

FINTECH

RESEARCH



PAYMENT GATEWAY



MOBILE PAYMENTS



INVESTMENT



CRYPTO CURRENCY



EXCHANGE



ONLINE BANKING



CROWD FUNDING



Ministry of Information Technology
& Telecommunication
DIGITAL PAKISTAN



IS FINTECH CHANGING THE FUTURE OF PAKISTAN?



Due to the crisis that we call COVID-19, the pace of digitalization in Pakistan sped up beyond belief, with the FinTech industry taking the credit as one of the top industries to have grown tremendously during this period. Ranging from branchless banking to financial inclusion, enhanced payment systems, adoption of financial tools, micro credit, savings, the FinTech industry in Pakistan is growing rapidly.ⁱ

According to SECP, there are 22 active Fintech startups in Pakistan. However, more startups are rising above and getting funding as of 2021.ⁱⁱ

The listed companies include banks, startups and telecom companies offering online and mobile banking, micro lending, mobile wallets, and payment gateways.ⁱⁱⁱ The FinTech industry of Pakistan can also be credited for making lives easier for people in lockdown, as online payments were made possible for the population who spent time in buying and selling goods from home.

ACCORDING TO THE DIGITAL 2020: PAKISTAN REPORT^{iv}, THERE WERE

46 M

social media users in Pakistan in January 2021

61.34 M

internet users in Pakistan in January 2021

173.2 M

mobile connections in Pakistan in January 2021

Furthermore, the possibilities for international organizations to work with and/or invest in existing FinTechs as well as create new FinTechs in collaboration with Pakistani finance and technology professionals are endless.



PRODUCTS AND SERVICES BEING OFFERED IN PAKISTAN^V

Service(s)	Company(s)
 MICROFINANCE	Pakistan Microfinance Network, Pakistan Microfinance Investment Company, Akhuwat, Agahe, AMRDO, ASA Pakistan, BaadBaan, JWS Pakistan, Islamic Relief, FFO Support Program, Damen Support Program, Mojaz, Orangi Pilot Project, Mobilink Microfinance Bank, NRSP, Advans, Apna, Khushhali, FINCA, Telenor Microfinance Bank, Pak Oman Microfinance, U Microfinance Bank, Kashf Foundation, First Microfinance Bank, Tez Financial Services,
 DIGITAL BANKING PLATFORMS	MyWallet, Alfa, UBL Digital, Bank Islami, Bank Al Habib, Habib Metropolitan Bank, Soneri Bank, Meezan Bank, BOK Digital, Bank of Punjab, MCB Mobile, Askari Digital, HBL Konnect, Standard Chartered, Faysal Digibank, Silk Mobile, JS Bank, Sindh Bank, Dubai Islamic Bank, AlBaraka, Summit Bank
 BRANCHLESS BANKING PLAYERS	Easypaisa, Jazz Cash, J Cash, Timepey, Upaisa, Alif, UBL Omni, MCB Lite, SimSim
 PSOS/PSPS	NiFT, PayFast, 1Link, Foree, Webdnaworks, Virtual Remittance Gateway, Paymate
 ELECTRONIC MONEY INSTITUTIONS	Keenu, Nayapay, FINJA, Sadapay, PayMax
 AGGREGATORS	Safepay, Kuickpay, Haball, Blinq, Fonepay, Karripay, PayPro, Pay It, Skoolify, bSecure, Postex, Oneload, SimPaisa, TelloTalk for Business
 INTERNATIONAL PAYMENT PROVIDERS	Checkout, 2checkout, Payoneer, Cybersource, Mastercard Payment Gateway Services, Etisalat, UnionPay Online Payments (UPOP)
 INSURANCE	Adamjee, Alfalah, Asia Insurance, Askari General Insurance, CICL, Continental, Habib Insurance, UIC, Jubilee General Insurance, Pak Qatar Takaful, Shaheen Insurance, Ypay, UBL Insurers, Universal Insurance, Tez Financial Services, Netsol Tech, Monet, Mawazna, Waada Digital Insurance, Salaam Takaful, Smartchoice.pk
 SAVINGS, BUDGETING & RECORD KEEPING	Oraan, Tez Financial Services, Hysab Kytab, CreditBook, DigiKhata, Tag, Mawazna
 ASSET MANAGEMENT	Systems Limited, TPS, VeriPark, ABL, Al Habib, Atlas, Bima Asset, First Capital, HBL Asset, Pak Ocean, UBL Funds Manager, FINJA, Oraan, Tez Financial Services, Monet
 STOCK TRADING, FUNDING & CROWD-FUNDING	Transparent Hands, Seedout, Pink Ribbon, Care Foundation, Door of Awareness, Pakistan National Investor Portal, Saxo Bank, KTrade, iSave (mutual funds), FP Markets, HYCM, Investor Lounge, Capital Stake, Investify
 INVESTMENTS	Karandaaz, PMIC, Lakson Investment, JS Investment, 42 Ventures, Fatima Gobi Ventures, Sarmayacar, Walled City Co, Zayn Capital, Cresventures, Karavan, i2i Ventures, Indus Valley Capital, Neem Exponential, DYL Ventures, Arpatech Technology Ventures, High Output Ventures, Deosai Ventures, Teamup Angels, TiE Angels, Epiphany Angels, Ypay, FinPocket, Emlaak Financials
 LENDING & CREDIT SCORING	Credit Fix, DataCheck, Tez Financial Services, Karandaaz, FINJA Lending, Jazz Cash, Easypaisa, Trellis Housing Finance Limited, GoldFin, Tasdeeq
 RESEARCH & INNOVATION	Karandaaz, PMN, Duns & Bradstreet
 FINANCIAL TECHNOLOGY PROVIDERS	Veripark, TPS, Avanza, Paysys Labs, BPC systems, Access Groups, NDC Tech, Euronet, Autosoft Dynamics, Systems Limited, Computer Research Private Limited (CRPL), I2c inc, IT Minds, Infotech, Covalent

THIS TABLE HAS BEEN DEVELOPED WITH THE ASSISTANCE OF PAKISTAN FINTECH ASSOCIATION.^{VI}

PAKISTAN'S FINTECH REVOLUTION

Past Financial Inclusion Initiatives

In 2011, Pakistan signed the Maya Declaration, which is a worldwide initiative for financial inclusion.^{vii} *In 2015, Pakistan joined the Better Than Cash Alliance*, which is based at the

United Nations with a purpose of transferring countries from cash to seamless digital payments.^{viii}

Another highlight includes the launch of National Financial Inclusion Strategy in 2015, by the Government of Pakistan, which was a 100-step process to promote digital payments, enhance deposit base, promote SME finance, increase agricultural finance and to enhance the share of Islamic banking.^{ix}

Furthermore, in 2017, the Government of Pakistan commenced the Pakistan Financial Inclusion and Infrastructure Project, with a funding of 130 million USD, provided by the International Development Association and the International Bank for Reconstruction and Development.^x

This project promoted financial inclusion by providing a digital payments mechanism, as well as allowing SMEs access to credit facilities.

