



# ENABLING GROWTH THROUGH MFS

MELLE TIEL GROENESTEGER – Digital Policy Advisor  
19/04/2017





**230+ MLN**

Customers

**\$8,4BLN**

Revenues

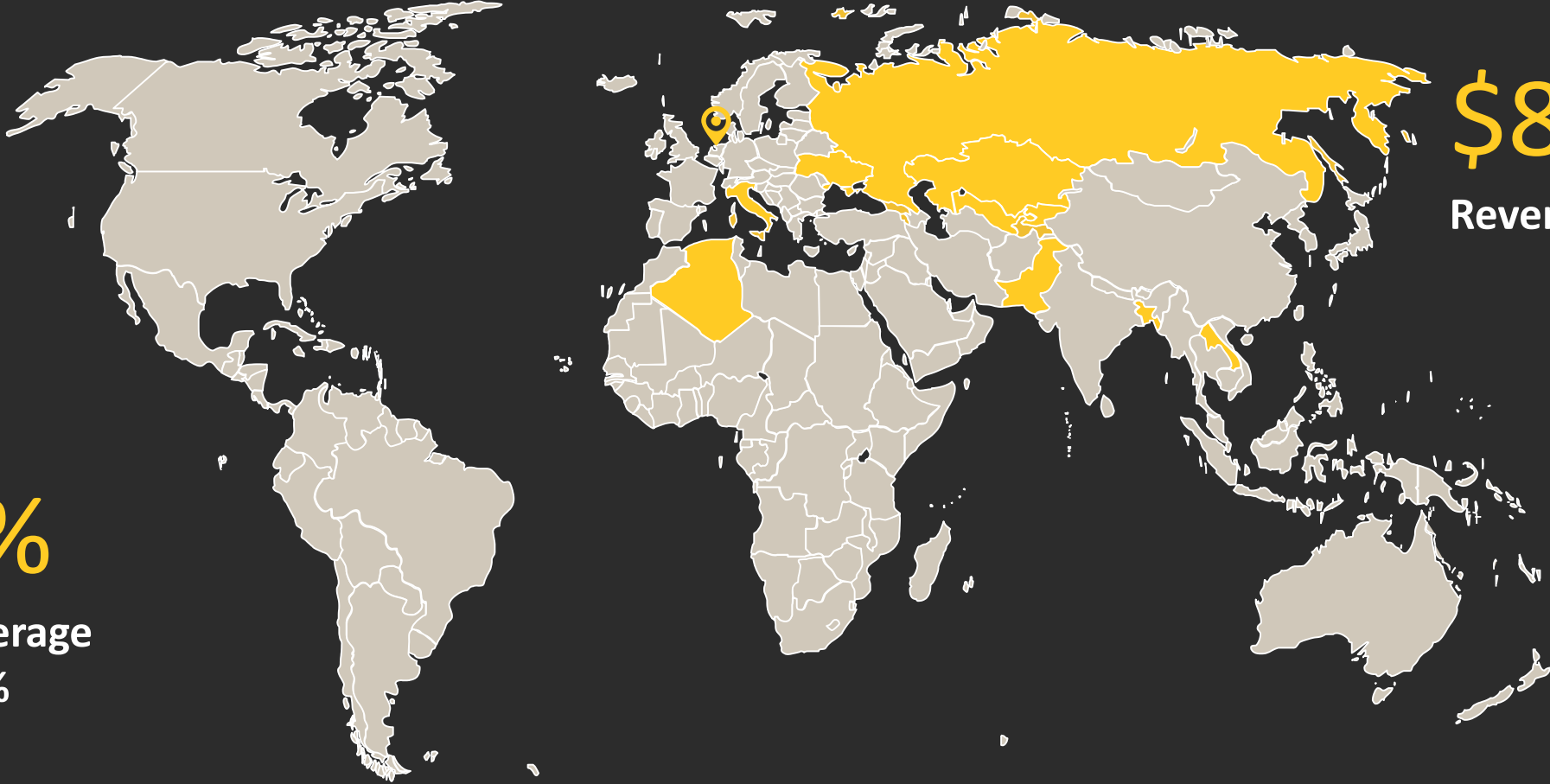
**65%**

3G Coverage

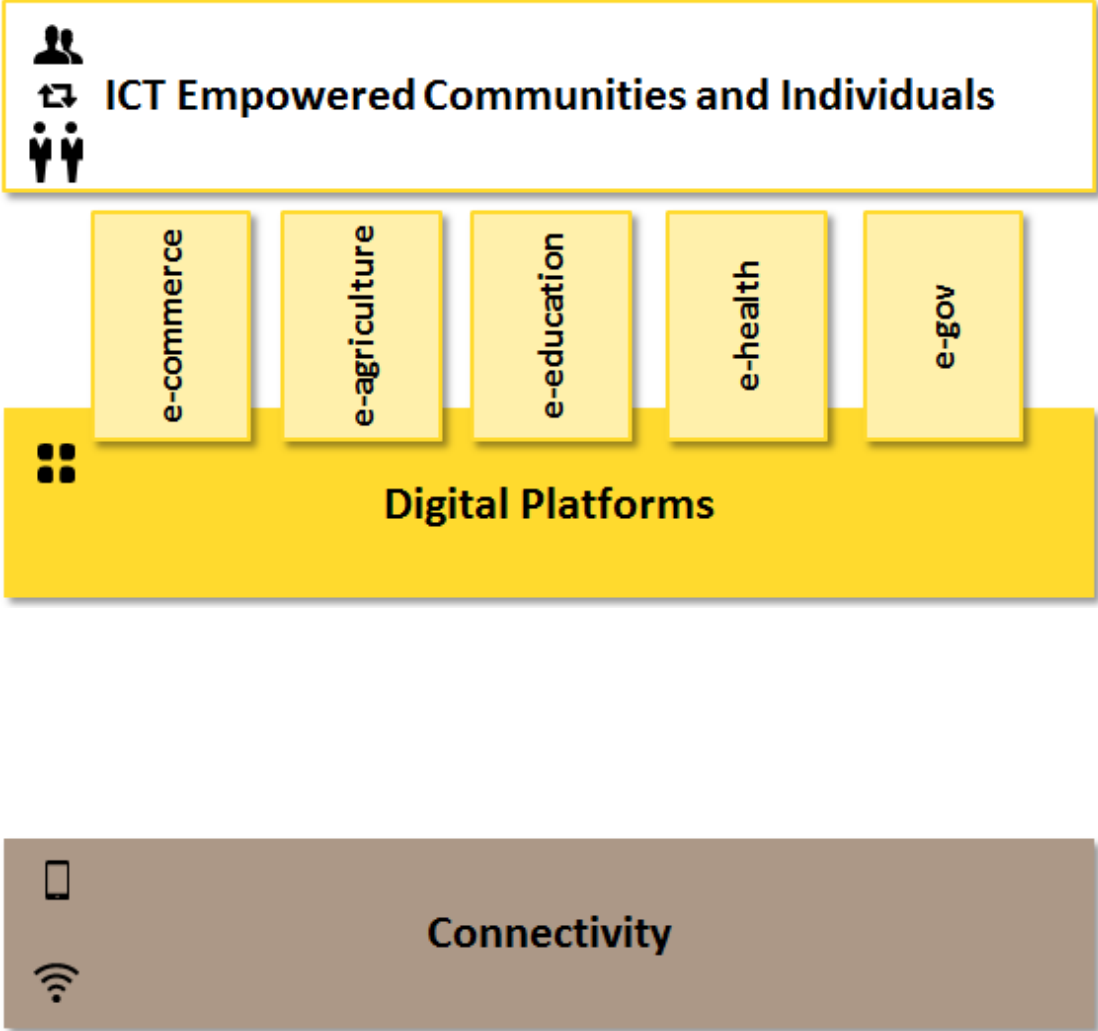
2G: 94%

**13**

Markets, HQ in  
Amsterdam



