

**Scale  
2Save**

# Morocco: A savings account with an e-wallet



**Using government welfare payments  
to help draw the unbanked into  
the financial mainstream**



**A country with widespread  
mobile usage but strong cash  
culture and low access to  
finance**

Morocco is a north African country of 36.4 million people with Gross National Income per head of US\$3,200<sup>1</sup>. Although the use of mobile phones is widespread, in 2019 only 17% of women, and 41% of men, had a bank account<sup>2</sup>.

The government has worked hard to reduce poverty and is keen to promote financial inclusion. To this end, it has been working with financial service providers to encourage citizens to receive Government to Person (G2P) welfare payments through mobile bank accounts, and to facilitate online payments.



## Barid Cash offers an interest-bearing savings account combined with an e-wallet via more than 800 branches



### Digital government transfers and the mobile payment ecosystem power a drive for inclusion

In October 2017 Al Barid Bank, the former post bank, partnered with the WSBI's Scale2Save programme in a drive to roll-back financial exclusion in Morocco through its Payment Institution subsidiary, named Barid Cash.

Barid Cash offers an interest-bearing savings account combined with an e-wallet via more than 800 branches. The product, which has already signed up half a million customers, allows them to receive payments electronically, deposit and withdraw funds, and pay for goods and services via a merchant network.

To encourage use of these accounts to make payments, rather than simply withdraw money, Barid Cash has embarked on a drive to persuade 2,000 merchants to download and use a mobile app that allows customers to pay for purchases using their mobile phones.

The aim is to encourage clients to use the e-wallet to pay for everyday purchases such as milk, sugar and flour, drawing them gradually into the financial mainstream.

Digital government transfers, including scholarship and Covid-19 emergency grants, are now being paid into the client bank account. These transfers replace mandates that were usually withdrawn 100% in cash the same day.

### Education and confidence are vital to develop regular account use

This programme has thrown up valuable lessons for governments and financial institutions seeking to replicate its success. These include:

- Some accounts are used simply to withdraw cash when it arrives, and thereafter become inactive.
- Lack of digital literacy may discourage some account holders from using their phone to make payments.
- Local connections are vital to establish trust with merchants. Bank staff must ensure merchants understand the App, and demonstrate that it is secure.

<sup>1</sup> The World Bank, 2019

<sup>2</sup> Hesspress, 2022