FINTECH ECOSYSTEM

The FinTech ecosystem consists of startups and companies, financial institutions, banks and of course, the users. With the onset of COVID-19, it has been reported that the active service delivery of FinTech companies and financial institutions as compared to the 95% of internet users in Pakistan shows promising growth for Fintech.^{xi} This has also been made possible through the joint efforts and collaborations of FinTech companies in Pakistan. The FinTech ecosystem of Pakistan also consists of two ecosystem support organizations, Karandaaz and Pakistan Microfinance Investment Company, the details for which are mentioned below.

Pakistan FinTech Association

Pakistan FinTech Association is a national level and all-inclusive body aiming to build a network between local and international FinTech players. Some of the work that Pakistan FinTech Association does revolves around working with the government for digital payments policy making, promoting Pakistani FinTechs internationally and knowledge management.

FinTech Association of Pakistan

Another association for FinTech in Pakistan is the FinTech Association of Pakistan. It is a unified platform, bringing together different FinTechs in Pakistan, allowing them to discuss the emerging issues in FinTech and to devise possible solutions.^{xii}

Pakistan Microfinance Network

The ecosystem also includes the Pakistan Microfinance Network (PMN), which is a national association for retail players in the microfinance industry with a network of 44 organizations. PMN prioritizes retail financial service providers and works to support the financial sector to improve the quality of their services. It also ensures the support of financial service providers through knowledge management and capacity building.

Karandaaz

Karandaaz Pakistan, an organization funded by United Kingdom's Foreign, Commonwealth & Development Office (FCDO) and the Bill & Melinda Gates Foundation (BMGF), is actively working towards promoting financial inclusion in Pakistan. It provides access to finance for micro, small and medium-sized businesses through a commercially directed investment platform and enables digitization of digitization of government and other payment streams and provides support to innovative digital financial service startups. Moreover, it supports innovation and women entrepreneurs by providing customized financial instruments and business development support. Finally, it develops and disseminates evidence-based insights and solutions.^{xiii}



*Taimoor Ali, Associate Director Innovation,
Digital Financial Services at Karandaaz Pakistan*

Karandaaz' Digital Financial Services wing has been working with the industry for 5 years now, providing lending and borrowing services to the SME sector, providing capacity building services for Digital Financial Services and FinTech disrupt programs.

Pakistan Microfinance Investment Company

Established in 2015 by Karandaaz, Pakistan Poverty Allevation Fund and KfW development Bank, Pakistan Microfinance Investment Company (PMIC) is a national level apex institution for microfinance companies in Pakistan. PMIC's mission is to enhance access of financial services to the non-banked and underbanked regions, by strengthening the capacity of microfinance companies in Pakistan.^{xiv}



InfraZamin

Pakistan's first credit enhancement facility, InfraZamin was established by Karandaaz and InfraCo Asia Investments. InfraZamin was created after extensive market study conducted by Karandaaz, with the aim to fill current gaps in the local credit market to increase private sector engagement in financing the infrastructure of Pakistan.^{xv}



“Pakistan spends only 2.1% of its GDP on infrastructure as opposed to 8%-10%, leading to widening infrastructure deficit. InfraZamin Pakistan will not only unlock capital thus boosting much needed investments in infrastructure but also add to the sophistication of Pakistan's financial architecture. The additional investments will support economic growth, create jobs, and ultimately reduce poverty besides invigorating Pakistan's capital markets through cutting edge financial instruments. We are delighted to partner with InfraCo Asia and GuarantCo in setting up this innovative structure and look forward to its success.”

Ali Sarfaraz, CEO at Karandaaz

Raast - Digital Payment System by the State Bank of Pakistan

Raast is Pakistan's first instant payment system that enables end-to-end fund transfer. Tackling the issue of interoperability, Raast will enable IBFT at a low fee or no fee at all thereby incentivizing customers to make online transactions even if they are small. Furthermore, the government can use Raast to pay stock dividends, government salaries and other cash disbursements such as Ehsaas program. Third, Raast will eliminate the extra time banks take to settle digital payments made to merchants, which affects their cash flows. This will enable request-to-pay option for merchants to demand payment for products on the same day. The main driving force behind the launch of Raast was to increase financial inclusion for women, thereby allowing them to operate finances for their home-based or small businesses digitally. Raast will be rolled out in three phases, starting from 2022 and is the first digital payments system to link governments and financial institutions.^{xvi, xvii, xviii}



SECP Regulatory Sandbox

A framework set by the Securities and Exchange Commission of Pakistan (SECP), the Regulatory Sandbox allows FinTech startups in Pakistan to conduct pilot testing on a small sample, test the market, and conduct experiments in a controlled environment. In its first cohort in 2020, the regulators which are the State Bank of Pakistan, Pakistan Telecom Authority and SECP approved six FinTech solutions. After the approval, the trial phase continues in which regulators evaluate whether there is a genuine need of this solution in the market.^{xix}



During the first cohort, what stood out was the approval of a crowdfunding platform, which allows SMEs to fund their business requirements from investors. The platform is currently being tested and evaluated through its trial period in a controlled environment.^{xx}

Central Depository System

The custodian of Pakistan's Capital Market, Central Depository System handles electronic transactions that happen at the Pakistan Stock Exchange through an electronic book-entry system used to record and maintain securities and to register the transfer of securities.

The system digitally changes the ownership of securities and facilitates equity, debt and other financial instruments in the Pakistani Capital Market. It also manages Ordinary & Preference shares, TFCs, WAPDA Bonds, Sukuk, Open-End & Closed-End funds and Modaraba

Certificates. CDC is a part of the Asia-Pacific Central Securities Depository Group, which is international clearing organization in Asia Pacific.^{xxi}



FINANCIAL TECHNOLOGY PROVIDERS

Systems Limited

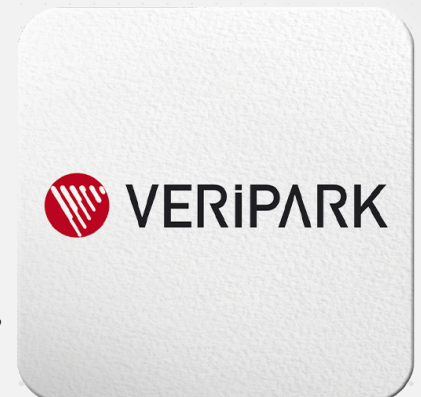
One of the industries at Systems Limited covers financial services, through which banks and financial institutions can tap into digital revenue streams. Through enterprise integration, business process management, and robotic process automation solutions, Systems Limited has been helping public and private organizations in expanding the productivity of their asset management services and ensuring the safety of digital assets. Systems Limited uses APIs to improve efficiency.^{xxii}



For Unilever, Systems Limited implemented a Cold Chain Management System (CCMS) to automate complaint lodging to asset replacement in a retailer's store. The implementation of CCMS helped Unilever to save cost and time in the complaint resolution process.^{xxiii}

VeriPark

VeriPark is a global end-to-end seamless solutions provider, with a wide range of services. Focusing on retail banking, Corporate/SME banking, Private Banking/Wealth and Insurance, VeriPark's clients are spread all across the globe. Notable clients include Lloyds Banking Group, Barclaycard, Zenith Bank, State Bank of Mauritius, Kuwait Finance Bank and many more.