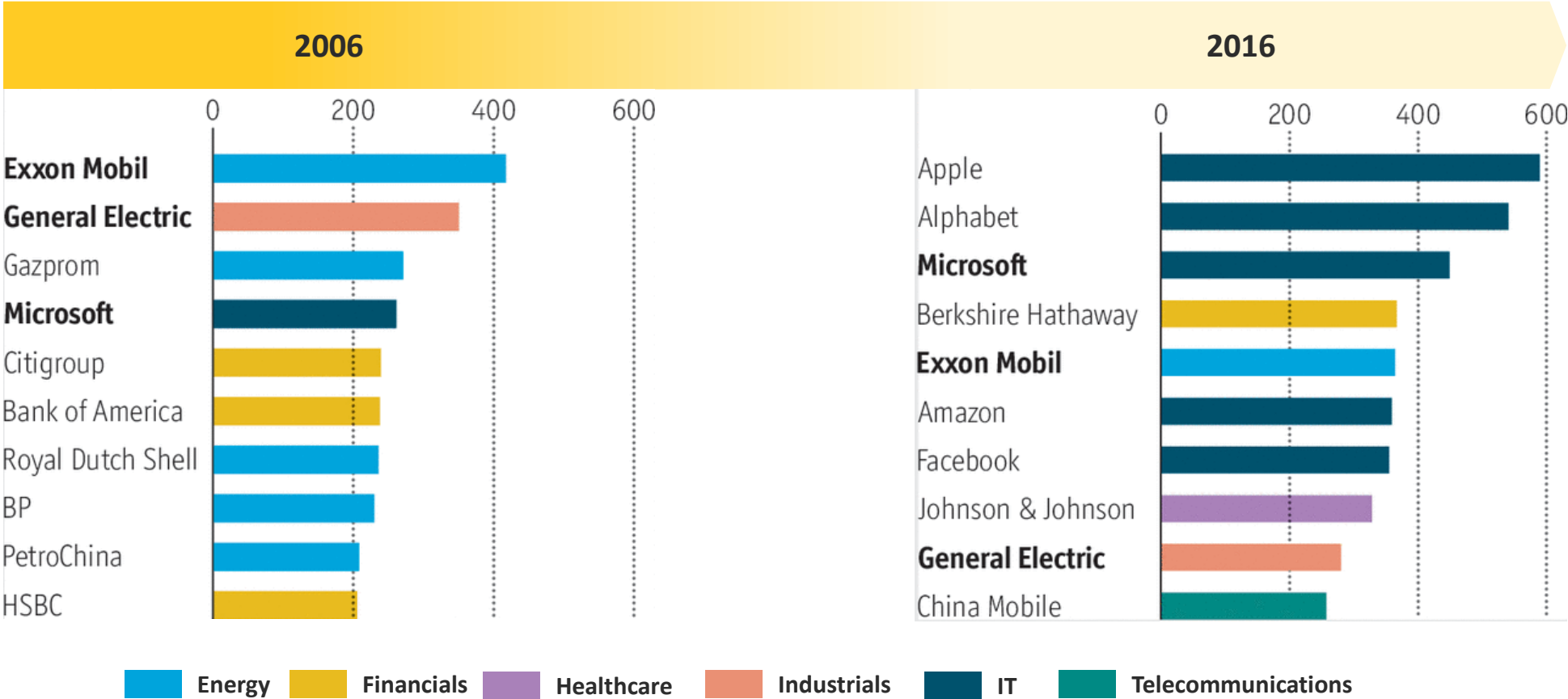
# COMMON PERSPECTIVE ON DIGITAL GROWTH



# FUNDAMENTALLY CHANGED GLOBAL ECONOMY



Largest listed companies, \$ bln



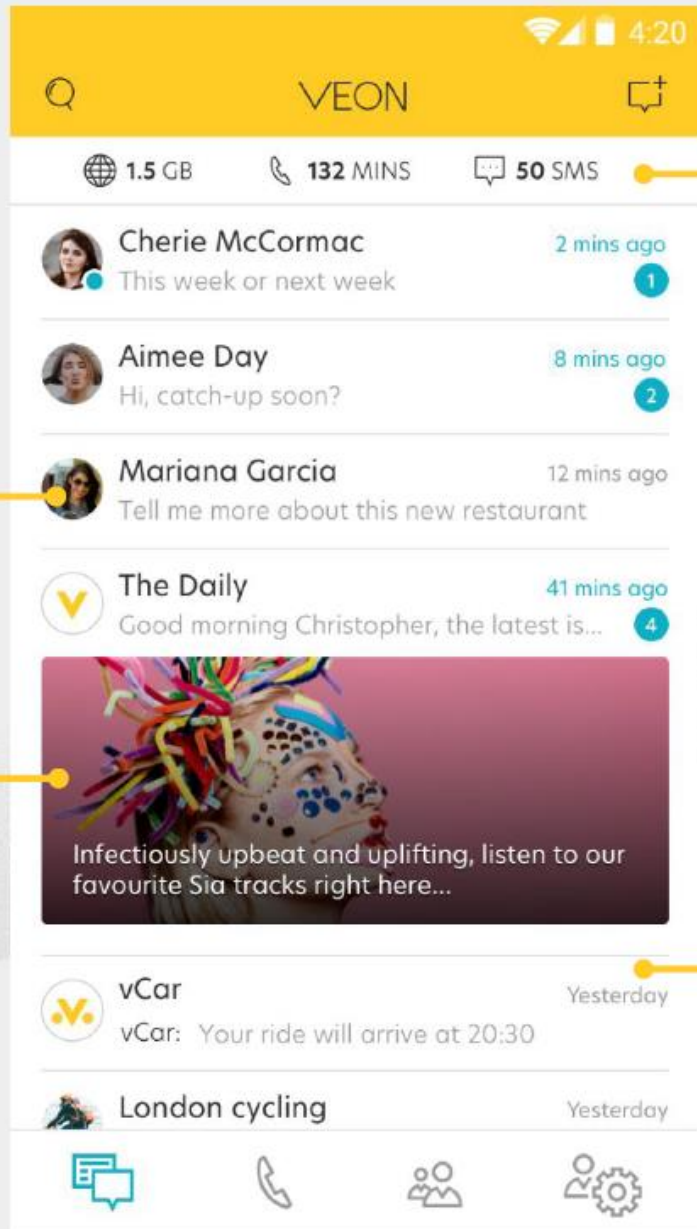
Source, The Economist, 2016

# VEON

All you need in one place

Totally free Messaging –  
with chat and voice calling

News, music and video  
