2019

Payment & Clearing Systems

End of Year Report Summary

JOPACC
WE INNOVATE & CONNECT DIGITAL PAYMENTS

Electronic Cheque Clearing

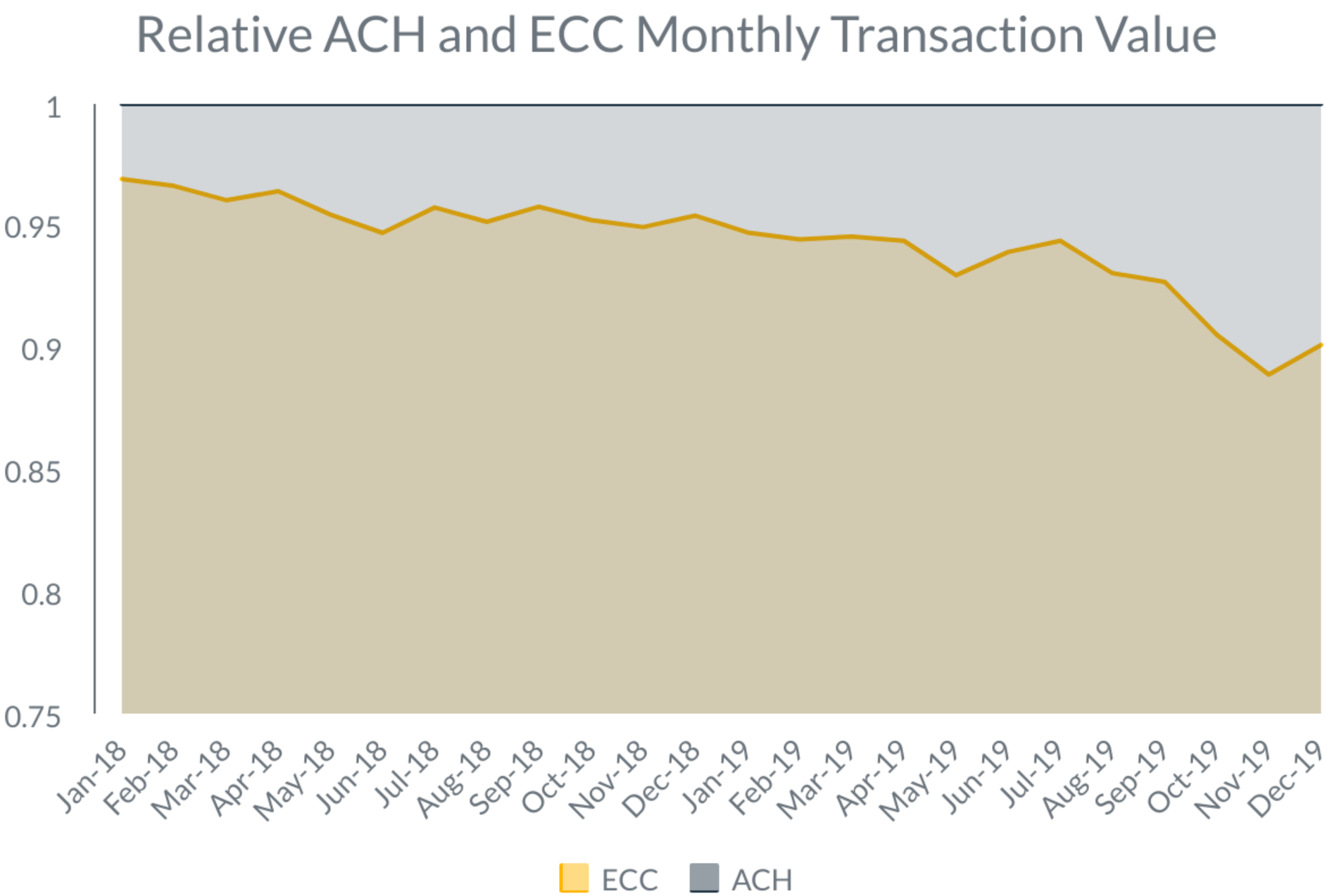


Figure 1: The ACH and ECC's percentage share of the large value transaction market from 2018-2019

95%

2018

90%

2019

In 2019, the ACH captured more of ECC's transaction market share (of high value payments) as is evident in Figure 1. In 2018, the ECC had approximately 95%, which went down to 90% at the end of 2019. Given the large value of ECC transactions, this is a significant change, and an indicates an increase in uptake of digital payments by corporate clients.

The ECC is a mature system, where it no longer experiences growth. Figure 2 shows the number of cheques processed through the ECC in 2019 as compared to 2018. A *slight* decrease between 2018 and 2019 is evident through the trendlines included.