In October 2020, VeriPark partnered with Innovation Credit Union to digitally transform banking operations and customer services. Innovation Credit Union was looking for a digital solution based on Microsoft, which led them to VeriPark, owing to their notable successes in implementing Microsoft Dynamics 365.^{xxiv}

TPS

The multi-award-winning provider of cards and digital payment solutions, the customer base of TPS is global, spanning across the Middle East, South Asia, Africa and Europe. The products and services base at TPS is vast, including payment gateways, digital payments, internet banking, mobile banking, biometric identity, fraud prevention and many more. Notable clients at TPS include National Bank of Abu Dhabi, Credit Communariaire Afrique, Commercial Bank of Kuwait, Qatar Islamic Bank, Sovereign Bank, Ooredoo and others.^{xxv}



NETSOL Tech

A software company for asset finance and leasing working for over four decades, NETSOL has been able to develop a large clientele, all based internationally. NETSOL has been working in Asset Financing, Auto Financing and Equipment Financing. Two major products by NETSOL are NETSOL Ascent and NETSOL Digital. Netsol Ascent is a platform that helps companies run their retail and wholesale businesses with ease, including front-office enablement, back-office enablement and customer self-service. NETSOL Digital includes smart digital solutions such as Mobile Point of Sale, Web Point of Sale, Mobile Field Investigator, Mobile Collector, Mobile Dealer and Mobile Auditor. Recently, NETSOL launched an APP called Otoz Mobility, helping companies maximize scalability in the mobility business through a one-touch solution.^{xxvi}



AutoSoft Dynamics

This is a software company that offers a digital banking solution for commercial and Islamic banking to increase the revenue potential for banks. The major product in digital banking being offered by AutoSoft Dynamics is the AutoMWALLET, which is a mobile banking system backed by SAP money mobilizer, allowing users to buy, sell and transact money. The second product is the mobile banking app, allowing users to have a 360-degree view of their transactions, ticketing, fees and other usage.^{xxvii}



“AutoSoft Dynamics is the product development pioneer, which started to work in Pakistan when there were not many digital solutions being offered in the FinTech ecosystem.”

Sadia Khan, CEO at AutoSoft Dynamics

NDC Tech

NdcTech is an award-winning partner of Temenos providing services and innovations to Conventional, Islamic, Microfinance, Investment Banking and Non-Banking Financial Institutes. It focuses on end-to-end implementation, upgrades and other additional services related to core banking. NdcTech’s methodology is based on international standards and best practices including TIM (Temenos Implementation Methodology) based on CMMI level 5 certified processes.^{xxviii}



Euronet

Euronet Pakistan (EN), a subsidiary of Euronet Worldwide, brings with it the experience of a global solution provider which is recognized around the world as an industry leader in electronic financial transaction solutions. The platform offers the best blend of technology and outsourcing services to financial institutions, retailers, FinTechs, and governments of the region from its state-of-the-art facility in Karachi, Pakistan. Currently, EuroNet drives approximately 80% of POS terminals in Pakistan handling roughly 75% of PANPAK POS throughput.^{xxix}



Of the many 'firsts' in the country, EN played a pivotal role in the launch of Pakistan's First Local Islamic alternative to credit cards – Faysal Bank's Noor Card. The card program is powered by Euronet's Card Management System.

i2cinc

i2cinc provides digital banking and payment solutions. These services include mobile banking, mobile top-up, ATM access, bill payment and expense tracking services. The company also offers its products, such as Buy Now Pay Later, Fraud Management, Migration Services and Program Management, to financial institutions, FinTechs and other businesses.^{xxx}



RYAN DESLIPPE - CO-FOUNDER, PAYFARE

Today Payfare has three of the world's largest rideshare companies. We were looking for a processor for the U.S market that could expand with us globally, a processor that had flexibility in the platform but also in the business and pricing models. i2c supports large amounts of transactions per month, per cardholder. They can also customize products, handle changes on the fly and support multiple programs at the same time.



Paysys

Formed in 2016, Paysys Labs is a digital financial services company. Paysys Labs has been at the forefront of digitization and automation of the financial services industry where it has successfully worked to transform large government institutions such as National Savings, National Bank of Pakistan. We have also enabled numerous financial institutions in their digitization journey. This includes more than 12 financial institutions to get onboard RAAST, the instant payment platform in Pakistan.^{xxxix}

The Paysys logo is displayed in blue and yellow text on a white rounded square background.

Paysys Labs works with financial service providers and FinTechs to provide end-to-end digital platform with products centered around digital banking, card management, wallet/store value platform and account management, middleware, and remittance platform. We also provide advisory services to reputable global clientele such as Bill and Melinda Gates Foundation, the Consultative Group to Assist the Poor (CGAP), International Finance Corporation, and others.

Karim Jindani, CEO, Paysys Labs

InfoTech

InfoTech provides financial and banking technology services. By partnering with global leaders, InfoTech provides banking platforms, conventional & Islamic core banking, trade automation, treasury automation, risk & compliance and payment systems. Paymate, a certified PSP/PSO offers seamless B2B and B2C payments. Furthermore, through its Automated Clearing House service, the company provides Centralized Digital Clearing, including image-based check clearing. As of 2021, partners at InfoTech include McAfee, Microsoft, Cisco, IBM, Oracle and others.^{xxxix}

The InfoTech logo features the word "INFOTECH" in blue and green, with the tagline "BRILLIANTLY BUILT" in smaller blue text below it, all on a white rounded square background.

NOTABLE FINTECHS IN PAKISTAN

Credit Fix

Credit Fix is a digital lending company that uses Artificial Intelligence to provide microloans to its low-income borrowers, with the intent to promote zero poverty, equality, partnership through goals and industries, innovation and infrastructure. Credit Fix was launched partially through the Bill & Melinda Gates Foundation-backed accelerator Digital Financial Services Innovation Lab (DFS Lab). Through its AI-powered app, customers can navigate credit for employees and contractors.^{xxxiii}



“We’re the most comprehensive credit scoring platform and we’ve been able to register our platform not just in Pakistan, but in Africa as well”