entertainment –  
personalized for you

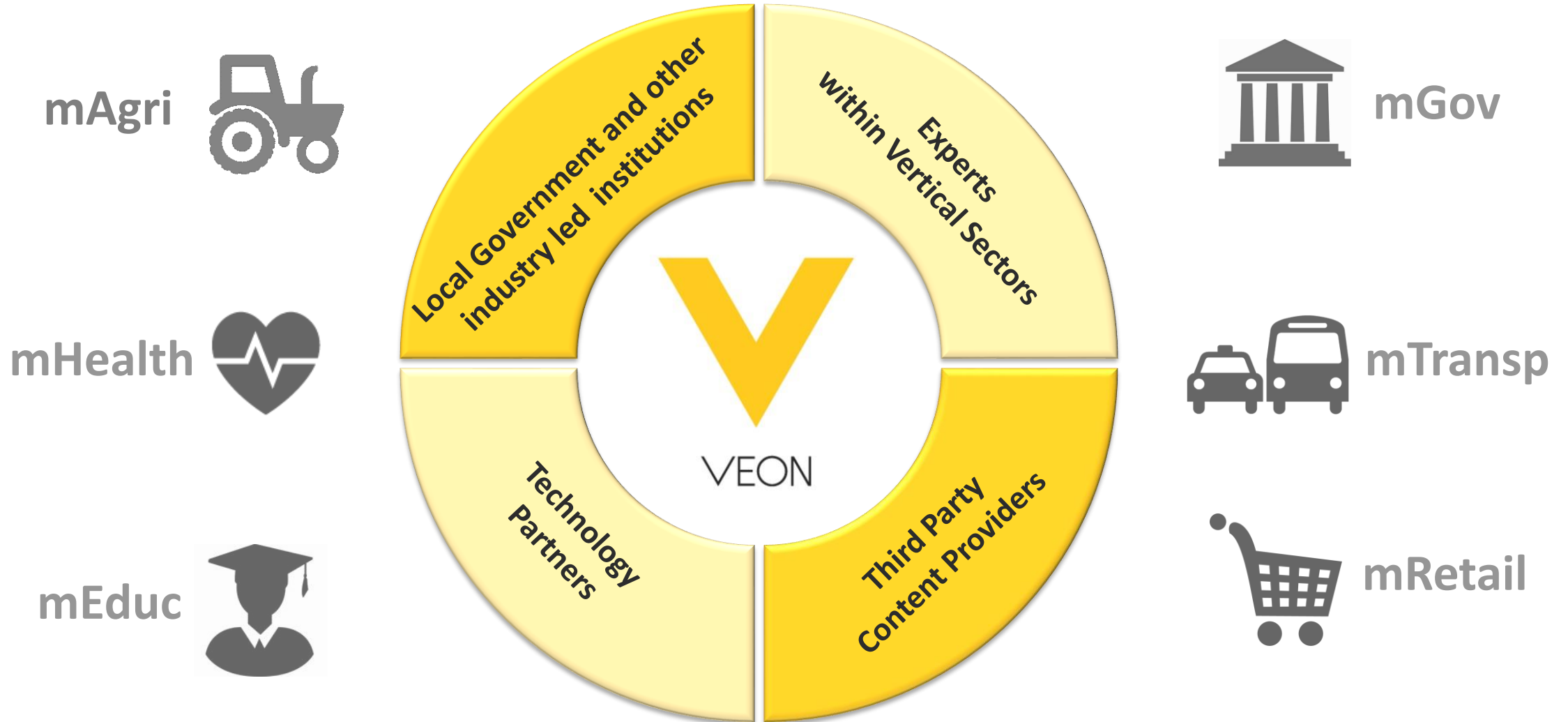


A single account –  
and you stay in control

Everything the internet has to  
offer - from a given context

**Beautifully delivered –  
in the “VEON Stream”**

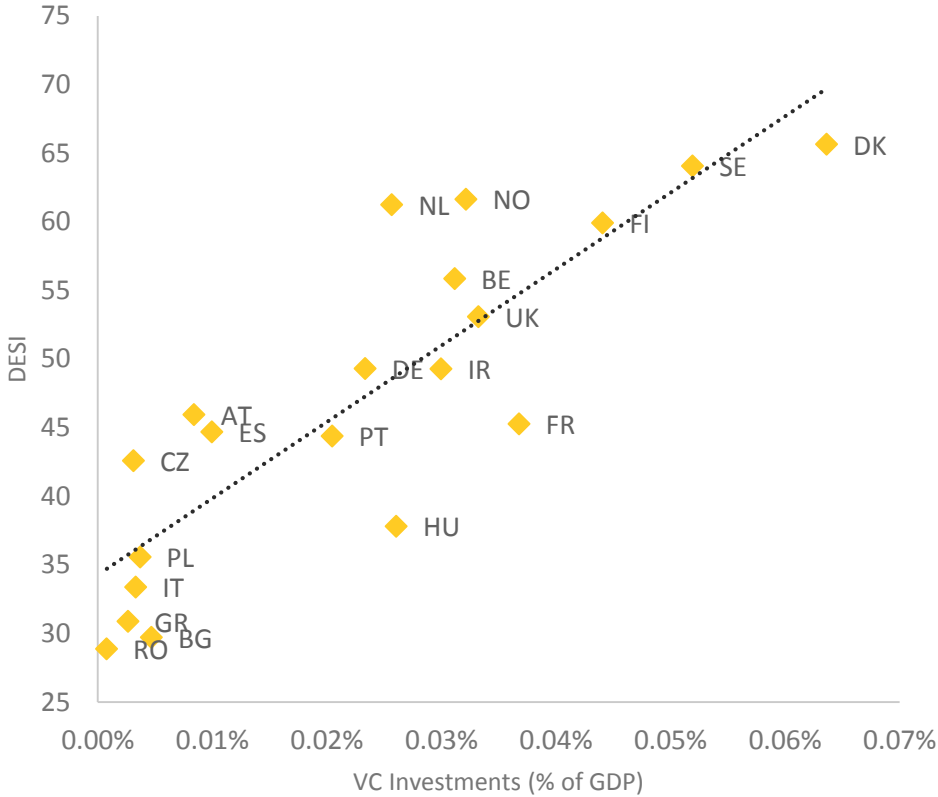
