

Mobile money transfer takes root in Kenya

Three years after Kenya's Safaricom launched its mobile money transfer service, MPesa, the company now has more than 11-million customers with money transfer worth KSh525-billion as July 2010. The number of MPesa agents countrywide has risen to 19 502.

By [Carole Kimutai](#) 16 Aug 2010



MPesa was launched by Safaricom in March 2007 and the technology has revolutionised the way money is handled in Kenya. From a simple idea of enabling Safaricom mobile users to send and receive money using their mobile phones, MPesa is now being used to pay for utility bills, buy airtime, pay for products and services, buy airline tickets, and even pay for bride price.

MKesho transactions

Equity Bank recently partnered with Safaricom to launch MKesho which is a mobile bank account. According to statistics from Safaricom, as at July 2010, MKesho was almost hitting the half a million mark. Leading MKesho transactions include: balance requests, withdrawals and deposits.

According to the Communication Commission of Kenya, at the end of the second quarter of 2009/2010, the four licensed operators had a combined subscriber base of 19.4 million mobile subscribers. At the end of the quarter the penetration rate of mobile service had risen to 49.7 per 100 inhabitants. This compares favourably with the world average of 49.8 per 100 inhabitants (ITU, World Development Index 2009) of 20 data.

MPesa boosts subscriber numbers

MPesa has significantly boosted Safaricom's mobile subscriber numbers. A year after it was launched, MPesa customers increased from 52,000 to 2.3 million in 2008. By April 2009, the number had reached 6 million and currently stands at about 11.8 million.

Early this year, South African operator Vodacom and Nedbank announced a plan to launch M-Pesa in Southern Africa. MPesa has been implemented in Tanzania and Afghanistan.

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