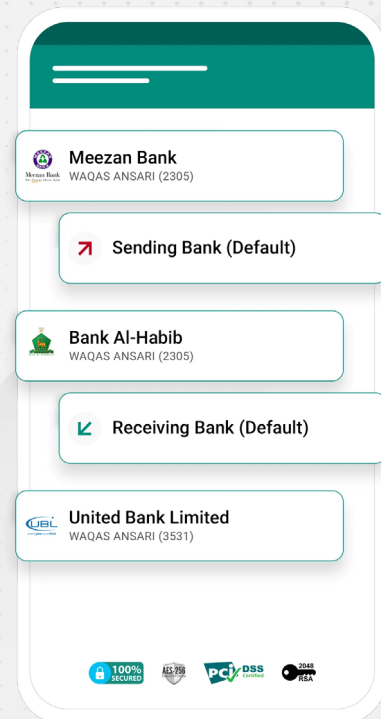
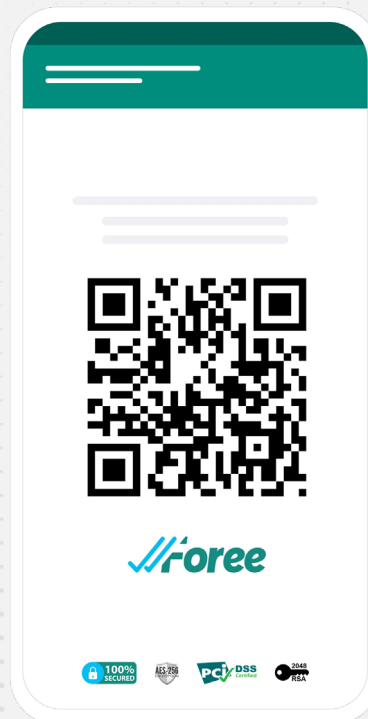
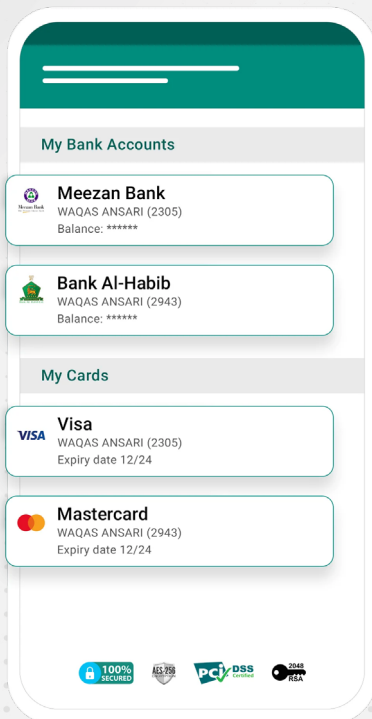
- Owais Zaidi, CEO and Founder at Credit Fix



Source: creditfix.pk

Foree

Foree received the license to operate in 2019 by the State Bank of Pakistan and since then, has been providing digital payments solution for consumers and businesses in Pakistan. The Foree App allows customers to send and receive money, and it is said to be “as simply as getting a message on WhatsApp.” Foree believes in social economic justice and through their solutions, aims to cater to unregistered businesses, freelancers, home-based businesses, consultants and other professionals based remotely.^{xxxiv}



Source: foree.pk

Digi Khata

Digi Khata enables management of business and personal ledgers through one's phone. Through its Payment Reminders feature, a free, automatic SMS is sent to customer every time a transaction is recorded. Also, all details of credit-debit for any number of customers are readily available. Launched in February 2020, the business already has presence in 200+ towns and cities, covering 20+ business sectors.^{xxxv}



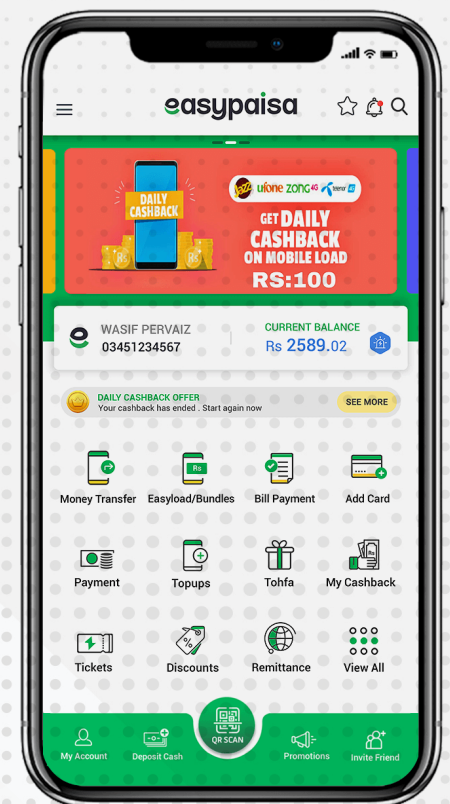
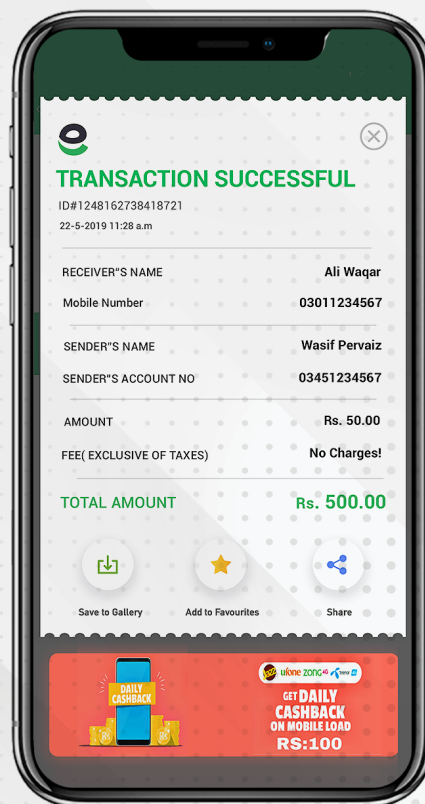
Easypaisa

Easypaisa is a part of Telenor Microfinance Bank launched in 2009 which facilitates underbanked communities of Pakistan by easing payment mechanisms for them. The impact of Easypaisa has been widespread and in 2012, Easypaisa was identified as a GSMA Mobile Money Sprinter, highlighting it as one of the 14 most successful mobile money platforms.^{xxxvi} With the Easypaisa App, users can make salary transfers, business payments, bill payments, supply chain payments and perform cash management tasks.



FACEBOOK REVIEW.

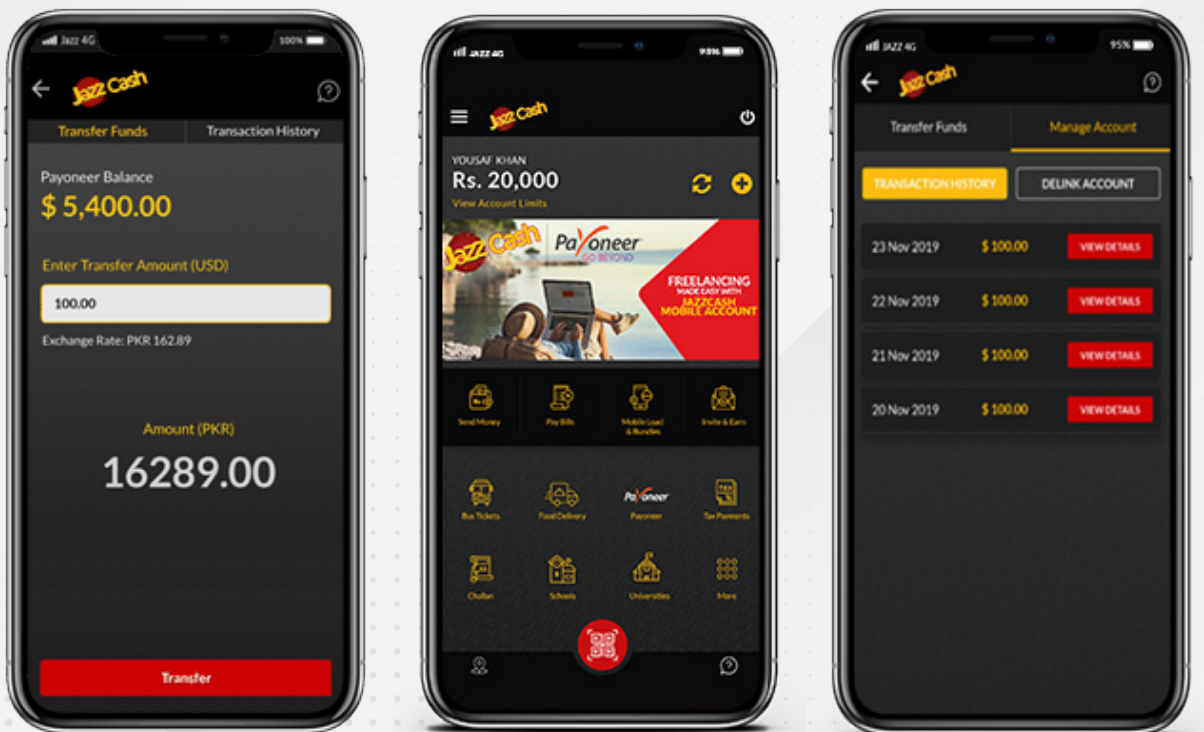
Great app with excellent services easy to transfer money everywhere without any tax.