# EMPOWERING VERTICAL INDUSTRIES



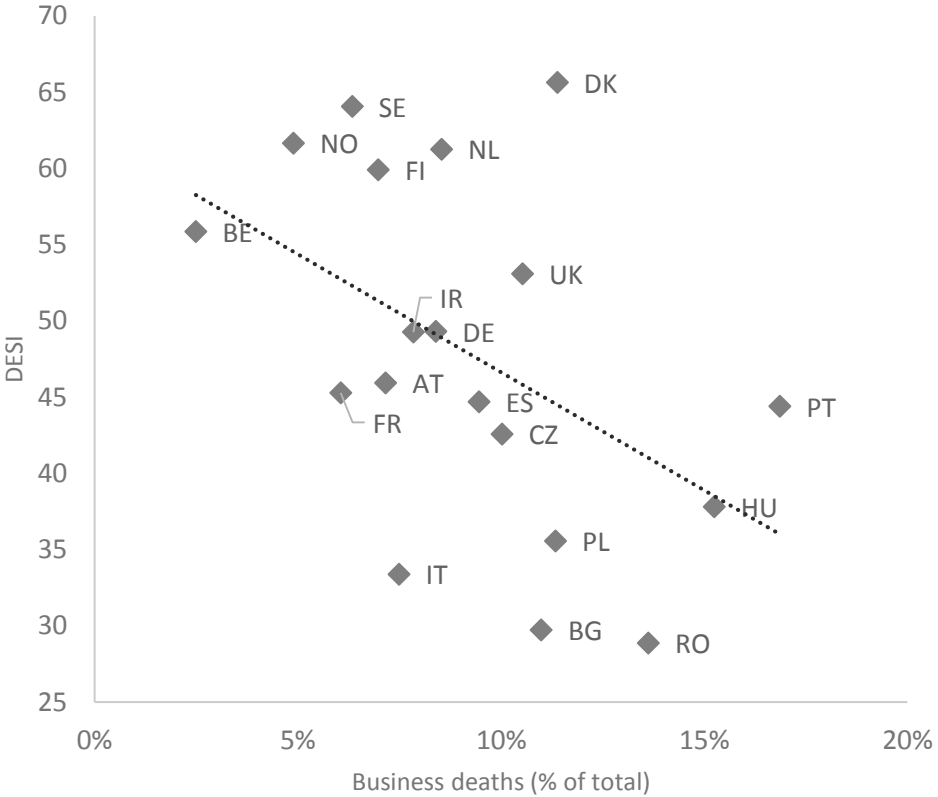
# ICT KEY ENABLER OF ENTREPRENEURSHIP



**Digitization & VC Investments in the EU**



**Digitization & Competitiveness in the EU**



Source: TG Strategy, 2015

# FACILITATING FUTURE GROWTH



Algeria



Pakistan



Eurasia

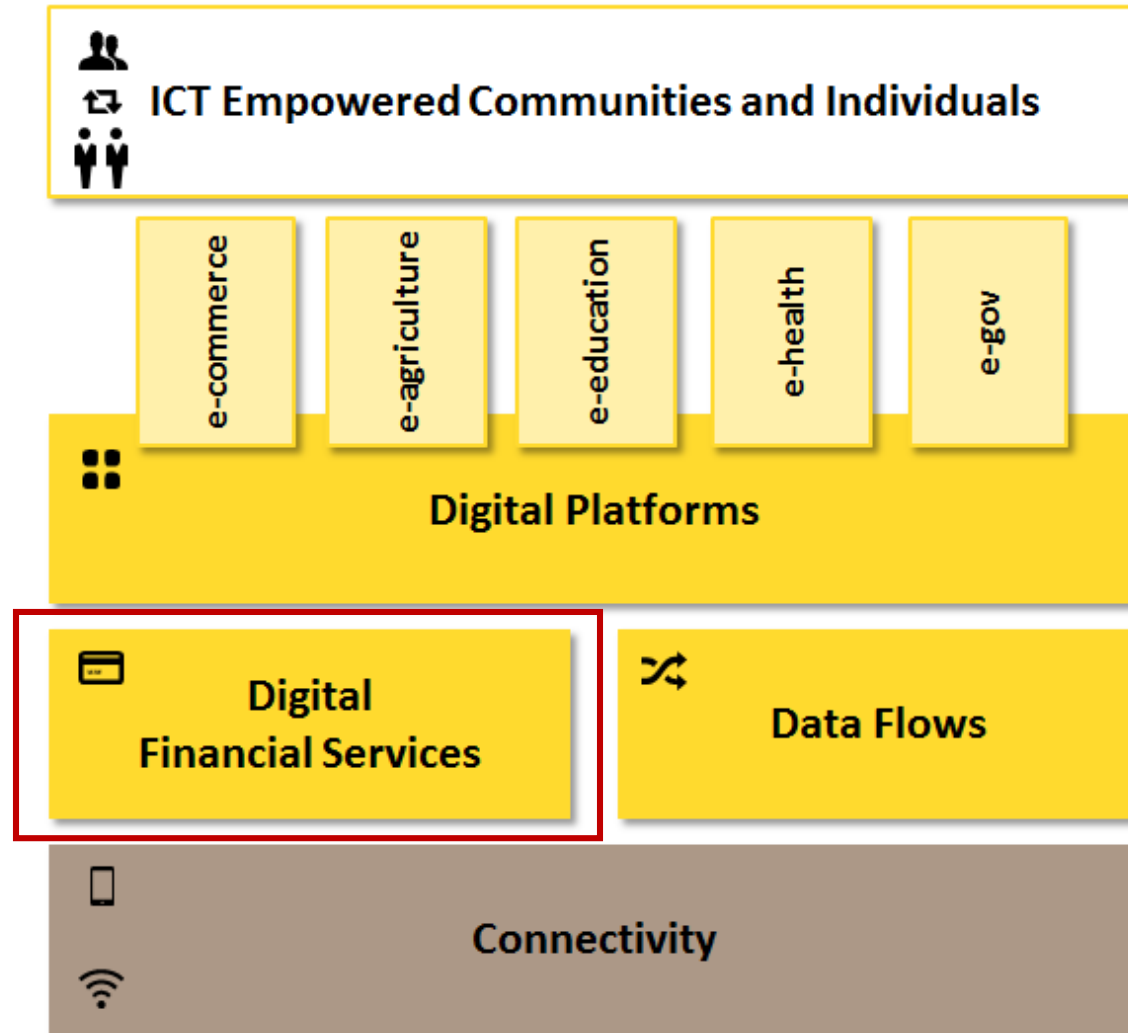


