes no longer to hire employees, then for people no longer to do photocopy or print any documents for opening bank accounts which in turn decreasing costs. Besides these, also decreasing the human errors and risk of information exposure.

Improved loan evaluation: banks are now using credit scoring, credit history, customer references and banking transactions to make decisions whether or not the customer is creditworthy to avoid any future losses. In addition, we can say that our country also have improved sign of financial inclusion like other countries' findings from the literature review. Unserved people also now having bKash or Nagad account only for that innovative MFS platform which made affordable and easier accessible financial services. For this, people are now can easily availing those financial services from anywhere. In addition, taking all those advantages of MFS in our country like: many rural areas people now started their own businesses, women are also doing small businesses, entrepreneurship are increasing, economic growth has increased as all are getting chance to integrate, reduce poverty a little as people lives getting improvement, and so on we can say that it's really a good sign that our country is also having a great progress in financial inclusion for bringing a successful cashless society.

4.3 The current MFS situation in Bangladesh for financial inclusion:

In Bangladesh, bKash became a unicorn, the first private company to be valued above one billion dollars, last year after Softbank invested north of \$250 million in the company. bKash is the largest MFS(mobile financial services) player in Bangladesh. Besides this, day by day bKash is introducing various innovative fintech platforms in our country for making lives of the people easier like: now the garment workers can easily receive salary into his or her MFS account and can quickly send it to their families within a 5mintes. Recently bKash has opened bKash IDLC(industrial development leasing company) online DPS(deposit pension scheme) where people now can save small amount each month. Besides these people now are able to do all the banking transactions in online rather than going physically. The growth of the digital economy essentially helps the overall growth of digital financial services where, financial institutions have been doing a lot of interesting work in the digital finance space by launching digital products including mobile apps and digital services. So, overall the global market are focusing for providing more digital financial technologies in every sector of the economy for more economical growth.

Recently, Bangladesh unveils digital payment roadmap means works to promote electronic payment. They made a report where, from the 165million citizens about 79% adults have an account in financial institutions or mobile money service provider which is a significant improvement in financial inclusion. The report estimates that digital payments could boost Bangladesh's annual GDP by 1.7 per cent, adding \$6.2 billion (about £4.89bn) annually to the economy. According to the paper's calculations, 53 per cent of this increase would result from digitizing 30 per cent of micro-merchant transactions in the retail sector, 45 per cent from digitizing credit disbursements in the agricultural sector and the remaining from scaling digital wages in Bangladesh's significant ready-made garments (RMG) sector.

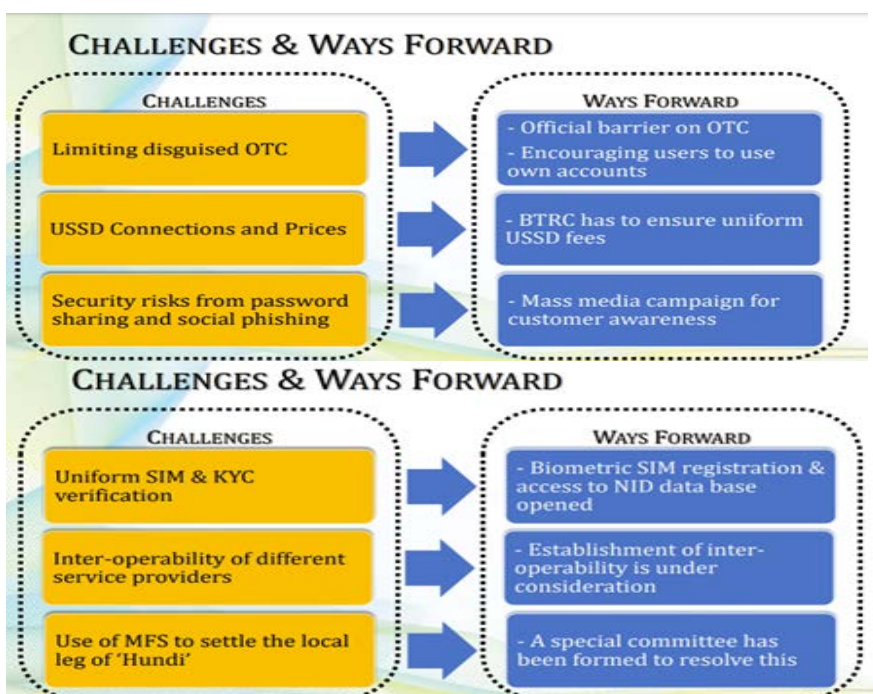
In order to promote electronic payment, the first task is how and where to implement strategies. So, they found to implement in three stages like: first depend on policy decisions, then infrastructure readiness and alignment with other priorities like: RMG, health, education, retail. They also proposed national digital payment dashboard for tracking both private and public entities' digital payments, also proposed an 'open banking application programming interfaces (API) platform' allowing financial institutions to collaborate and add third-party capabilities to their core business offerings, creating innovative business models and focused products, then the important thing they highlighted the introduction of a 'National Financial Literacy Strategy' so that people can know and learn about digital services more to save their money. They are telling in case of financial inclusion position, Bangladesh is now in 78th position among 83 countries so the authors strongly suggested to introduce a regulatory sandbox describing it as a huge opportunity to set up support systems to enhance fintech's competitiveness and growth where the women's financial inclusion will also be increased. In addition, this is the updated position of MFS in Bangladesh which is focusing to bring the country into cashless society and our country is continuously working hard for innovating more easier financial service platforms for making our people lives easier.

