

# Rwanda moves swiftly towards cashless society

Rwanda is continuing with its move to be the first cashless society in Africa, extending an agreement with Mastercard to strength its digital payment sector, it was announced at the World Economic Forum being held in Durban, South Africa, this week.



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The Government of Rwanda and Mastercard have reaffirmed their shared commitment to the development of strong digital platforms to meet the needs of the country's citizens and work towards Rwanda's goal of promoting a cashless society.

According to FinScope 2016, 68% of adults in Rwanda have/use formal financial products/ services. The partnership agreement signed between MasterCard and the Rwanda Development Board at the World Economic Forum on Africa in Kigali in 2016 will have a significant impact on this number. Through the partnership, great momentum has been achieved, resulting in the agreement with Mastercard being renewed to incorporate the digitization of Rwanda social subsidies under one inflows and outflows digitization project.

"Named SIKASHI, the project is focused on digitising numerous state services to improve the efficiency and transparency of public services and ultimately promote the move to a cashless society - a critical pillar of Rwanda's broader Vision 2020 to create a knowledge-based economy in a world beyond cash," says Clare Akamanzi, CEO of Rwanda Development Board and Cabinet Member.

Key focus areas of SIKASHI include school fees payment digitisation, providing an online payment gateway services for RwandaOnline, contributing to the creation of an interoperable mobile banking platform, addressing the national healthcare claims disbursement and payment processes, and contributing to the effective management of foreign exchange process flow.

"In the last year, the Rwandan government and Mastercard have leveraged each other's strengths to deliver on a number of these goals, particularly in the payments, disbursements and subsidies of health, pensions and education: centralized and digital platforms for the three areas have been built and tested and will be rolled out for the widespread benefit of our citizens," says Daniel Monehin, Division President for Sub-Saharan Africa and International Markets Lead for Financial Inclusion, Mastercard.

This covers a centralised digital platform to drive efficiency, access to and payments of the annual subscription fee of the communal healthcare system "Mutuelle de Santé", of the mandatory pension scheme targeting workers and those in the informal sector, of school fees for all primary and secondary public schools, as well as a digital ecosystem for all the government's social inflows and outflows, with emphasis on the Vision 2020 Umurenge Program for poverty eradication, the Genocide Survivors disbursement, and agriculture subsidies programmes.

The healthcare and pension programmes conceptualised as part of SIKASHI pilot will be the first to be rolled out to the country's citizens and is set to begin this year. This will be followed by the introduction of the Long Term Savings Scheme project, which Mastercard and social enterprise firm Pinbox Solutions partnered to provide technical assistance for Rwanda's Ministry of Finance and Economic Planning. The scheme will be demonstrated at the first global micro-pension inclusion summit in Rwanda in July.

Online payment gateway and mobile payments have been a key contributor to making government services more accessible to the country's citizens through the RwandaOnline service named Irembo. Irembo is the face of all current and future solutions and provides a one-stop- shop for the Rwandan government and the country's citizens to seamlessly apply and pay for Government Services

Irembo provides 50 e-services from ten +government agencies to citizens and allows them to pay using debit, credit or prepaid cards and mobile money services. Building on the success of Irembo so far, Mastercard and RwandaOnline have strengthened their relationship through the signing of a two-year Strategic Partnership Agreement to innovate around all citizen-to- government (C2G) and business-to- government (B2G) payments.

"Rwanda is a vital market in East Africa and the snowballing positive impact of the solutions implemented through SIKASHI have illustrated the power of ground-breaking digital systems and collaboration between government and the private sector to drive the financial inclusion of all citizens," concludes Monehin.

*Source: African Media Agency.*