

# Study provides fresh insights into the benefits of mobile money in Kenya

By [Sarah Logan](#)

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A recently published [study](#) on the long-run effects of mobile money on economic outcomes in Kenya provides some valuable insights that will benefit economic development and financial inclusion policies across Africa.

The study found that increased access to mobile money has reduced poverty in Kenya, particularly among female-headed households. Rapid expansion of mobile money has lifted an estimated 2% of Kenyan households (some 194,000) out of extreme poverty. It has also enabled 185,000 women to move out of subsistence farming and into business or sales occupations.



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Mobile money is a form of electronic money that allows you to conduct financial transactions using your mobile phone. It allows financial services to be extended to unbanked people at a significantly lower cost because physical infrastructure isn't needed.

Mobile phone penetration is rising across sub-Saharan Africa, with <http://databank.worldbank.org/data/> almost 76% of the population having a mobile phone subscription. The growth in mobile phone ownership raises the potential for mobile money to reach unbanked people, providing them with a more affordable payments system.

M-PESA, Africa's first mobile money platform, was launched by Safaricom in Kenya in 2007. The service was designed to enable remittances to be sent home, and has enjoyed widespread adoption. Today 96% of households outside Nairobi have at least one M-PESA account.

**Source:** allAfrica

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