

## Mobile banking helps financial inclusion of poor: speakers

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Rural household can have access to financial institutions through mobile banking that will help them improve their consumptions and savings, said speakers at a seminar in Dhaka on Sunday. The seminar, Mobile Banking and Remittance: Evidence of Migrant Workers of Urban Bangladesh was organised by International Growth Centre at a city hotel. Microcredit is considered as the tool of financial inclusion of the poorer section of the country but mobile banking can contribute to that in the coming years, said the speakers. 'Mobile banking is important at this time as it can be the tool for financial inclusion of poor after microcredit. Lot has been done on microcredit in last few decades but today's topic is relevant to the time. Such research on mobile banking will be needed in future as the technological landscape is changing very fast,' said economist Wahiduddin Mahmud, also the adviser of IGC.

In the keynote Abu Shonchoy, visiting scholar New York University, said a research found that people with better knowledge on mobile banking had better option for consumption and savings. The research was focused on 815 households of Gaibandha where 415 were given training to perform mobile banking while 400 others were not given any such incentive, he said.

Over the year, majority of the trained household conducted around one transaction per month through mobile banking while 27 per cent household did not, showed the research.

Shonchoy, however, said that the money received by both the section was similar and using mobile banking did not have impact on the social status, agricultural output or asset of the families that used the mobile banking.

'But there was impact on their consumption. Earlier these families were dependent on borrowing for consumption which reduced because of quick transfer of money. On the other hand, as mobile banking allows recipients to withdraw their needed amount, there was some savings for a brief period of time,' he said.

Senior secretary to the industries ministry Mosharraf Hossain Bhuiyan said mobile banking was a very timely topic. 'There are a number of mobile banking service providers out there in the market and with their commitment they can contribute to the economy of the country,' he said.