

Financial Technology: The Key to Achieving Financial Inclusion in Developing Countries Post COVID-19 from an East African Perspective

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Abstract : Financial Inclusion is considered a key pillar for development in most countries around the world. Access to affordable financial services in a country's economy can be a driver to overcome poverty and reduce income inequalities, and thus increase economic growth. Nevertheless, the number of financially excluded populations in developing countries continues to be very high. This paper explores the role of Financial Technology (Fintech) as a key driver for achieving financial inclusion in developing countries post the COVID-19 pandemic with an emphasis on four East African countries: Kenya, Tanzania, Uganda, and Rwanda. The research paper is inspired by the positive disruption caused by the pandemic, which has compelled societies in East Africa to adapt and embrace the use of financial technology innovations, specifically Mobile Money Services (MMS), to access financial services. MMS has been further migrated and integrated with other financial technology innovations such as Mobile Banking, Micro Savings, and Loans, and Insurance, to mention but a few. These innovations have been adopted across key sectors such as commerce, health care, or agriculture. The research paper will highlight the Mobile Network Operators (MNOs) that are behind MMS, along with numerous innovative products and services being offered to the customers. It will also highlight the regulatory framework under which these innovations are being governed to ensure the safety of the customers's funds.

Keywords : financial inclusion, financial technology, regulatory framework, mobile money services

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