Source: easypaisa.com.pk

Jazz Cash

Launched in 2012, Jazz Cash is a mobile wallet and branchless service provider of Pakistan. Jazz Cash offers numerous services under its mobile wallets and digital services platform, including freelance payments, ticket payments, international remittances, challan payments, internet bill payments, utility bill payments and much more. Jazz Cash also offers an online payment gateway and business accounts for merchants, including QR payments.^{xxxvii} According to VEON, 2021, more than 45,000 merchants can also accept payments through JazzCash QR and an online payment gateway solution. Jazz Cash has also committed to increase their services for women customers by 2023.^{xxxviii}



Source: jazzcash.com.pk

Careem Pay

Careem Pay is a cashless payment system, which is present in the Careem App as Careem Wallet. This is used to pay for food, vouchers, packages and to share credit between friends and family. Careem Pay allows the user a safer alternative to Cash on Delivery and also allows the user to track their spending through navigating their transaction history.^{xxxix}



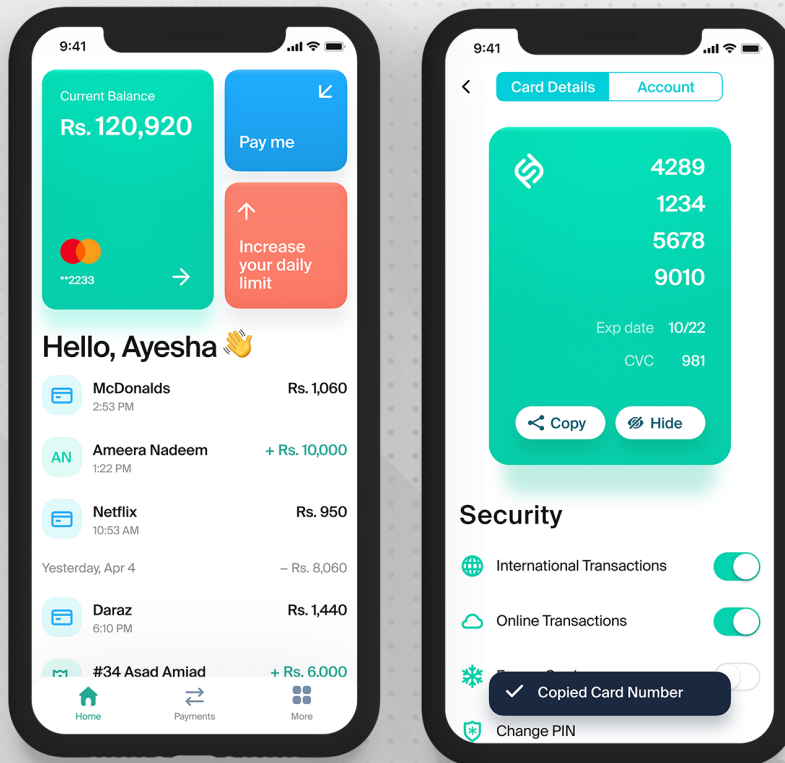
Sadapay

Sadapay, an Islamabad-based FinTech offers a universal debit card and digital wallet, much comparable to Monzo. It raised \$7.2 million in a seed round led by New York-based Recharge Capital, the largest-ever seed closed by a Pakistani startup.^{xi} Sadapay offers a seamless mobile wallet account opening process, allowing free transfers to any bank or wallet in Pakistan, and free cash withdrawals from ATMs, three times a month. A virtual debit card powered by Mastercard can be used for online transactions globally. Sadapay also supports remittances from services like Transferwise, Remitly, and WorldRemit. On the 15th of December 2020, Sadapay was given the approval to officially begin pilot operations.^{xli, xlii}



“The pre-launch demand for SadaPay has exceeded all of our expectations and our team is totally blown away to see nearly 150,000 people on our waiting list. We can’t wait to have our users experience what we’ve built over the past year!”

- *Brandon Timinsky, Founder & CEO at Sadapay*



Source: sadapay.pk

Bykea Cash

Pakistan's motorbike-based ride hailing service provider, Bykea, has expanded into FinTech as of 2020. Bykea Cash is being launched in April 2021, in partnership with banks and other FinTechs. Payments can be processed through IBAN numbers, which generates a URL for a transaction.^{xliii, xliv}



BYKEA



“Bykea Cash is being launched to automate Cash on Delivery (COD), facilitation of visa Mastercard and Raast”

- *Muneeb Maayr, Founder at Bykea*

Safepay

Safepay, founded in 2019 by Ziyad Parekh and Raza Naqvi, offers digital payment solutions to its customers. In 2021, Safepay raised a seven-figure seed funding from Stripe. Products currently being offered by Safepay include “Checkout”, which enables customers to securely pay on a website, “Quick Links”, which enables payments to be made without the presence of a website and “Safe ID’s” which allows anyone to create a unique ID and make secure payments.^{xlv}



Safepay



We want to work on improving digital payment infrastructure in Pakistan to decrease the reliance on cash and other OTC transactions, regardless if this is in a business-to-customer, business-to-business or government-person context. We feel we are in a strong position to develop innovative payment solutions to facilitate such transactions. Our ultimate goal is to increase the size of the online economy in Pakistan.

Ziyad Parekh, Co-founder Safepay^{xlvi}

Finja



A new age financial services platform, Finja integrates SMEs, merchants and other professionals to address their payment, collection and credit needs. Finja uses Artificial Intelligence to provide banking solutions to the underbanked segments of Pakistan, one application for integrating employees and businesses, and collaborating with banks and financial institutions to create lending and payment products. In 2021, Finja raised 9 million in a \$10 million Series A financing round by ICU Ventures and others.^{xlvii} The Finja app is tailored for employees, merchants and business owners, thereby providing a unique financial experience for all. For business owners, Finja Business relieves business owners from the challenge of monotonous paperwork through a one-window, SaaS operated solution. Finja Business includes payroll management, vendor management, e-invoicing, people management, business payments and analytics.



