



HFS Hot Vendor:

Mojaloop

Coverage initiated: Q4 2022

# Introduction

The HFS Hot Vendors are an exclusive group of emerging players, each with a differentiated value proposition for the HFS OneOffice or HFS OneEcosystem. HFS analysts speak with numerous exciting startups and emerging players.

We designate a select group as HFS Hot Vendors based on their offerings' distinctiveness, ecosystem robustness, client impact, financial position, and the impact in our OneOffice and/or OneEcosystem Frameworks. The HFS Hot Vendors may not (at the time of writing) have the scale and size to be featured in our Horizons reports, but they have the vision and strategy to impact and disrupt the market.

# Open-source payment platform to connect the unbanked to the digital economy

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Banks are aggressively modernizing their payments, products, and services to provide the benefits of real-time, instant payments amid the rise of the demands for open banking. But banks and payment gateways generally serve the top 5% of the global population: credit card clients. Mojaloop Foundation is a socially responsible, open-source payment platform designed to meet the needs of those who don't have access to formal banking services.

The lack of interoperability between digital banking and mobile money services means unbanked customers must often manage without affordable, accessible, and available financial services. These services matter a lot to customers who live on two dollars a day and to micro-entrepreneurs dependent on tight cash flow management.

Moja means "one" in Swahili, a shared language among much of central, eastern, and southern Africa. Mojaloop is an open-source platform with APIs and modules to create the infrastructure to enable payments with open APIs and a transparent development design roadmap. It was started as an open-source project funded by the Bill & Melinda Gates Foundation in 2017. Large financial institutions and technology firms alike wanted to find a way to connect often rurally based, widely dispersed people and businesses to the digital economy.

The Mojaloop Foundation is funded by a mix of grants and membership fees from the Bill & Melinda Gates Foundation, The Rockefeller Foundation, Google, Ripple, Coil, and others, which play an active role in governance on the Mojaloop Foundation board. The Mojaloop open-source community has more than 1,400 community participants across 6 continents and 47 countries. The Mojaloop Foundation does not sell anything; it provides free training on the Mojaloop platform, open community events, and advocates for digital payments in emerging economies.

Mojaloop works with an ecosystem of partners and governing bodies to build capabilities to deploy the Mojaloop platform, including central banks, government agencies, and non-government agencies, such as the [UN Capital Development Fund](#) in Myanmar, to facilitate the funding of the payment infrastructure. There remains a dependency on commercial vendors and central banks to drive and fund Mojaloop technology implementation wherever it is deployed.

The technology underlying Mojaloop is currency agnostic and interoperable. Use cases include peer-to-peer, QR payments, online payments, loan repayment and loan disbursement for microfinance institutions (MFI), and third-party electronic cash transfers (beneficiary payments). Mojaloop has worked in Tanzania to set up an instant payment system and is currently working with the Monetary Authority of Singapore to facilitate a central bank digital currency for the immigrant population. It is also currently active in developing in Myanmar, the Philippines, and Rwanda.

A variety of service providers can offer enterprise-level deployment and support packages for Mojaloop's open-source technology, or operators can manage all their own implementations. This provides operators the flexibility to choose their paths and vendors. Governments and hub operators recognize the role Mojaloop plays in building economic strength in communities by solving payment challenges in developing countries. One hub operator, serving a population of 54 million, found Mojaloop was able to solve interoperability between different MFIs and fragmented wallets. Using Mojaloop, the hub operator could set a single channel between banks, MFIs, and wallets to facilitate the faster and easier remittance of money and loans between the parties.

## HFS' take

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HFS has designated Mojaloop an HFS OneOffice/OneEcosystem Hot Vendor for its ecosystem-building approach to solving payment challenges in developing nations. Since it is an open-source platform, the members are the clients and key facilitators contributing technology, integration, and funding to support the widespread application of the platform and ultimately connecting underserved constituents to the digital economy.

The growth of Mojaloop is dependent on growth in commercial and government financial support. Many developing countries have the desire to develop digital payment infrastructures but lack the resources. HFS trusts that our identification of Mojaloop as a Hot Vendor will inspire additional interest and sponsorship to help fund initiatives and encourage the growth of its active open-source community.

## Vendor factsheet

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- **Headquartered:** Wakefield, Mass.
- **Key executives:** Paula Hunter, Executive Director
- **Notable members:** Sponsor-level members include The Bill & Melinda Gates Foundation, Coil, Google, MAS, Ripple, and The Rockefeller Foundation. Promoter-level members include Gioridigital, INFITX, Red Compass Labs, and Sybrin.
- **Solution portfolio**
  - The Mojaloop Foundation's open-source software, Mojaloop, is a free, open-source, instant-payments software optimized for developing economies. Mojaloop's toolkit, training guide, community, and technical

expertise enable central banks, hub operators, system integrators, and other financial organizations to build a connected, inclusive digital economy. The Foundation creates opportunities for the financially underserved and grows the customer base for the financial institutions and businesses that serve them.

- **Industry coverage**
  - Financial services
- **Partnerships**
  - Open-source community, service providers such as RedCompass Labs, Infitix, Digital Frontiers, Sybrin, Giori Digital



# About HFS

Insight. Inspiration. Impact.

HFS is a unique analyst organization that combines deep visionary expertise with rapid demand-side analysis of the Global 2000. Its outlook for the future is admired across the global technology and business operations industries. Its analysts are respected for their no-nonsense insights based on demand-side data and engagements with industry practitioners.

HFS Research introduced the world to terms such as “RPA” (Robotic Process Automation) in 2012 and more recently, Digital OneOffice™ and OneEcosystem™. The HFS mission is to provide visionary insight into the major innovations impacting business operations such as Automation and Process Intelligence, Blockchain, the Metaverse and Web3. HFS has deep business practices across all key industries, IT and business services, sustainability and engineering.

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