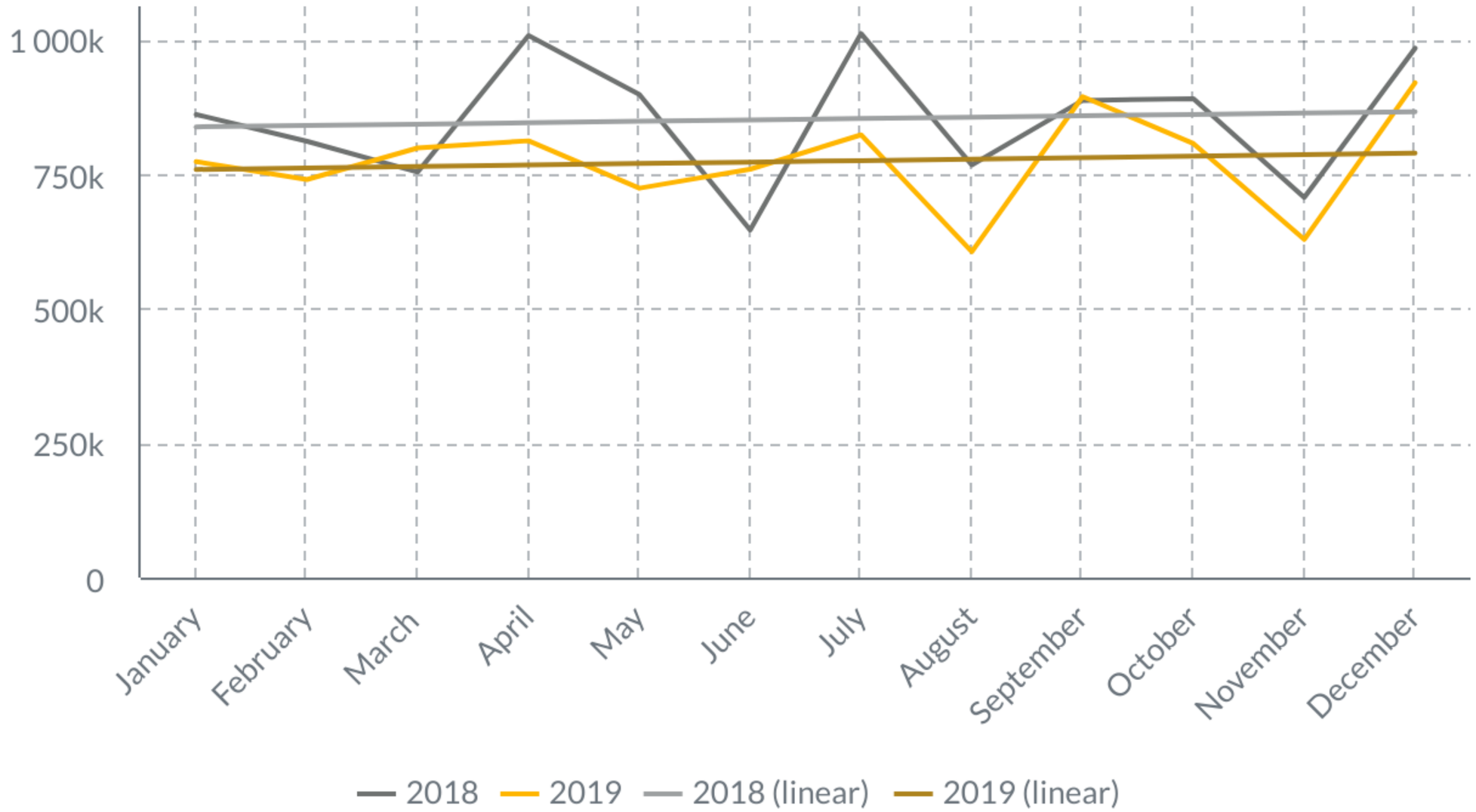


Figure 2: The monthly total number of cheques processed through the ECC for the years 2018 and 2019, with the trendline for each.

The average value per cheque in 2018 did not significantly differ from that of 2019 (Figure 3). The average value per cheque fluctuates very slightly between JOD 4,000 and JOD 5,000, which is relatively much higher than the average transaction size on the ACH (as discussed below).