Source: finja.pk

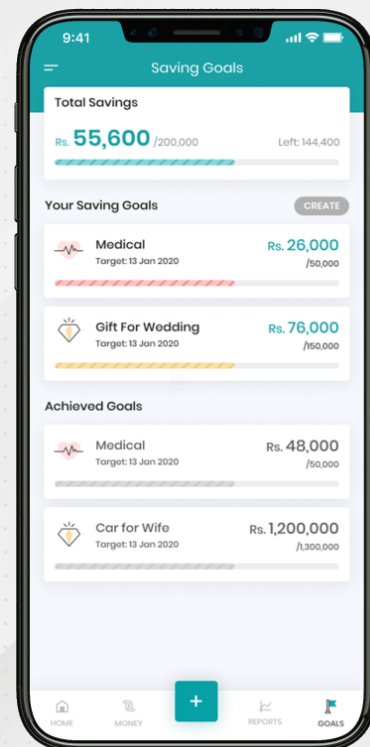
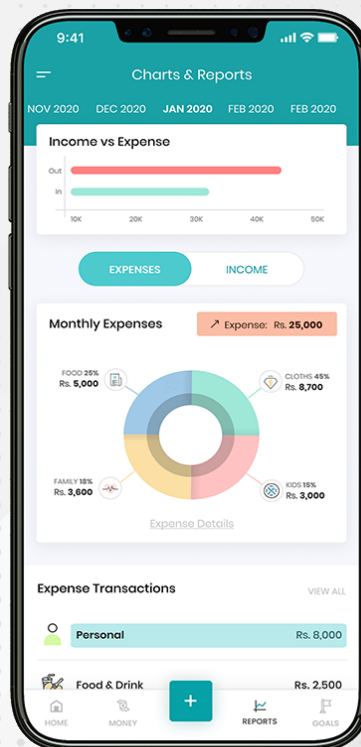
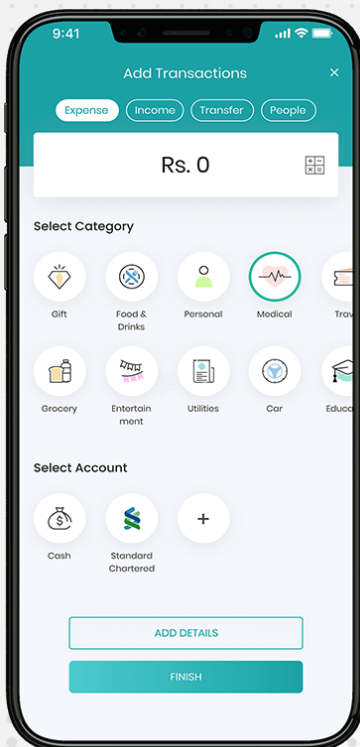
Hysab Kytab

Hysab Kytab, through its Hysab Kytab consumer app, provides a 360-degree view to its customers on their spending and budget. As of 2021, Hysab Kytab has 400,000+ users from 160+ countries. Hysab Kytab also offers a money management solution, allowing users to put their funds aside. Another product, which is the Personal Finance Manager by Hysab Kytab is also available on the HBL app, which allows users to manage their finances, track expenses and set saving goals.^{xlviii}



SHAFIQ UL HASAN SIDDIQUI

A great app for those who are inclined towards savings. It helps in keeping a track of day to day expenses plus also lets one know about the detailed analysis of the spending pattern. It helped me in many ways and I have started saving bucks by getting reminders through this app about my spending limit.



Source: hysabkytab.com

Haball

A B2B FinTech aims to solve all the challenges faced in B2B transactions. The challenges that Haball aims to solve through its services include size of the transaction, security considerations and reconciliation process. Haball provides a one-window solution for the order-to-payment lifecycle. Currently, Haball offers a Contextual Transaction Engine (CTE) which reduces costs and streamlines the requirements for a potential business partner, by providing a one stop solution for product catalogues, invoice management and analytics.^{xlix} Haball also offers Blink Payment Gateway which automates the entire Procure to Pay (P2P) and Order to Cash (O2C) process. Blink allows corporations to send and receive payments in real time. Finally, Haball offers consultancy services to help reshape business lines for a sale boost, cross and up-selling opportunities, and to digitalize financial operations.^l



“Haball plans to further scale its services out in the coming years and improve how businesses pay each other.”

- *Omer bin Ahsan, CEO at Haball.*

Tez Financial Services

Founded in 2018, Tez Financial Services provides digital financial services to the underbanked and non-banked sectors of Pakistan, focusing on financial inclusion. Tez provides a full-stack of digital services. The flagship vertical at Tez is nano-lending, followed by savings, insurance and investment.



Empowered is a word used all too often but seen all too scarcely.

At Tez we foresee a more integrated, equal and vibrant Pakistan by utilizing our mobile financial platform to be a catalyst for change.



Notable products by Tez Financial Services includes Tez Advance, Tez Bima, Tez Committee and Tez Sarmaya. In 2020, Tez collaborated with Japan International Cooperation Agency (JICA) and Women Development Department (WDD) and launched an animated series called “Digital Hunarmandi”. Through Digital Hunarmandi, Tez shared key finance-related learnings, focusing on savings, budgeting, digital payments and transfers and credit.^{li}