Italy

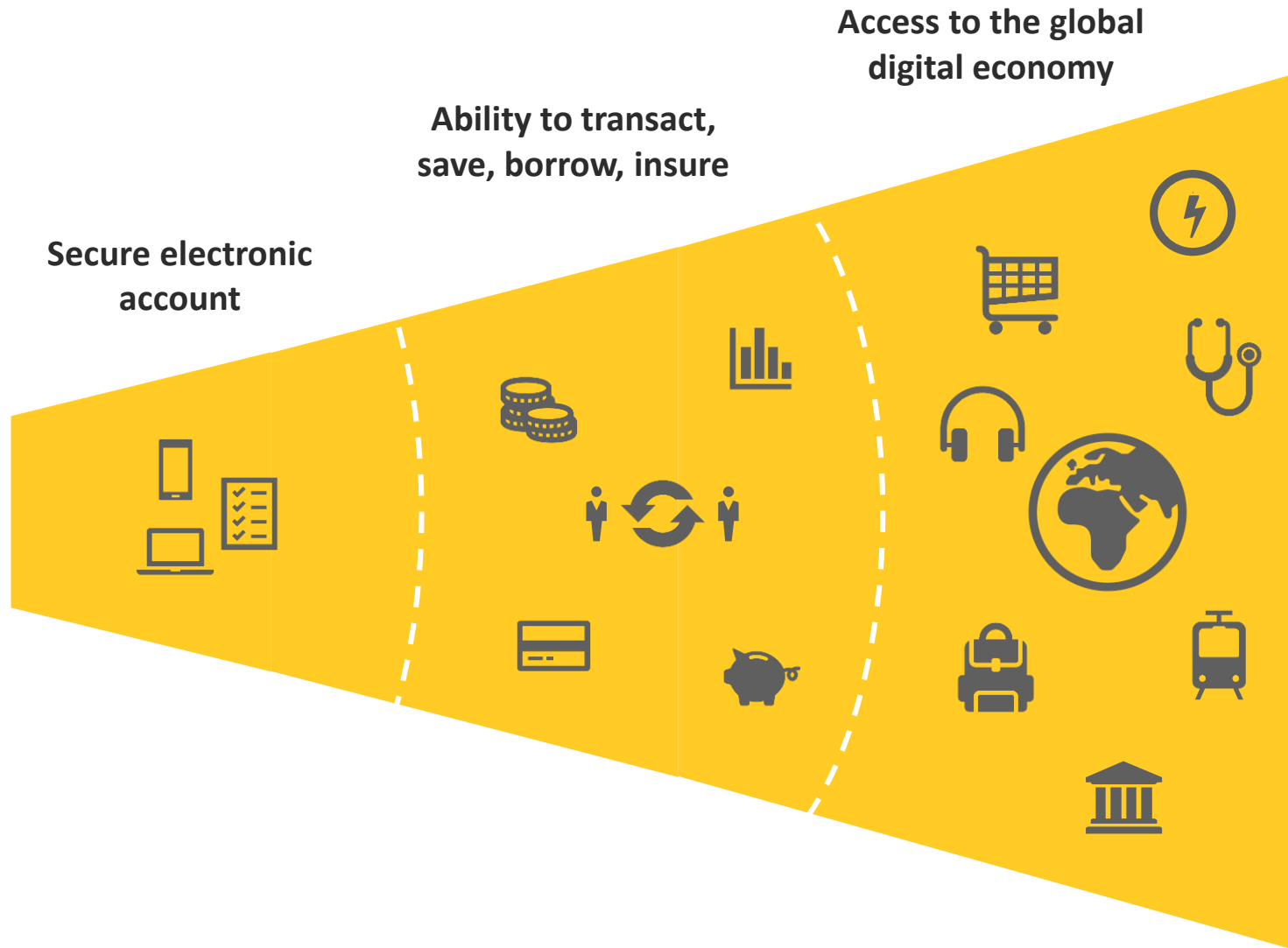




# VEON PERSPECTIVE ON DIGITAL GROWTH

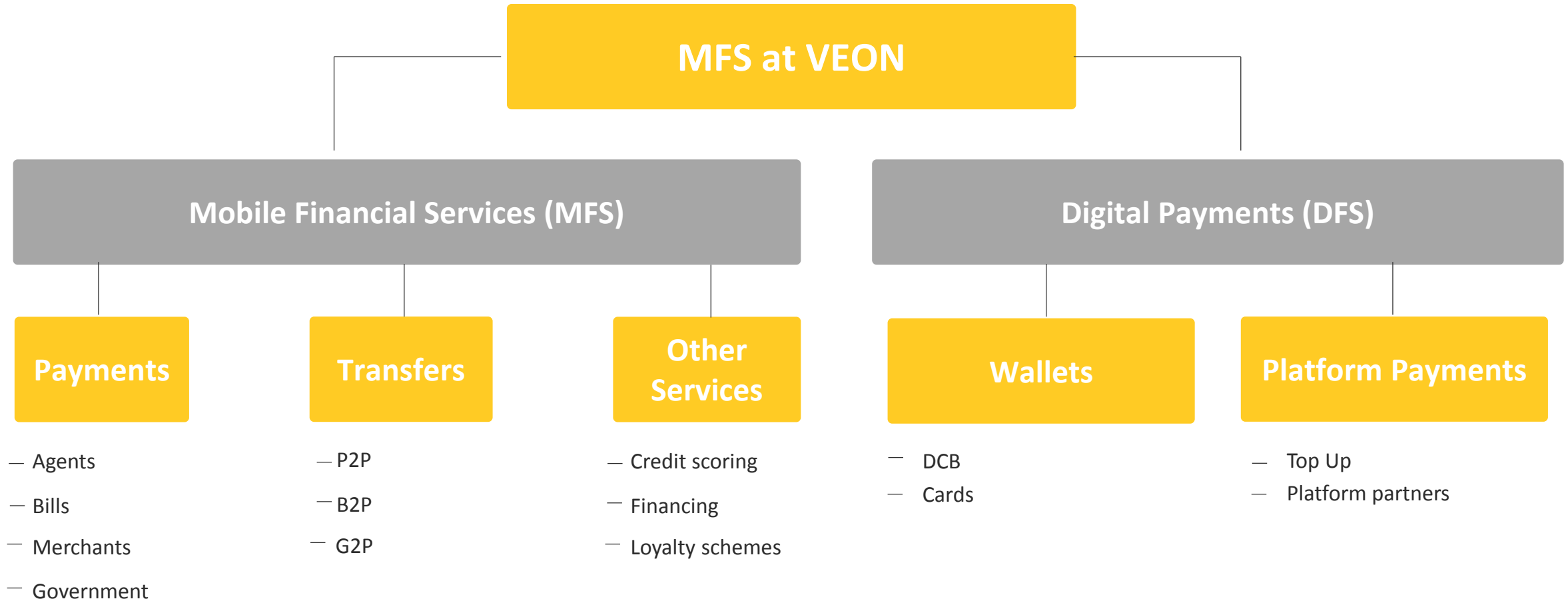


# KEY ENABLERS: DIGITAL FINANCE



- **\$2,1 trillion of loans** to individuals and businesses could be made sustainably
- **\$110 billion** could be gained by governments each year by reducing leakage in public spending and tax collection
- **95 million jobs** could be created in emerging economies within a decade as a result of inclusive growth

# DIGITAL FINANCIAL SERVICES AT VEON



**48 mln registered customers**

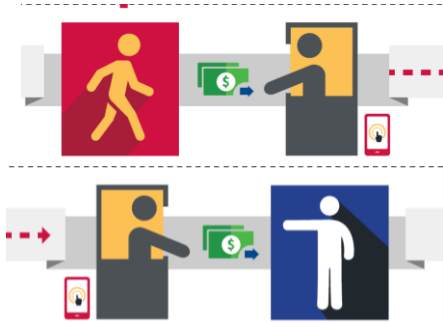
# EXAMPLE: MULTIPLE SOLUTIONS TO TRANSACT



