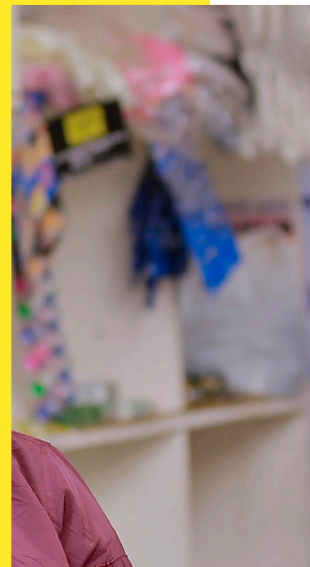


**Scale
2Save**

Uganda: CENTEXPRESS



**Low-cost mobile accounts can
be highly attractive to low-income
workers in the informal sector**



**Mobile phone uptake
opens the door to financial
inclusion**

A landlocked country in East Africa, Uganda has a fast growing 44.2 million¹ population, of whom 72%² rely upon agriculture for a living. Gross National Income per person is just US\$790, and 20.3% of citizens live on less than US\$1.90 a day.

Nonetheless, competition between five mobile phone operators and effective regulation have combined to encourage strong uptake of mobile phone banking. By 2018, according to the Finscope survey, 58% of Ugandan adults had or used formal financial services, and 20% more have or use non-bank financial services. However, one adult in five continued to suffer financial exclusion.³

Targeting women, young people, and those on a low income, it is designed to act as a stepping stone to a regular savings account.



▶ Watch the video



Providing a pathway to regular saving

In October 2019, WSBI and Centenary Bank formed a partnership, under the Scale2Save programme, to develop the viability and uptake of accounts for small-scale saving in Uganda. The project aims to develop and test a basic, no-frills mobile phone operated savings account specifically designed for low-income people.

To open a CENTEXPRESS mobile savings account requires just an ID card, mobile phone and an opening deposit of 3,000 Ugandan Shillings (US\$0.83). Targeting women, young people, and those on a low income, it is designed to act as a stepping stone to a regular savings account. By helping clients build a saving habit and financial record, this savings path will progressively open access to a full suite of banking products, including credit.

Word of mouth is the best way to promote accounts

To encourage uptake of the account, the project has adopted a novel marketing approach. Friends and family are being motivated to encourage the unbanked to sign up. When the prospective account holder and their patron visit one of Century's 70 branches or 400 agent centres to open an account, the new account will be instantly credited with a chosen amount debited from the patron's one.

Centenary's ongoing development of a substantial network of agent banks, underway since January 2018, is crucial to this initiative. It's an expression of the bank's Catholic foundations and social mission to enhance financial access for all Ugandans, including the poor. The agent network is being developed in partnership with and shared with FINCA, a microfinance deposit taker.

Collaboration can enhance success

- The partnership with FINCA has proved a model cooperation, allowing FINCA to enlarge its geographical reach, whilst Centenary agents benefit from increased business volumes, allowing them to spread their costs across more accounts and transactions.
- Centenary has been very successful at onboarding people working in the informal sector to this account – aided by Covid restrictions which have spurred mobile-based transactions.

¹ The World Bank, 2019

² The World Fact Book, 2020

³ Digital Financial Services and Impact on Agriculture in Uganda, 2020