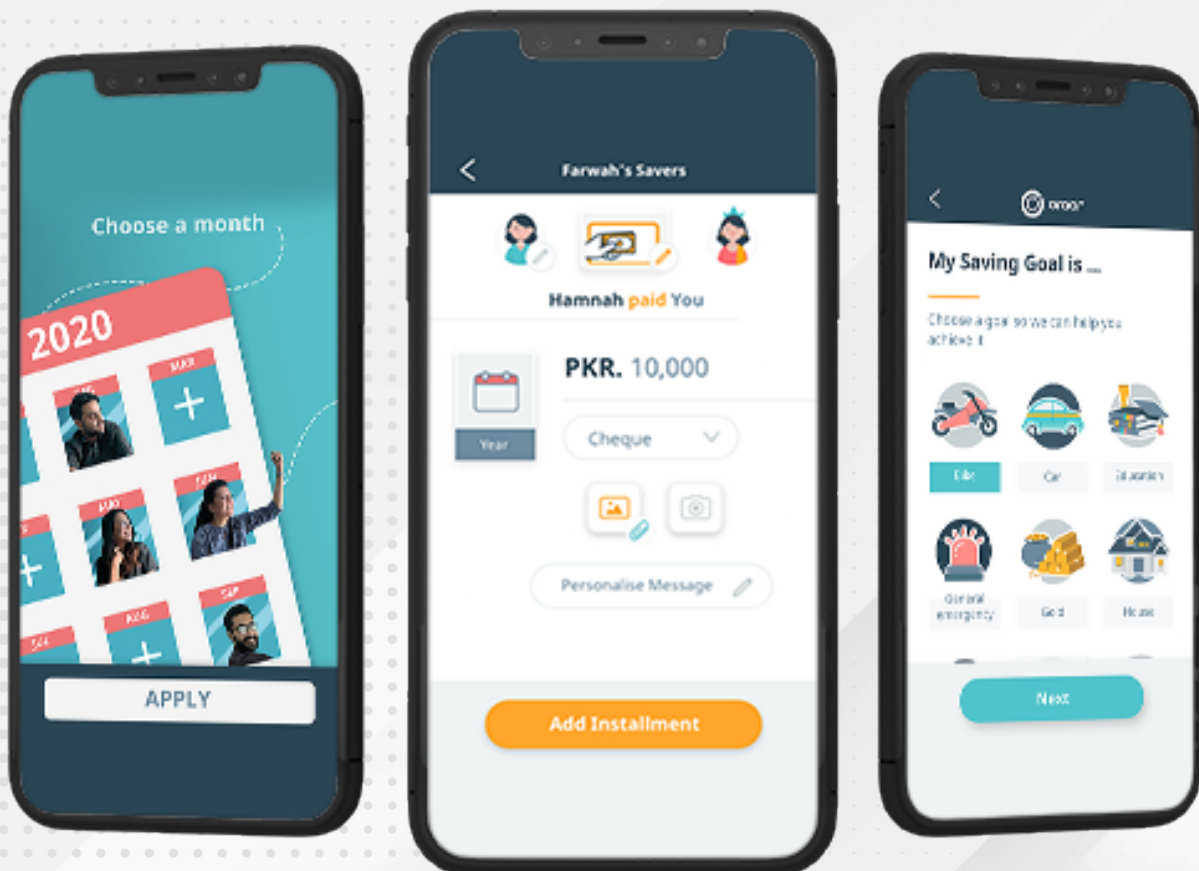
Oraan

Some organizations are providing services for digital savings for large masses, particularly for a one-time investment or event, such as weddings and cars. Oraan is a woman-led organization which provides a digital solution to one of the oldest methods of savings, known as “committees” in Pakistan.^{lii}



“First, you apply for a committee stock and get matched according to your requirements. Then, there is a verification mechanism. Then, a payment method has to be selected for which we have partnered with Easy Paisa and Jazz Cash. It also includes bank transfers and cash deposits. The Oraan App then helps you keep a track of your payments, ensuring that you get paid on time”

Halima Iqbal, CEO and Founder



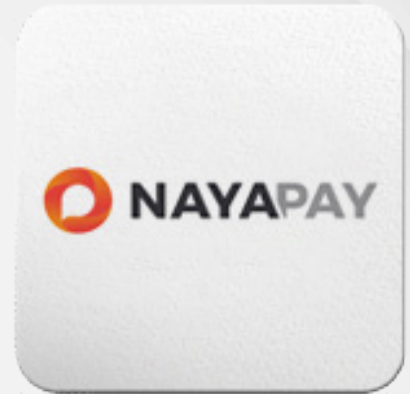
OneLoad

Owned by E-process Systems Private Limited, a subsidiary of Systems Limited, OneLoad is an aggregation platform for e-payments, mobile prepaid and bill payment services. As of 2021, OneLoad has served 25000+ retailers in 100+ cities.^{liii}



NayaPay

An Electronic Money Institution, NayaPay allows its customers to have a Visa debit card for local and international payments. In January 2021, NayaPay teamed up with Jazz in which customers are able to purchase Jazz services through the NayaPay app, which include mobile top-ups, balance checking, purchasing prepaid bundles and more. Another product, NayaPayArc, provides digital payments and financial solutions to businesses, including a POS machine, payment links, checkout buttons and platform integrations.^{liv}



FinPocket

Geared towards capital markets, Fyntros is a FinTech company whose app "FinPocket" lets users trade and invests in public listed companies and securities at Pakistan Stock Exchange. FinPocket includes Real-time price updates, real stock trading, demo trading and portfolio analysis. Through FinPocket, a wide-range of financial products are traded through the click of a button.^{lv}



CreditBook

CreditBook is a digital platform for SMEs. The ledger system provided by CreditBook helps to track payments made, pending payments and payment reminders. Through its platform, CreditBook also provides the opportunity to business owners to make their digital business cards, which can be shared for ease of business.



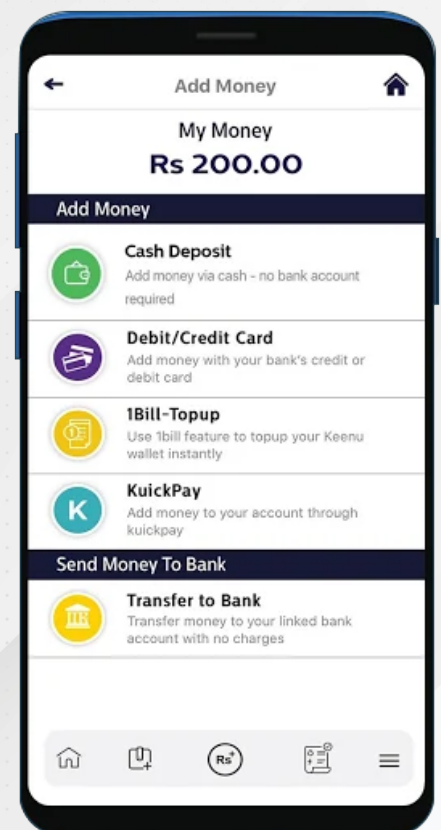
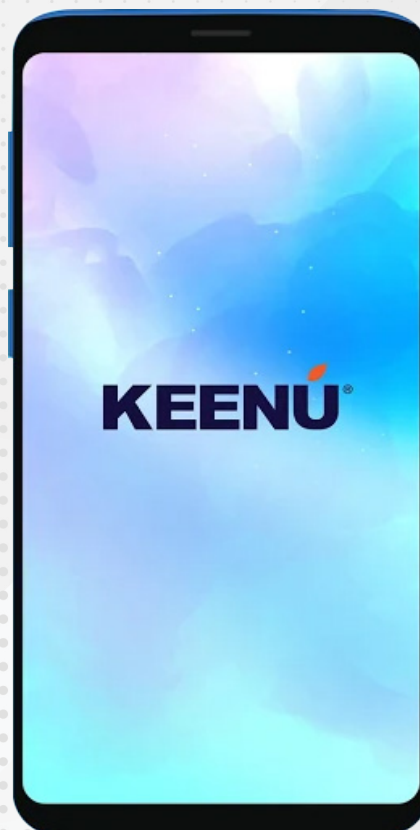
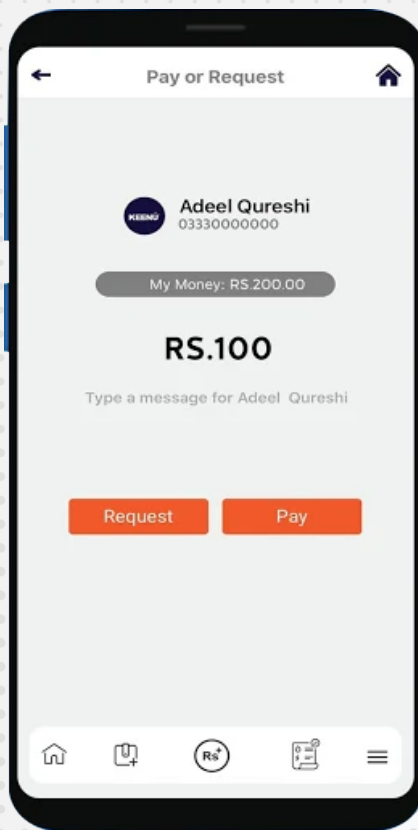
Keenu