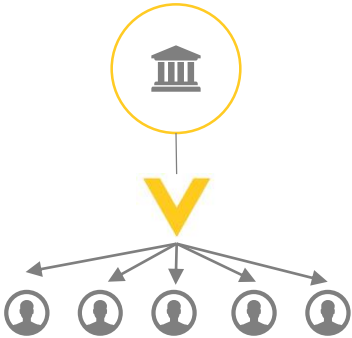
**DCB**



**QR**

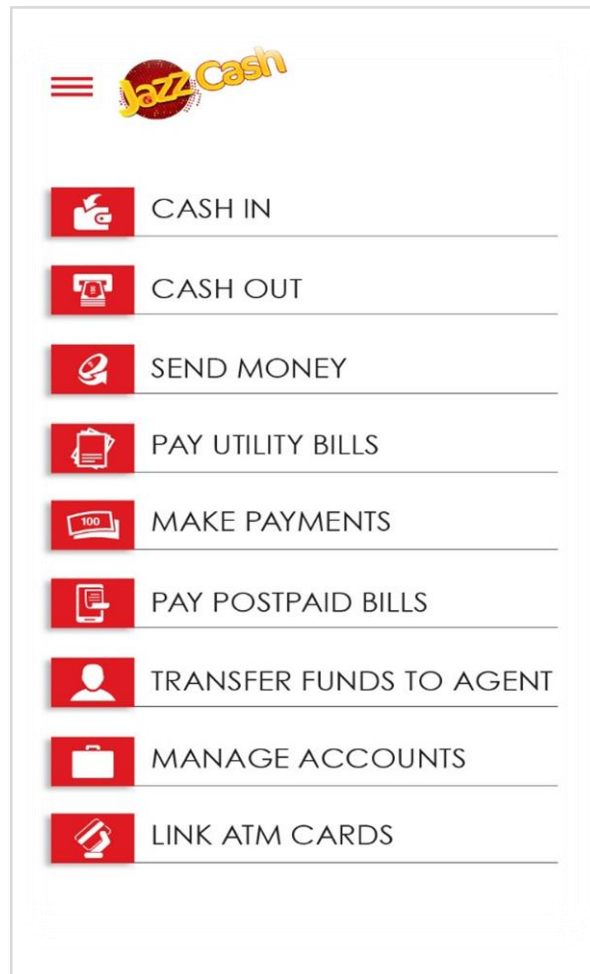


**OTC**



**Bulk (G2P)**

# EXAMPLE: PAKISTAN

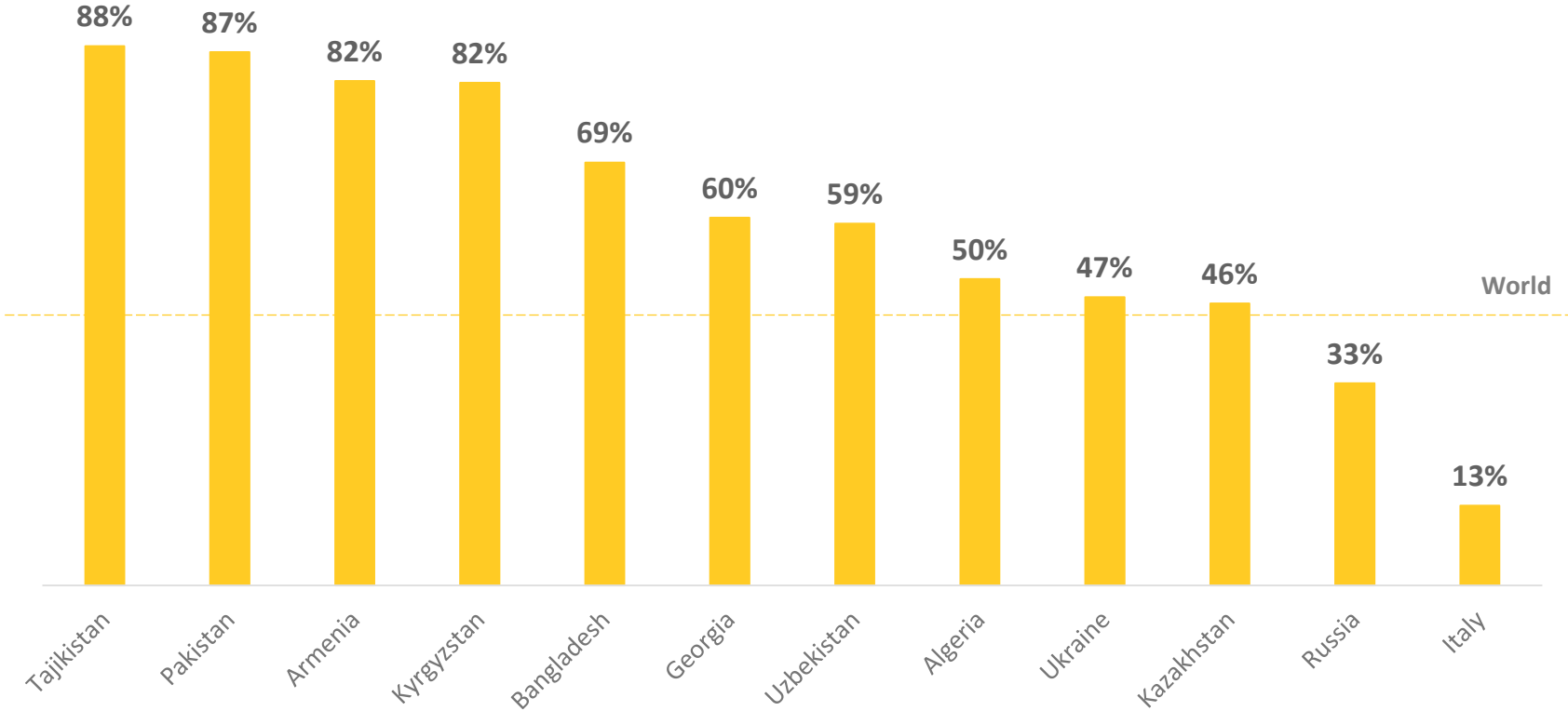


- Jazz Cash has a **strong channel footprint of over 59,000 agents** in **633 cities, towns and villages of Pakistan**.
- In 2016, over **100 million transactions** were performed by more than 1,5 million customers which is an **increase of 300%**.
- This along with similar ventures in **social welfare disbursement, loan repayments & online payments segments** has supported Jazz Cash cement its commanding position.