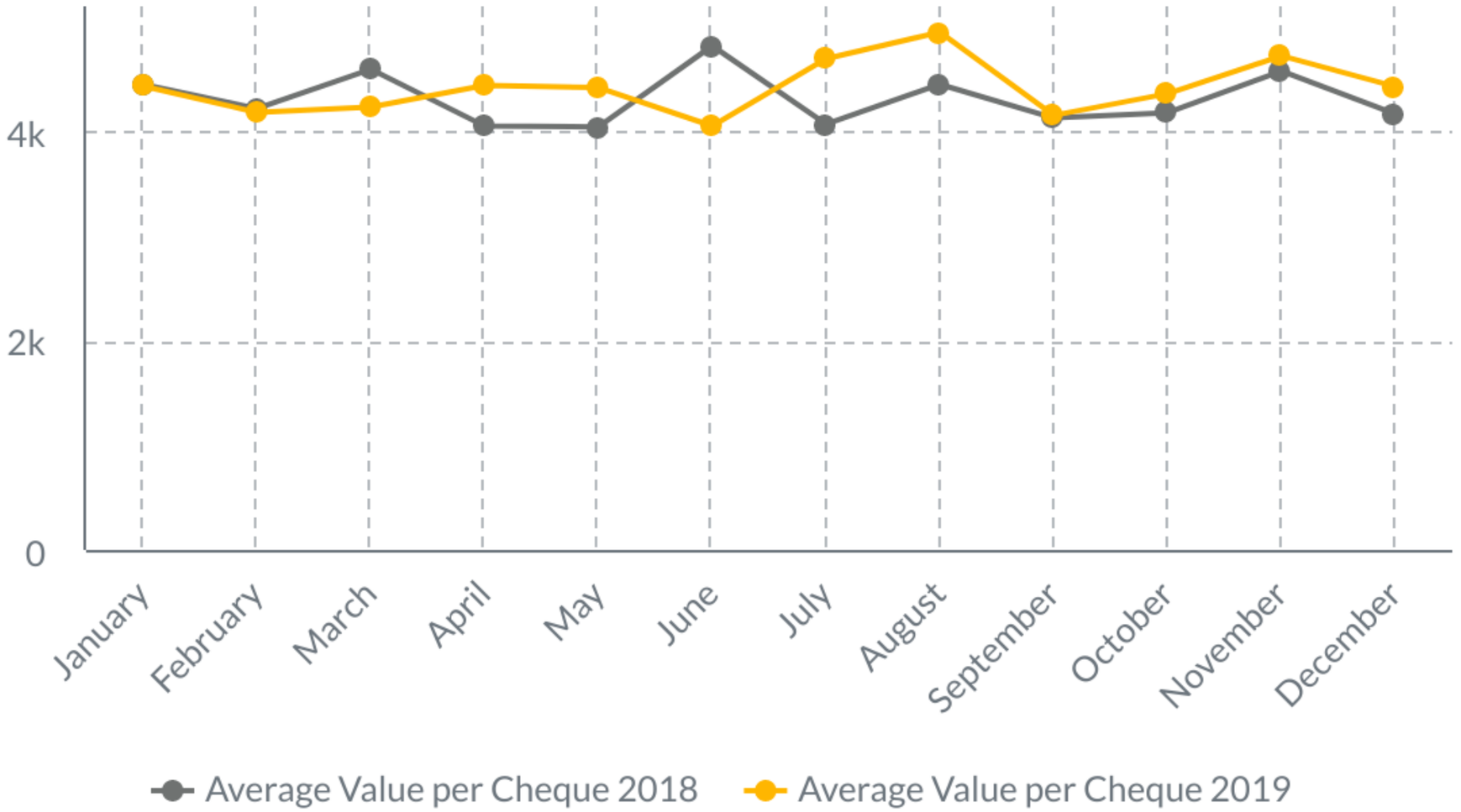


Figure 3: The average value per cheques processed through the ECC for the years 2018 and 2019.

Automated Clearing House

The monthly number of transactions on the ACH continues to grow (figure 4). This is highlighted by a large spike in growth in September 2019, where by December 2019 the number of monthly transactions on the ACH more than doubled.

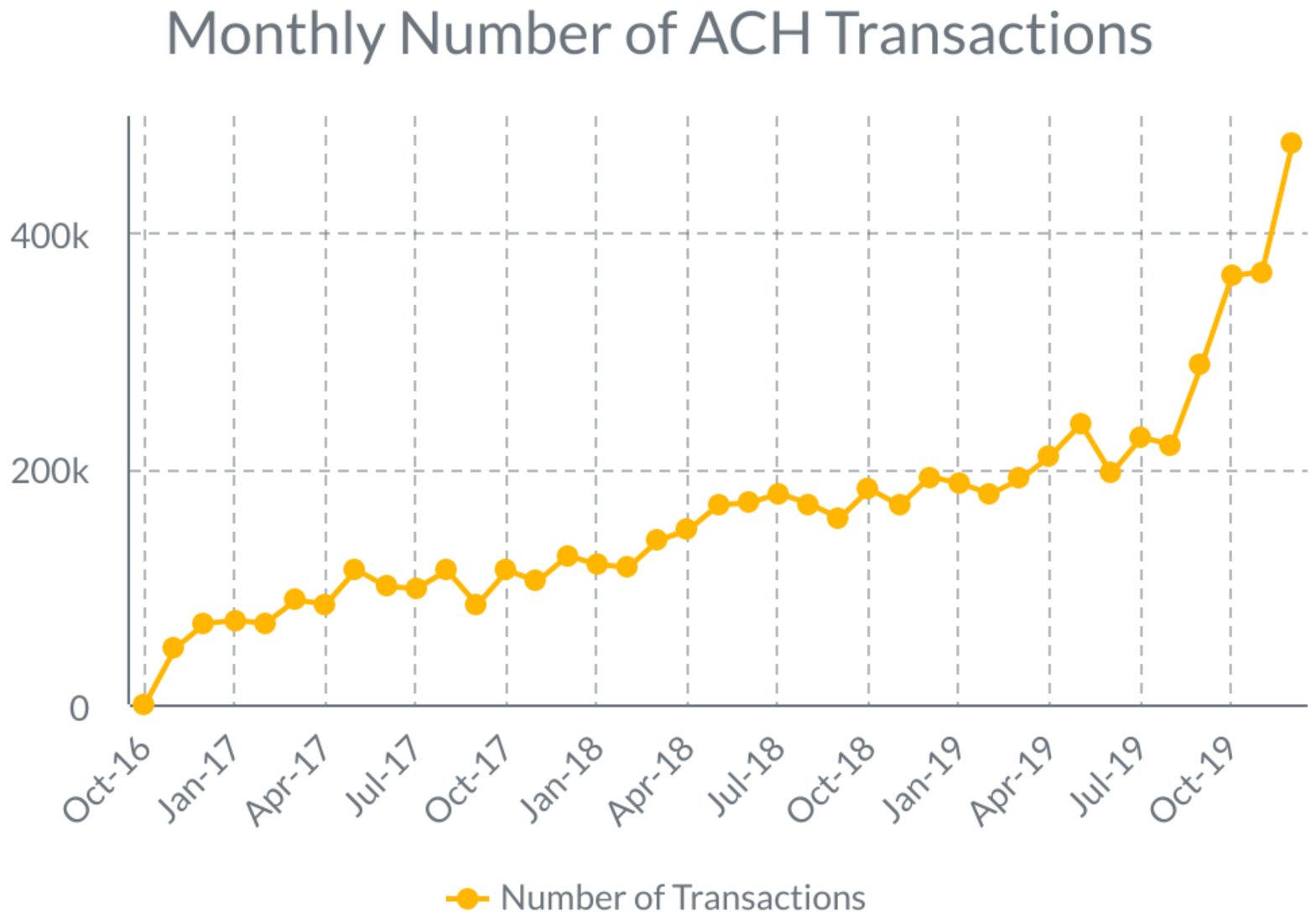


Figure 4: The volume of transactions taking place on the ACH from 2016 to 2019

The average transaction size on the ACH experienced a significant drop (figure 5) as a result of the increase in transaction number shown in figure 4. This brough the ACH's average transaction size to JOD 939 in December 2019. This is a clear indication of a pressing market need for a low-value high frequency payment system.

