

# South Sudan launches mobile money to boost recovery from war

September 26 2019, by Sam Mednick



In this photo taken Tuesday, Sept. 10, 2019, a man sits in his mobile money kiosk which specializes in sending money from South Sudan to Uganda, in the capital Juba, South Sudan. South Sudan has launched mobile money, the ability to send and receive funds by phone, in an attempt to boost the economy after a five-year civil war killed almost 400,000 people. (AP Photo/Sam Mednick)

Angelo Adud needed some persuading to leave his job as a shopkeeper and become a mobile money agent in South Sudan. Yet one week into his new role, the 29-year-old already saw a return on his investment.

"This is a new country and digital things are hard to understand. I was worried, what if no one comes?" he said while helping a customer withdraw [money](#) in his newly rented space in the back of a parking lot in the capital, Juba. Adud said he earned more in commissions in one week than he would make in a month in his shop.

South Sudan has launched [mobile money](#), the ability to send and receive funds by phone, in an attempt to boost the economy after a five-year civil war killed almost 400,000 people.

Two companies launched in August: m-GURUSH, owned by local tech firm Trinity Technologies, and Nilepay, a telecommunications firm with Kenyan and South Sudanese owners. Both have partnered with Zain, one of South Sudan's two [mobile operators](#).

In recent weeks Juba's streets have filled with ads urging people to start banking from their phones.

The companies are relying on people who have already used mobile money in neighboring countries like Kenya and Uganda to persuade hesitant locals that it is a more financially secure option than carrying cash.



In this photo taken Tuesday, Sept. 10, 2019, Rhoda Fresa, who doesn't want to sign up for South Sudan's own mobile money service because everyone she knows has already fled the country to Uganda, sits in a mobile money kiosk which offers services to send mobile money within South Sudan and to other countries such as Uganda, in the capital Juba, South Sudan. South Sudan has launched mobile money, the ability to send and receive funds by phone, in an attempt to boost the economy after a five-year civil war killed almost 400,000 people. (AP Photo/Sam Mednick)

More than 80% of money in South Sudan is not kept in banks since most of them are based in Juba, said Darius Mobe, director of the Nilepay platform.

"Mobile money should make access to funds easier for people in rural villages, creating more financial inclusion, which means people can play a bigger role in the economy," he said.

But many challenges need to be overcome before mobile money becomes widespread, including high illiteracy rates and a lack of ID cards needed for people to register with the service.

Only 16% of the population has ID cards, according to the government, which means people can receive money but are charged more to withdraw it and are unable to send cash.

Nilepay said it is trying to establish biometric registration using fingerprints, among other types of registration.

The main barrier, however, is a weak telecommunications network, without which mobile transfers won't work.



In this photo taken Tuesday, Sept. 10, 2019, Angelo Adud, center, serves customers at his new mobile money kiosk in the capital Juba, South Sudan. South Sudan has launched mobile money, the ability to send and receive funds by phone, in an attempt to boost the economy after a five-year civil war killed almost 400,000 people. (AP Photo/Sam Mednick)

Years of civil war damaged or destroyed half of Zain's cell towers, said Ahmed Hussein, senior marketing manager. Before fighting erupted in 2013, Zain covered nine out of 10 states with almost 400 cell towers across the country. Now it has less than 200. Many parts of the country are cut off.

Zain is trying to increase coverage starting with major cities such as Juba, Aweil, Bentiu and Wau.

In South Sudan, which ranked 178 out of 180 countries in Transparency International's corruption index last year, financial experts and businesses say there needs to be proper accountability measures, including vetting of mobile money companies' procedures and adherence to customer confidentiality.

"I don't feel there are currently enough controls in place. All parties involved need to share anti-money laundering mechanisms they're going to use such as knowing where the source of the money is coming from," said Jeremy Gisemba, business development and marketing director for Lem international, an Eritrean-owned trading company based in South Sudan.

Some locals are wary about trusting telecom networks. Last year Vivacell, a popular mobile company, was shut down overnight, locking out hundreds of thousands of subscribers. South Sudan's government said Vivacell was closed for not complying with regulations.

To enhance mobile security, the government wants to install a system that gives telecom regulators and the Central Bank [direct access](#) to records instead of relying on third parties, Nilepay and m-GURUSH, to provide the information, said Ladu Wani Kenyi, director general for the national communications authority.



In this photo taken Tuesday, Sept. 10, 2019, a man walks past several mobile money kiosks in the capital Juba, South Sudan. South Sudan has launched mobile money, the ability to send and receive funds by phone, in an attempt to boost the economy after a five-year civil war killed almost 400,000 people. (AP Photo/Sam Mednick)

At the moment "we don't know, those reports, are they genuine or is there some fiddling with them?" Ladu said.

For some South Sudanese, hesitation in adopting mobile money is compounded by complications caused by years of war.

Seated in a shop in Juba, Rhoda Fresa defiantly shook her head when

asked by the agent if she wanted to register for the new service.

"My people are all in a refugee camp in Uganda," she said of her family.  
"Who am I going to send money to here?"

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