MerchantPRO
an Electronic Voucher platform for remote context
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Transversal develops and provides end-to-end software solutions for Mobile Payments, Cash Transfer, Voucher Management, Mobile Credit Management System and Loan Management.
The Context

• 12 Janvier 2010, Haïti was hit by a powerful and deadly earthquake.
• Millions of people were displaced, most to camps and camp-like settlements
• Most institutions (such as banks) and basic service providers (markets) were destroyed hindering their functioning in the aftermath.
• Relief efforts were all focused on Haiti, with assistance coming from all over the world
• In parallel, the three main communication companies also provided the Haitian diaspora the opportunity to send out minutes to their loved ones in Haiti.
• However, it was soon seen that recipients would transfer their air time to service providers (especially food markets) in exchange for money or goods.
• This highlighted the need to introduce mobile money as an alternative in Haiti
The Incentives

• USAid initiated the mobile money initiative.
• The winner of the competitions received money incentives to help them continue their pioneer work.
• At least 3 mobile money services were implemented, involving
  • Financial Institutions
  • Mobile Carriers
  • Government.

• Cash for work programs consumed the new services giving way to tests and trials.
• The demand for mobile payment methods increased of the new market, attracting more and more Service providers.
Constraints and Regulation

Money manipulation is strictly regulated
✓ To protect the financial ecosystem
✓ To prevent money laundering
✓ Need to know the clients

Bank and other big financial institutions are not always inclined to accept these new products:
✓ They cannot really assess the risk and therefore are taking it slowly
✓ They see them as completion. (credit/debit cards, checks, clients…)
✓ They cannot and should not be bypassed

Big Carriers consider this as their product since most of the backbone technology around it comes from them
Mobile Voucher
The middle ground
Voucher vs Mobile Money

Mobile Money
- Real money distributed in a virtual manner
- Regulation
- Universal: can be re-used anywhere
- Risk of money diversion, laundry
- Regulated by the central bank (KYC, Transaction limit ...)

Voucher
- No regulation (almost)
- Closed System
- More control
- Customizable
- Coupon
- Gift Card
- Voucher
- Expiration date
- Limited to specific stores / items
Voucher/ eVoucher

• Voucher systems are ‘closed loop’ entitlement delivery systems, whereby reimbursement of vendors by the agency takes place separately from the voucher mechanism itself. Vouchers are not designed to be exchangeable for cash. With these two conditions met the vouchers are not usually subject to national financial regulations.

• Commodity vouchers can be paper or electronic (e.g. card-based), and can be exchanged for specific goods at specified shops, although some element of choice may be incorporated.

• Value vouchers, paper or electronic, have a set value that can be used at specified shops for a range of allowed items, with the agency reimbursing the vendor.
Voucher/ eVoucher

An E-voucher is a card or code that is electronically redeemed at a participating distribution point.

E-vouchers can represent cash or commodity value and are redeemed using a range of electronic devices. They may support additional data gathering functionality (e.g. basket contents, surveys).
eVoucher Ecosystem

+10%
Program Setup

Vulnerability Assessment
Setup merchant Network
Procurement
Merchant Registration
Training
Participant Registration
(API, Beneficiary Management System, Third party integration (SMS, USSD etc.))

Order to create vouchers
email
Backend
Multiple validation

Voucher creation and management
Backend notification to participants
CSV
API

Voucher distribution
SMS
PVC
Paper Based PIN Card

Voucher redemption
Internet connectivity
Android App

Monitoring Support
Internet connectivity
Backend

Transactions reconciliation and merchant payment
Internet connectivity
Backend

Network of Merchants

Participant

MerchantPro

Government

NGO

Financial institutions
Network of Merchants

MFIs

Distributors
Android App PoS
Frontend
Android App PoS Frontend
Backend

Active Plugins

Dashboard
Summary of all the projects at a glance. (Beta)

Transactions
List of all the transactions.

Entities
Lists of all entities/actors participating in the transactions.

https://avance.transversal.it

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Backend
Backend
Connectivity constraints
What happen when a merchant looses connectivity?
Off-line eVoucher System
Context

• Gray area where Internet connectivity is erratic or absent

Operational constraints

• Participants assigned to specific merchant

• List of participants preloaded on merchant device

• Synchronisation mechanism between Merchant device and backend
What if a merchant looses her/his PoS?

or

If the PoS is broken?
Interactive Demo
MerchantPro deployment

- Food Voucher Program: CARE (2011-2012) – eVoucher
- Food Voucher Program: CRS (2011-2012) – eVoucher
- Elevate Nepal: Mercy Corps (2013) – eVoucher
- Electronic voucher for Small farmers (Agriculture Intrants): DAI (2014-...) – eVoucher
- Improving Seed Storage Activity: Mercy Corps/ East Timor – eVoucher
Lessons learned

• Lesson #1: eVouchers have a similar process regardless of sector
• Lesson #2: MerchantPro enables NGO’s to benefit from best practice sharing in days, not months
• Lesson #3: A dumb phone POS works well for low-volume eVoucher redemptions.
• Lesson #4: Garbage in, garbage out. Paper-based registration systems are inherently flawed.
• Lesson #5: Training, Training, Training
Thanks

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