Average Transaction Size on ACH

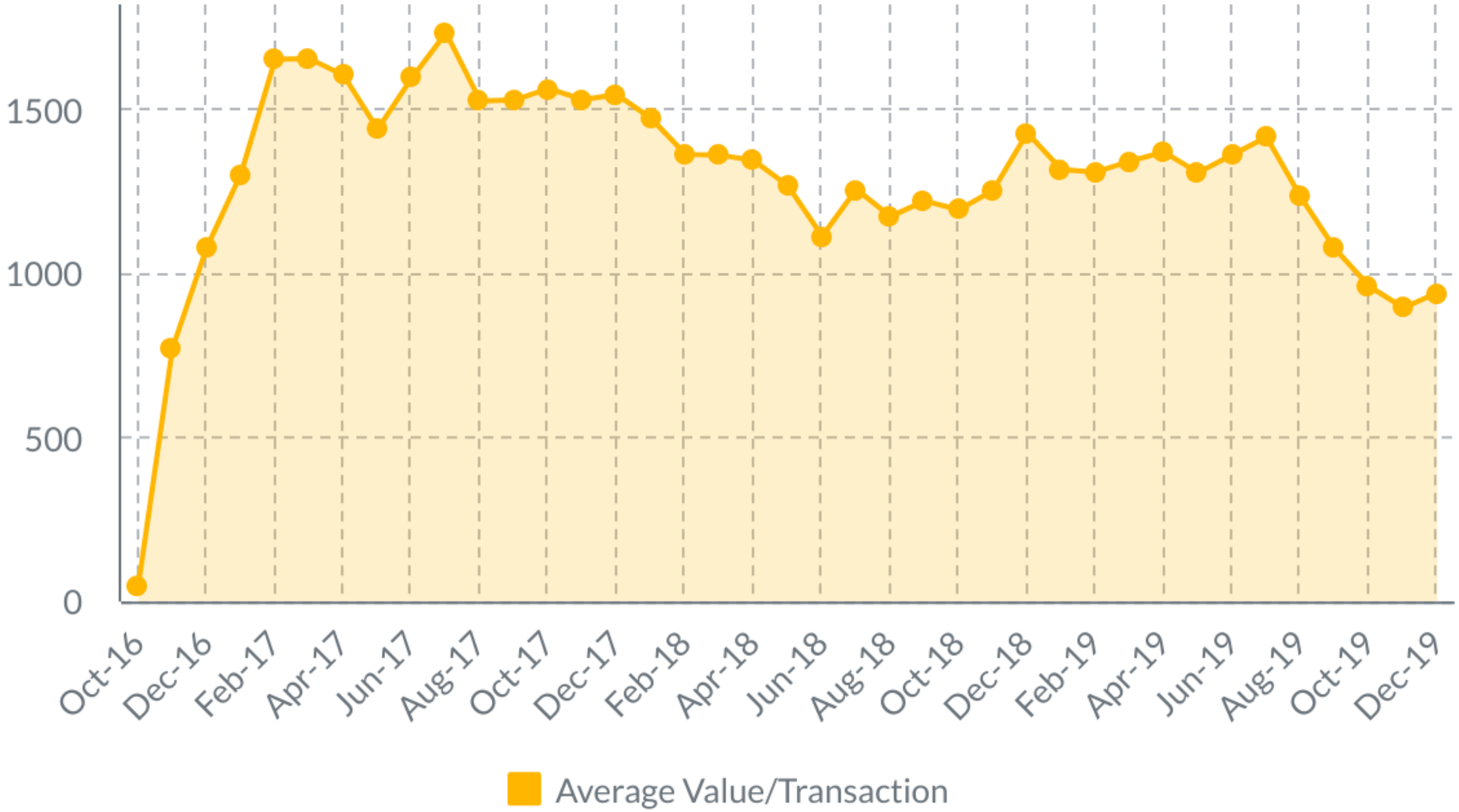
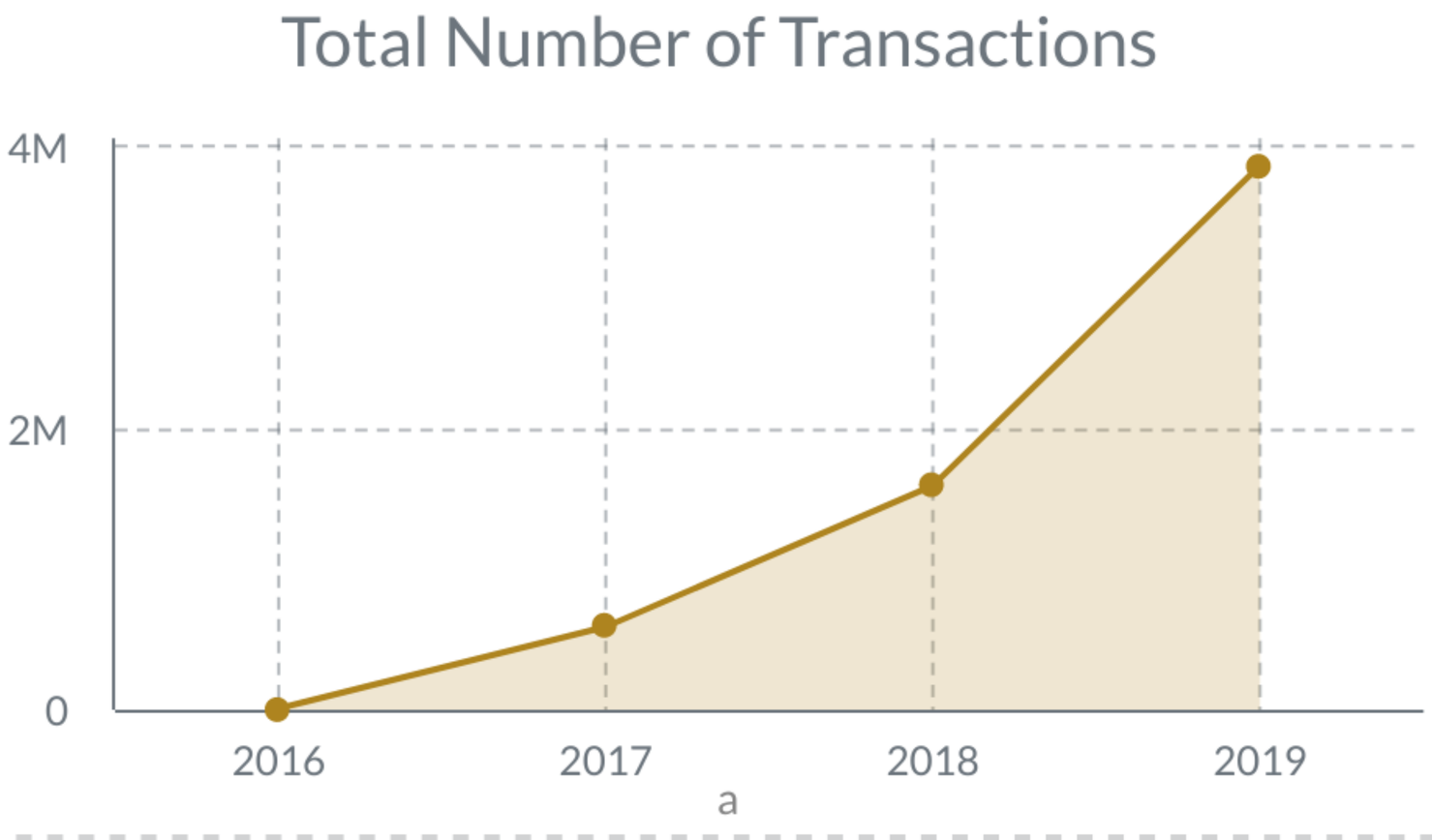