# CHALLENGE OR OPPORTUNITY?



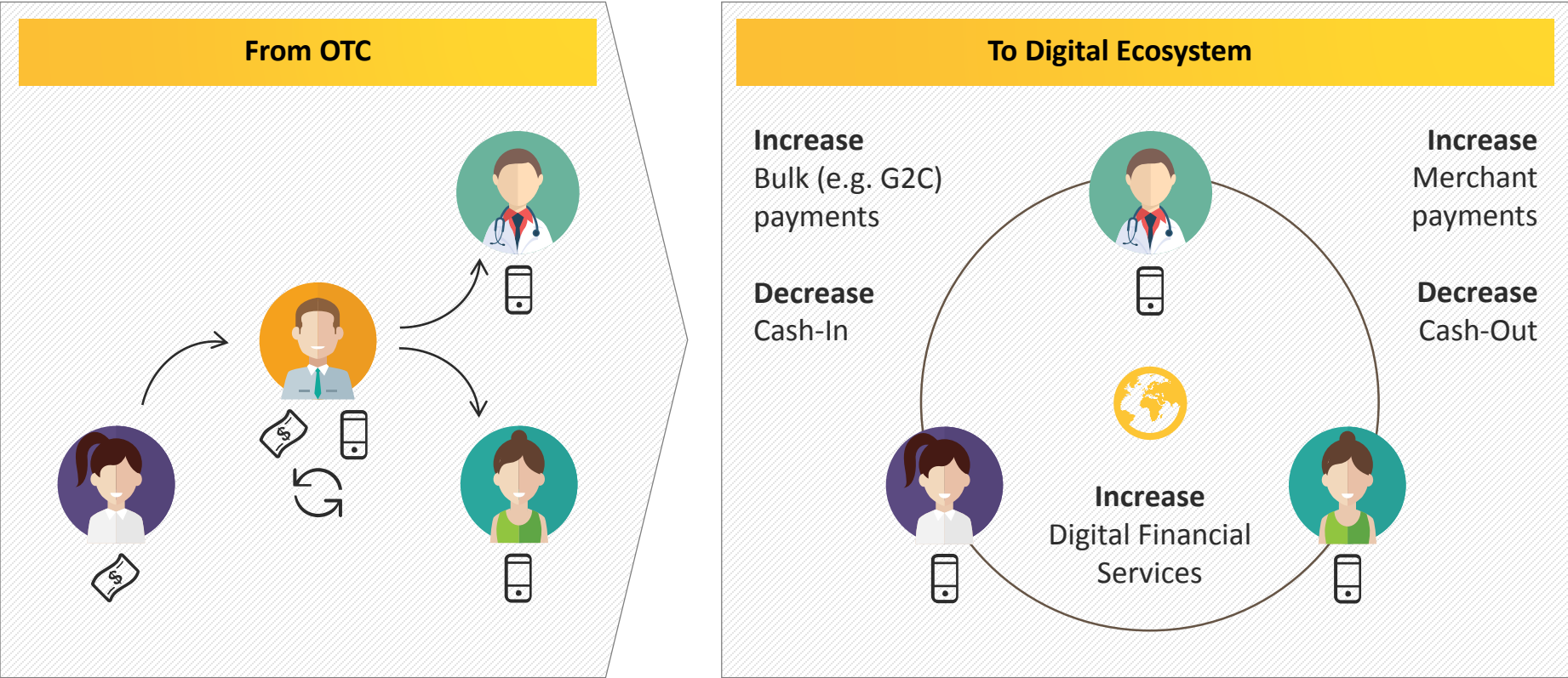
Unbanked population  
(% of 15+)



# CHALLENGE: LACK OF ECOSYSTEM DEVELOPMENT



**“Consumers who accept electronic money will simply ‘cash-out’ if they can’t spend it electronically, thus perpetuating the costly cash management problem” (ITU, 2016)**



# CHALLENGE: REGULATIONS



	Enabling regulatory environment	Strict regulatory environment
Transaction cost	\$0,37	\$0,51
Transaction cost	1,2%	3,1%
Active users within 5 years	635k	165k

- Difference between telcos and banks



- Policymaking in silos likely to have averse effects

Source: Harvard, 2015



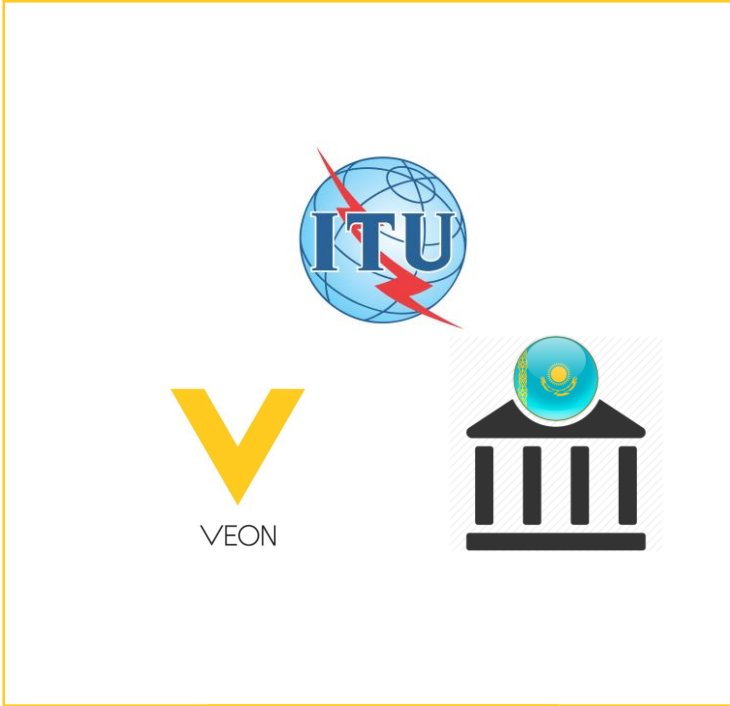
# COOPERATION IS KEY



## Innovation of SMEs

## Financial Inclusion

## Policy Framework



Algeria

Kyrgyzstan

Kazakhstan

To be confirmed

# TO CONCLUDE

**1.**

**We need to look beyond financial inclusion and transfers**

**2.**

**Telcos are not banks. Both can benefit from complementary capabilities**

**3.**

**Enabling policies are key to success. The focus should be on the needs of individuals.**

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# THANK YOU!

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