Keenu is an Electronic Money Institution and one of the biggest FinTech companies in Pakistan. It started in 2013 and within a span of 8 years, Keenu has paved its way into the Pakistan payment landscape through its POS network which is completely contactless and spans across 100+ cities in Pakistan. Apart from POS, Keenu is also in the pilot phase of its Internet Payment Gateway and Digital Wallet. The wallet aims to provide hassle-free and quick peer-to-peer (payments), top-ups, bill payments, and online payment experience to all the consumers of Keenu.^{lvi}



The road to provide seamless payment solutions has been full of challenges, yet Keenu remains focused on innovation, security and sustainability.

Saad Niazi, COO at Keenu



Emlaak Financials

Facilitating investors by providing a wide range of investment opportunities, Emlaak Financials offers a simplified method of opening an account, allowing users to invest hassle free. Furthermore, through the dashboard, users can see their investment activity, insights and account statement.^{lvii}



Emlaak Financials is the first investment platform to offer consolidated portfolio tracking for all clients, offering a one stop shop for transparent analytics, easy digital investments and redemptions and consolidated portfolio monitoring.

Emlaak Financials

Trellis Housing Finance Limited

A housing finance company, Trellis Housing provides affordable loans to low-and middle-income households. Owing to the rapid urbanization, this platform aims to solve the housing crisis through its flagship product, Ghar Ho. Ghar Ho provides three different financing options which include Ghar Lo, to buy a home, Ghar Banao, to construct a home and Ghar Sahi, to renovate a home.^{lviii}



We're using the latest FinTech, Housing & informal economy research to address the needs of an under-served market.

Trellis Housing Finance Limited

Ypay

A digital investment application, Ypay, allows users to invest into a mutual fund, whether they are business owners or students. In 2021, Ypay was one of the top FinTech companies in Pakistan. The Ypay financial services App has been developed in collaboration with some well-known banks of Pakistan, including United Bank Limited. The App allows users to navigate through different mutual funds and invest directly through a click of a button. Ypay also offers an investor awareness program, through which free consultations are provided for promoting financial literacy in Pakistan. In January 2021, Ypay signed an agreement with NIFT, allowing users to directly invest into Ypay's mutual funds through NIFT's digital financial services platform.^{lix}



Mawazna

An insurance marketplace, Mawazna, provides insurance products and services to Pakistani customers. Different insurances offered by Mawazna include car, health, travel, Islamic and life insurance. Through Mawazna's platform, users can navigate through insurances being offered, compare between different offerings and make informed decisions. Then, through the "buy now" button, users can purchase their insurance plan online. Insurance partners at Mawazna include TPL Life, Jubilee Insurance, Habib Insurance, Pak-Qatar Family Takaful, Salaam Takaful and others. Other than insurances, Mawazna also provides personal and car loan services and the ability to compare between different loan offerings.^{lx}



FAISAL AZIZ

I had to buy a car insurance so I was searching and found Mawazna.com. I submitted my details and their team contacted me with high professionalism. They guided me very well and helped me arrange my car insurance with at the best rate.



Abhi

Karachi-based Abhi is a novel, advance salary platform that allows employees to receive their salaries in advance, based on accrued wages. Abhi has raised US\$2 million in a seed round led by Vostok Emerging Finance (VEF). The organization will use this funding to enhance their technological operations, marketing and human resource.^{lxi, lxii}



We believe financial wellness and access to credit are basic human rights, which we aim to bring to all our customers. Our goal is to digitize consumer credit, address pain points in the manual payments process and be there when consumers need us most.

Omaisr Ansari, Co-founder at Abhi

KTrade

(KASB Securities' FinTech trading app, KTrade was launched in 2019 and has more than registered 200,000 users as of 2021. KTrade is also targeting overseas Pakistani's based in the UK, United States, Canada and other areas to invest back into the country. Other customers that use KTrade include 167+ institutional investors, 10+ banks, 20+ asset managers, 10+ insurers and 20+ family offices. In 2021, KTrade raised \$4.5 million in a funding round led by Hong Kong-based TT Bond Partners, HOF Capital from New York and German investor Christian Angermayer also participated in the round.^{lxiii, lxiv}



JONATHAN BOND, MANAGING PARTNER OF TTB PARTNERS^{lxv}

Pakistan and South Asia have some of the most exciting market dynamics and demographics globally, and KTrade is well positioned to take advantage of the democratisation of finance in the region.



OPPORTUNITIES AND CHALLENGES OF THE FINTECH INDUSTRY

FinTech superheroes are striving to promote digital and financial inclusion in Pakistan, thereby promoting the economic and social development. There is an extensive opportunity for new entrants in the industry, considering that there is so much growth yet to be achieved. With the increase in internet users in Pakistan and post-pandemic pivot to digital usage, people are looking towards cashless transactions.

Although Pakistan is one of the countries to experience recession in 2021,^{xlvi} the increase in digital payment services poses an opportunity for new and existing entrants in the industry. Also, with the rise in the e-commerce industry, the need for new, innovative and improved digital payment systems is even more pressing, hence presenting huge opportunity for local as well as international players to enter the ecosystem. The need for anti-fraud and anti-money laundering initiatives to meet the SDG demands as well as allow seamless payments from retailers to consumers is also an opportunity. Moreover, interventions are needed to reduce digital fraud and ensure secure payments.

Challenges do exist in the industry however, which need to be tackled. For instance, there are several regulations such as the Electronic Funds Transfer Act of 2007, Branchless Banking Regulations, the PSO/PSP License of 2014, E-Commerce Regulations from 2018-19, and the EMI Regulations of 2019 which hinder new FinTechs from entering into the market or delay their entry. Credit Fix is a case in point, which had to strive for 8 months to get regulatory approvals done for their services.



“Getting the approvals was a great achievement. However, we cannot deny that 8 months of our precious time were wasted.”

Owais Zaidi, CreditFix

SECP’s regulatory sandbox, allowing companies to provide solutions for which regulations do not exist, is a step in the right direction, but more needs to be done to remove hurdles.



“We need more active participation in the ecosystem. Accountable organizations need to get involved. Furthermore, there is a lot of work that needs to be done in the way data is managed.”

Naureen Hyat, Co-Founder Tez Financial Services

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ABOUT THIS INDUSTRY ROUNDUP

Pakistan Software Export Board developed this paper by hiring services of an independent consulting firm to prepare this roundup on Pakistan's FinTech solutions and services sector. The paper focuses on Pakistan-based companies in this vertical and apprises the reader of the expertise available in Pakistan in the FinTech domain.

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