Figure 5: The average transaction size on the ACH from 2016 to 2019 (in JOD)

JoMoPay



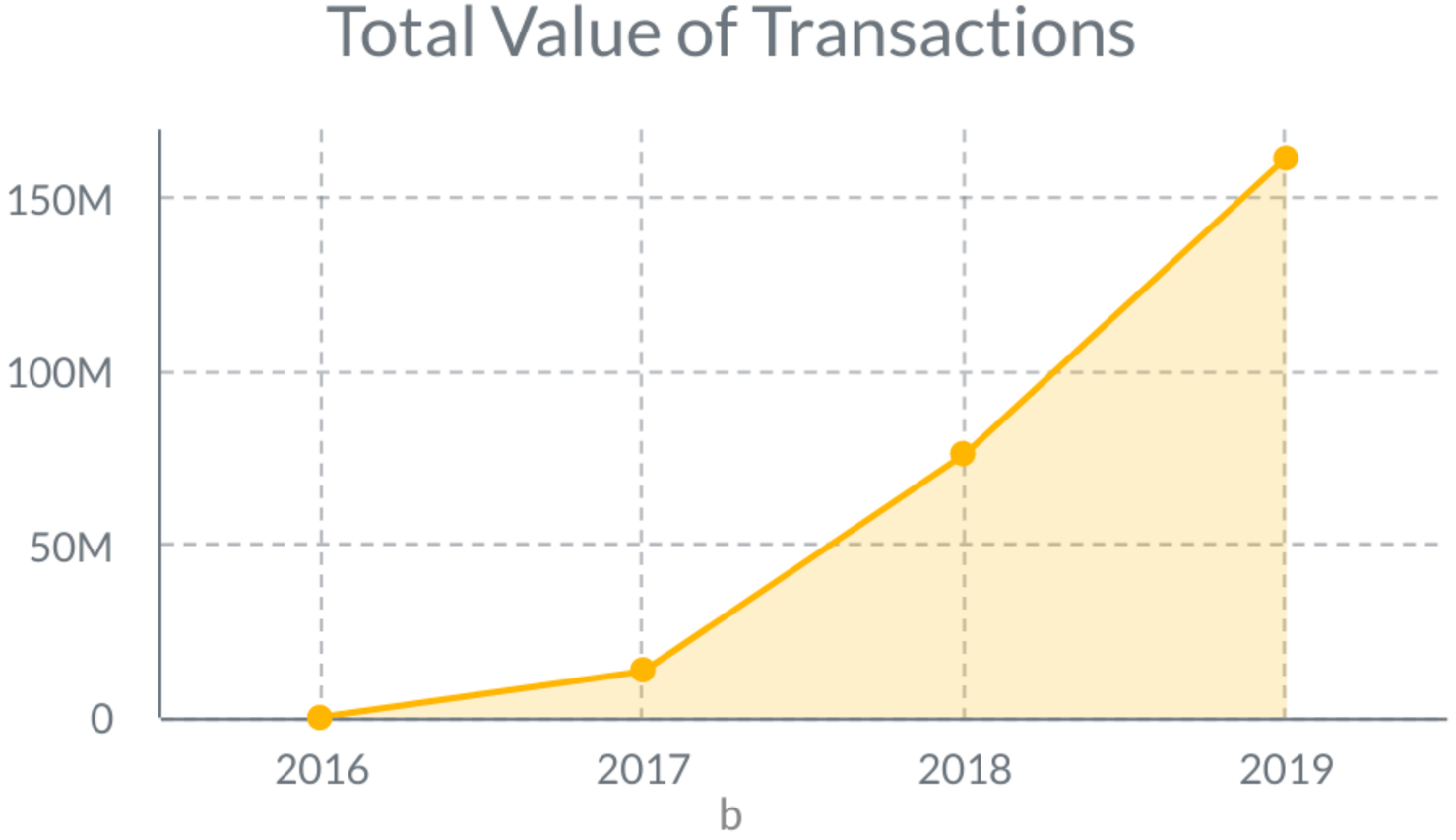


Figure 6: a) the total annual value of transactions taking place on JoMoPay
b) the total annual number of transactions taking place on JoMoPay

