



## **Blockchain Technology Backed Home Remittances from Malaysia to Pakistan Made Possible to Promote Financial Inclusion**

*Powered by Alipay's blockchain technology, the service enables Pakistanis living in Malaysia to send money home instantly and securely through Telenor's remittance service provider - Valyou.*

**ISLAMABAD – January 8, 2019:** Telenor Microfinance Bank, in partnership with Valyou of Malaysia, has introduced Pakistan's first blockchain-based cross-border remittance service, powered by industry-leading blockchain technology developed by Alipay, the online payment platform operated by Ant Financial Services Group ("Ant Financial").

The blockchain remittance service is provided by Telenor's Easypaisa and Valyou, a financial technology company that provides remittances to underbanked communities. The plan was unveiled at an event in Islamabad attended by State Bank of Pakistan Governor Tariq Bajwa, marking a major milestone in the country's journey to promote financial inclusion.

The blockchain technology will significantly boost the speed and efficiency of remittances from Malaysia to Pakistan. It will also ensure the money transfers are highly secure and transparent, as all information stored, shared, or uploaded through the blockchain remittance platform will be encrypted with advanced protocols in order to protect users' privacy.

Governor State Bank of Pakistan Mr. Tariq Bajwa, while congratulating Ant Financial, Telenor Microfinance Bank, Valyou Malaysia and Standard Chartered Bank for this new initiative and collaboration to promote the use of formal remittance channels, said: "At around USD 20 billion per year, international remittances are important from the perspective of overall macroeconomic stability and their positive spillover in improving lives of millions of families. Home remittances contributed to over 6% in GDP, equivalent to over 50% of our trade deficit, 85% of exports and over one-third of imports during FY 2017-18."

He also said that the Government of Pakistan and State Bank of Pakistan have taken a number of initiatives to promote the transfer of home remittances using formal financial channels and the new block-chain technology based remittance service would complement these efforts as transfer of cross-border remittances in near real time would bring convenience and facilitation for both remitters and their beneficiaries. "This puts Pakistan on the map of very few countries in the world that have launched International Remittance using block-chain technology", he added.

Mr. Tariq Bajwa also stated that he expects that the financial sector will take advantage of current favorable market environment by investing in innovative technologies and product offerings to expand services and broaden access to financial services in the country.

The blockchain-powered remittance service will make round-the-clock, real-time money transfers between the two countries possible at a competitive exchange rate, with Alipay's transaction fees waived during the one-year trial period.



“The new remittance service is one of the examples of how emerging technologies can help countries meet their digital and financial inclusion goals. We’re thrilled to be part of Pakistan’s financial inclusion efforts and we’re dedicated to exploring breakthroughs and applying them to benefit more people in more places,” said Eric Jing, Chairman and CEO of Ant Financial. “I would like to take this opportunity to express our gratitude to State Bank of Pakistan for all the great support to make this project possible. I congratulate both Easypaisa and Valyou on this major development that will facilitate the people in both countries, putting Pakistan on the map of fintech innovation and promoting financial inclusion.”

By eliminating intermediary costs, the new remittance service reduces transactional cost for end-users, while the blockchain technology enables both senders and receivers to track their money every step of the way, significantly boosting the service’s efficiency and safety.

“The transparency and swiftness this innovative and first-of-its-kind service brings to Pakistani users of international remittance will redefine international money transfer in the country,” said Roar Bjærum, Senior Vice President, Head of Financial Services, Telenor Group & Chairman Valyou. “Currently, Pakistan receives about USD 1 billion in home remittances from Malaysia and this Easypaisa-Valyou collaboration is going to change it for the better. The service is the result of the close partnership between Telenor Group and Ant Financial Services and epitomizes our shared vision to empower societies by bringing inclusive financial services to the world.”

The service aims to promote and encourage the use of formal channels for remittances, with all existing incentives offered by State Bank of Pakistan for promotion of international remittance through mobile wallet being applicable for this service.

“The international remittance service epitomizes the shared vision of Telenor Group and Ant Financial to empower societies by bringing inclusive financial services to the world,” said Shahid Mustafa, President & CEO, Telenor Microfinance Bank. “It is a bold statement of the wonders new technologies can do to transform the financial services landscape in Pakistan which remains a top priority on the country’s national agenda.”

Pakistan is in the process of strengthening its financial system, with the Pakistani government recently enhancing its National Financial Inclusion Strategy through a five-year plan that aims to create three million jobs and additional exports of USD \$5.5 billion by improving SMEs’ access to financing.

Starting from 2015, Alipay has formed nine strategic partnerships with local partners outside Mainland China. As of today, Alipay, together with its global partners, are serving over 1 billion active users globally.

###

## **About Ant Financial**

Ant Financial Services Group is dedicated to using technology to bring the world equal opportunities. Our technologies, including blockchain, artificial intelligence, security, Internet of Things and computing, empower us and our ecosystem partners to serve the unbanked and underbanked, bringing more secure, transparent, cost-effective and inclusive financial services to individuals and SMEs worldwide.



Ant Financial has formed international partnerships with global strategic partners to serve local users in those markets, and we serve Chinese travelers overseas by connecting Alipay with online and offline merchants in popular destinations. As of January 2019, together with its global JV partners, Ant Financial served 1 billion users worldwide. Brands under Ant Financial Services Group include Alipay, Ant Fortune, Zhima Credit, MYbank and Ant Financial Cloud.

### **About Telenor Group**

Telenor Group is a leading telecommunications company across Scandinavia and Asia with 173 million customers and annual sales of around USD 14 billion (2017). We hold #1 or #2 positions in most of our markets. Majority ownership of all core assets enables strong governance and global scale benefits. We are committed to responsible business conduct and driven by the ambition of empowering societies. Connectivity has been Telenor's domain for more than 160 years, and our purpose is to connect our customers to what matters most. Telenor is listed at Oslo Stock Exchange under the ticker TEL. For more information, see [www.telenor.com](http://www.telenor.com)

### **About Telenor Microfinance Bank Limited**

Telenor Microfinance Bank (TMB) offers Easypaisa, Pakistan's first mobile financial services platform launched in 2009, which is also the first and only GSMA Mobile Money Certified service. Easypaisa has since developed into the largest branchless banking service in Pakistan in terms of agent network, active accounts, and transaction value, according to the State Bank of Pakistan. TMB also provides microfinance and related financial services to the less privileged and unbanked segment of the Pakistani society.

Ant Financial Services Group ("Ant Financial"), subsidiary of Alibaba Group has bought 45% stake in Telenor Microfinance Bank, a subsidiary of Telenor Group, to further develop TMB's mobile payment and digital financial services. This strategic partnership between Telenor Group and Ant Financial combines TMB's knowledge and local market presence and Ant's technology in Alipay, the world's largest digital payment platform, and other financial services, to bring mobile payment and inclusive financial services to individuals as well as small and micro businesses in Pakistan. For more information, please visit: <http://www.telenorbank.pk>/E-mail: [press.center@telenorbank.pk](mailto:press.center@telenorbank.pk)