Chapter: 5 Challenges and Future Scopes of MFS in Bangladesh



5.1. Challenges:

Global microscope finance report 2020 ranked Bangladesh 44th out of 55 countries in terms of financial inclusion. So, in our country financial inclusion is very important to get rid of poverty because most of our people lives in rural areas. So, in order to add more people into the financial inclusion have to stringent KYC(know your customers) requirements means have to literate the people about MFS platforms and services, have to stringent restrictions on who could serve as an agent. Besides these, the government needs to consider like: fix credibility, offer diverse products to suit different sections, innovations backed by financial literacy and so on. In our country still half of the MFS accounts remain dormant means people are primarily open only for receiving cash, so have to encourage them for using that account for other services also. Then the most important things are: have to coordinate with other providers and intermediaries for creating fully electronic payment system, have to encourage the use of more digital payments, have to decrease costs, promote transparency, and limit fraud and so on. Study in 2014 in Bangladesh found the unawareness of mobile banking for high internet and sms cost, security related beliefs, and so on where need to improve the transparency and accuracy for improving those fraud cases for attracting people trust for more financial involvement.



Though the growth of digital services and advance technologies are increasing but lack of interoperability is still act as a barrier for further growth. Here, all the financial institutions must need to merge with MFS because most of the people of our country are behind from banking services so at first have to bring them into the bank through the help of MFS platform then it will be easier to provide and literate them about other online services. For this reason, as much as possible all the financial service platforms should cooperate for providing services together.

Besides these, it needs to accelerate the internet connection, quality of speed and affordability for expansion. In Bangladesh, now the most challenges and opportunities for 4th industrial revolution is the banking and financial sector where, the other countries have already been launched ‘central bank digital currency’ so, Bangladesh also needs to focus on highly about artificial Intelligence bots instead of call centers, cashless transaction instead of ATM Booths and block-chain to avoid audits. Those challenges of our country are fully relate with the findings of others countries who also are facing and continuously working to fight with those barriers or challenges.

5.2. Future Scopes:

In case of future scope, Bangladesh has a great opportunity to have fully cashless society by mitigating those challenges with proper policies and support of government and it has already started its journey to find out ways to forward. Besides MFS our country also can speeds up other financial platforms in every sectors like: in education, healthcare, agriculture, insurance and banking sectors. It has also future potential to introduce new platforms like: Wealth management means digital platforms that can help individual by providing better investment decisions, better saving plans and so on for more inclusion. So, the future research on the mobile financial services in Bangladesh for financial inclusion can further enhance our mobile payment system into the next level.

Chapter: 6 Conclusion and References



6.1. Conclusion:

The main focus of whole world is now the financial inclusion where every country is continuously working for bringing cashless society with more innovative fintech platforms. Government of every country is also now trying to develop the more digitalized version of financial services and already introduced fintech in other sectors also like: in insurance company known as (isurtech), healthcare and agriculture sectors, realtech(real estate technology) and so on. During pandemic people learn to deal with technology and after pandemic also people want to stick with the technology development. Because financial inclusion can change the picture of whole world by making lives of the people more-easier.

Like MFS other platforms did not yet get start in full speed in our country so, this is the great opportunity for our country to expand MFS in every corner so that people can obtain full advantage from it. Recently government of Bangladesh start its' journey to compile all the financial institutions to increase interoperability because this is the way through which every people can get engaged and can increase financial inclusion. Though our country is trying its' best to serve our people with easier access to financial services but the challenges and obstacles should be in concern first. Till now, we saw that our country have positive growth of mobile financial services for financial inclusion which means our country is also in forward position to have a cashless society with better lives.

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