Transactions on the JoMoPay are experiencing exponential growth (figure 6), both in terms of value and volume. Figure 6 shows this trend, where the total transaction value reached JOD 161.3 million, and the total transaction number 3.85 million transactions.

Figure 7 shows the value of money going into the JoMoPay system against the value of the money going out of the JoMoPay system. The difference between the two is increasing significantly, while maintaining the balance between the two, indicating that the growth of usage on the system is taking place in a healthy, stable manner.

Cash Going in and out of the System and the difference between them

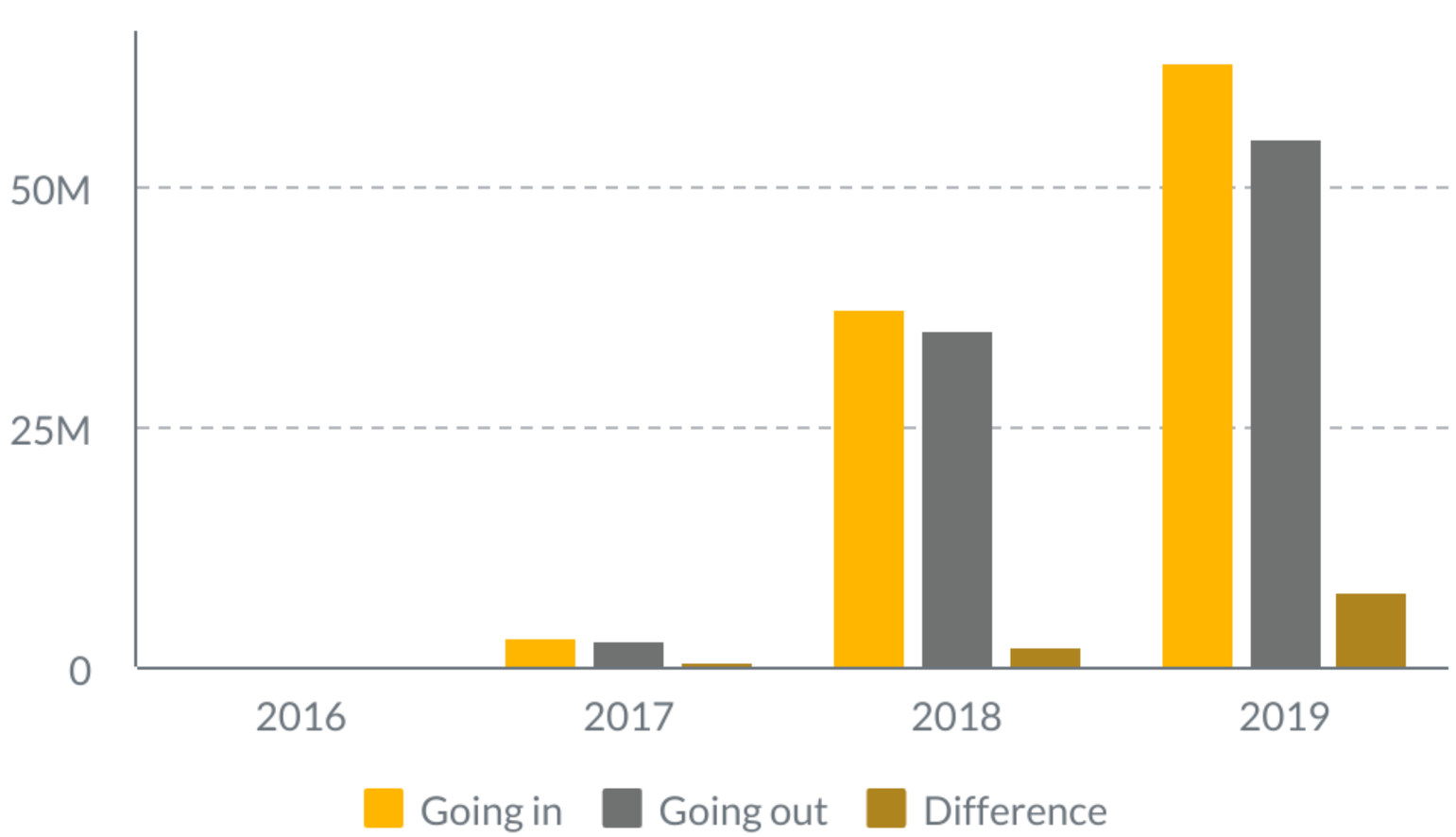
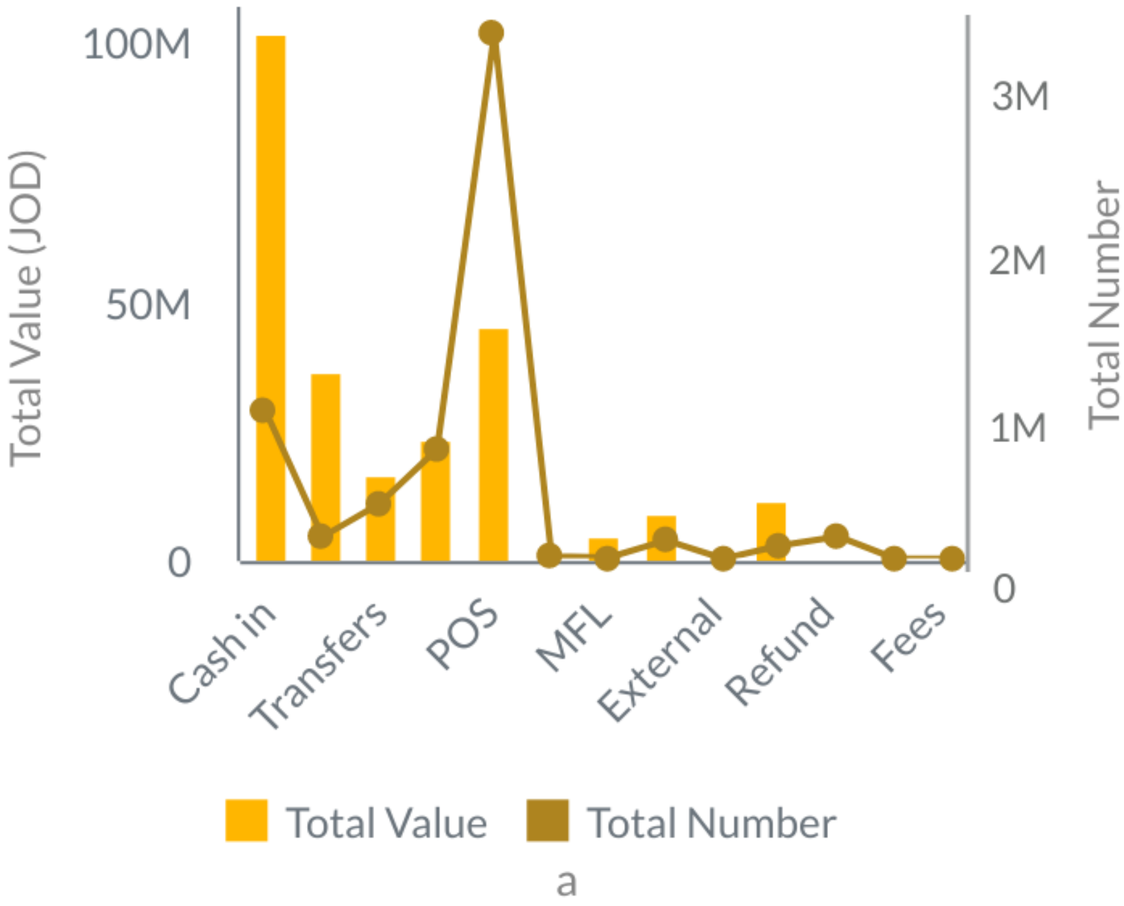


Figure 7: The money going in and going out of the system as well as the difference between them

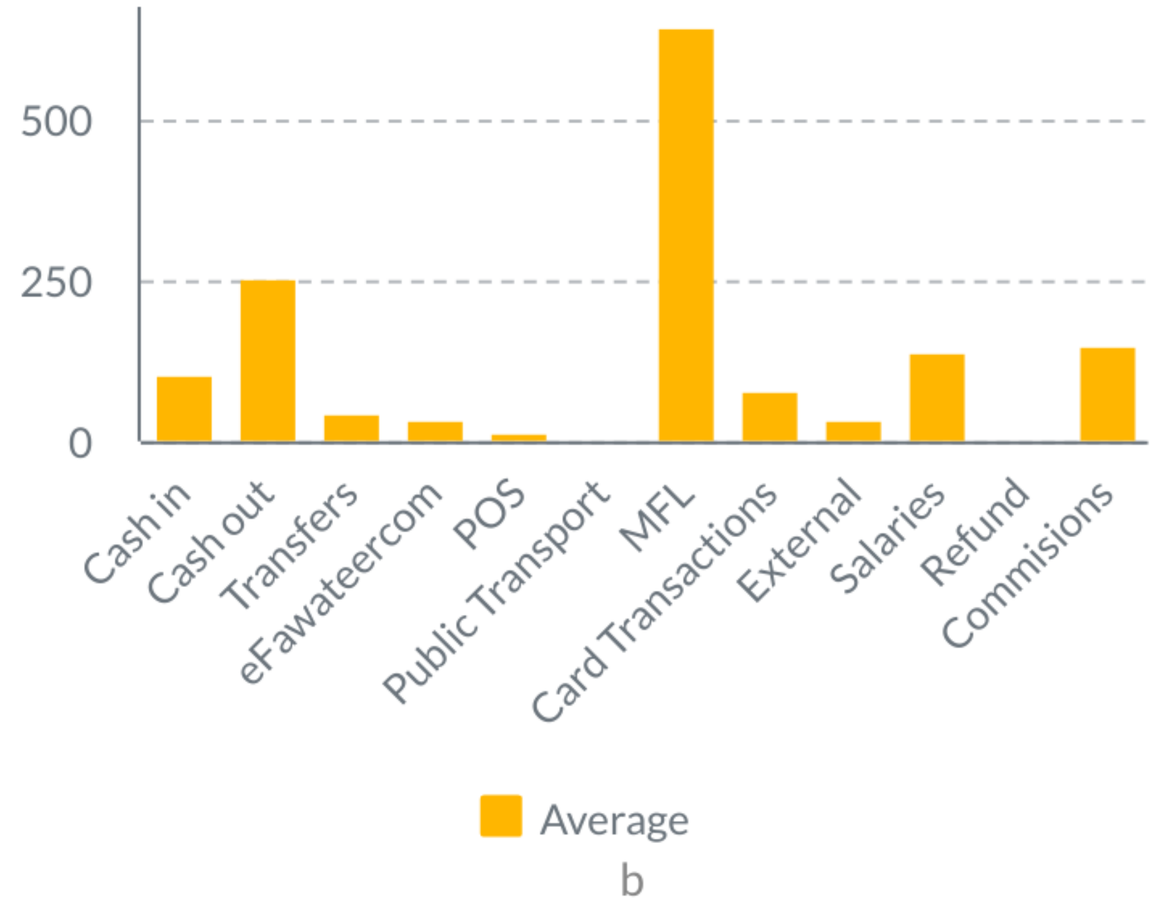
Figure 8 shows the transaction value and the transaction volume by transaction type on the JoMoPay system. Cash ins are the highest in terms of value, and POS transactions are the highest in terms of volume. The average cash out is higher than the average cash in. Microfinance loans are the highest average value per transaction, however they remain low in terms of volume and value.

Total Transactions Value Compared with No. of Transactions by Type of Transaction



a

Average Value per Transaction by Type of Transaction



b

Figure 8: a) total transaction value contrasted with number of transactions by transaction type
b) the average value per transaction by type of transaction


FAWATEERcom
eFAWATEERcom

Figure 9 shows the total number of transactions taking place on eFAWATEERcom, which is gradually growing. The monthly number of transactions peaked on eFAWATEERcom in September 2019, where it reached 1,436,697 transactions.

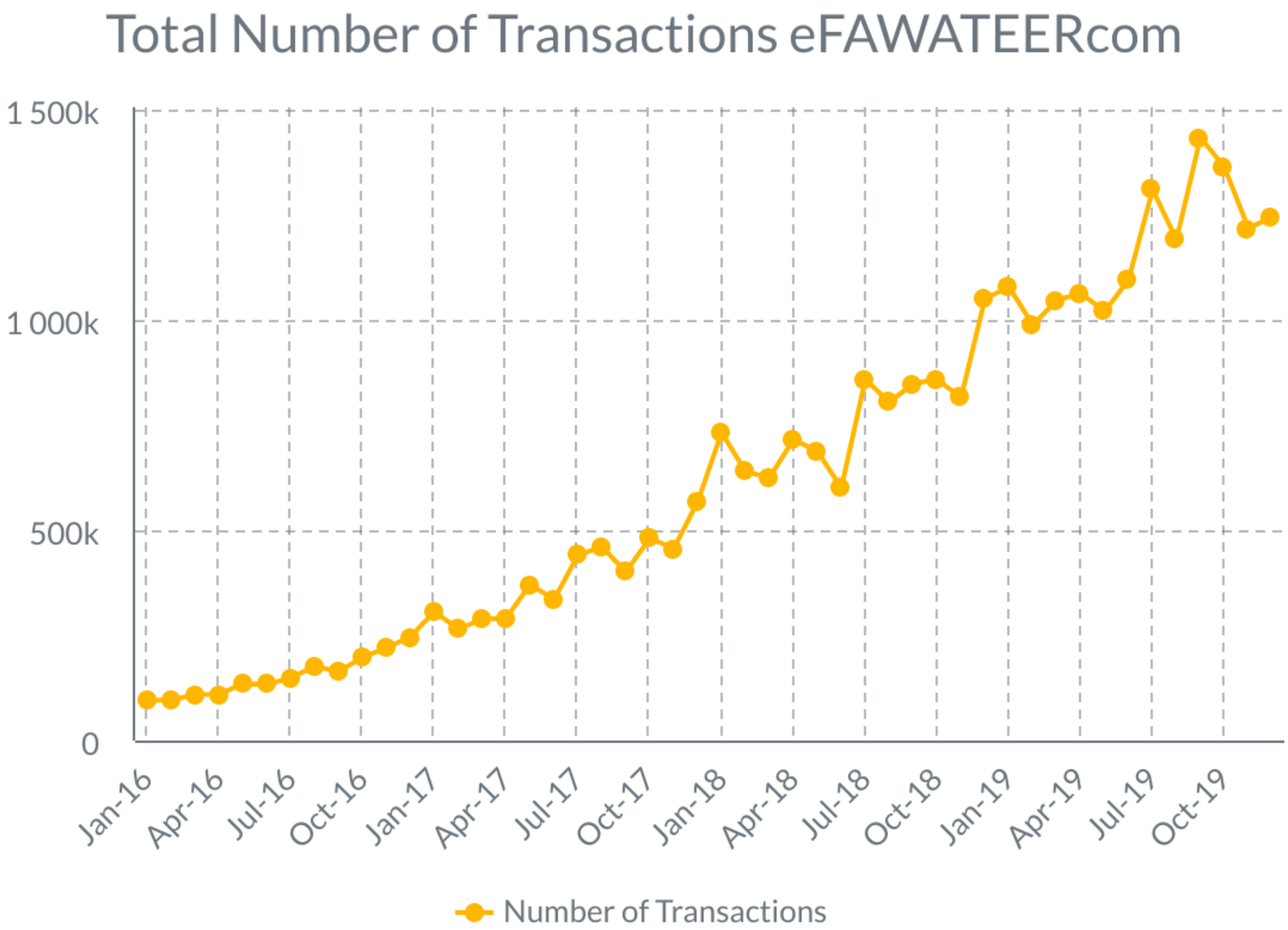


Figure 9: total transactions taking place on eFAWATEERcom from 2016-2019.

Figure 10 shows the percentage of annual transactions on eFAWATEERcom by sector type. This figure shows a high concentration of usage by sector on eFAWATEERcom, where in 2019 Government (26.9%), Telecommunication (35.7%), and Water and Electricity (26.1%) amounted for 88.7% of transactions taking place on the system.

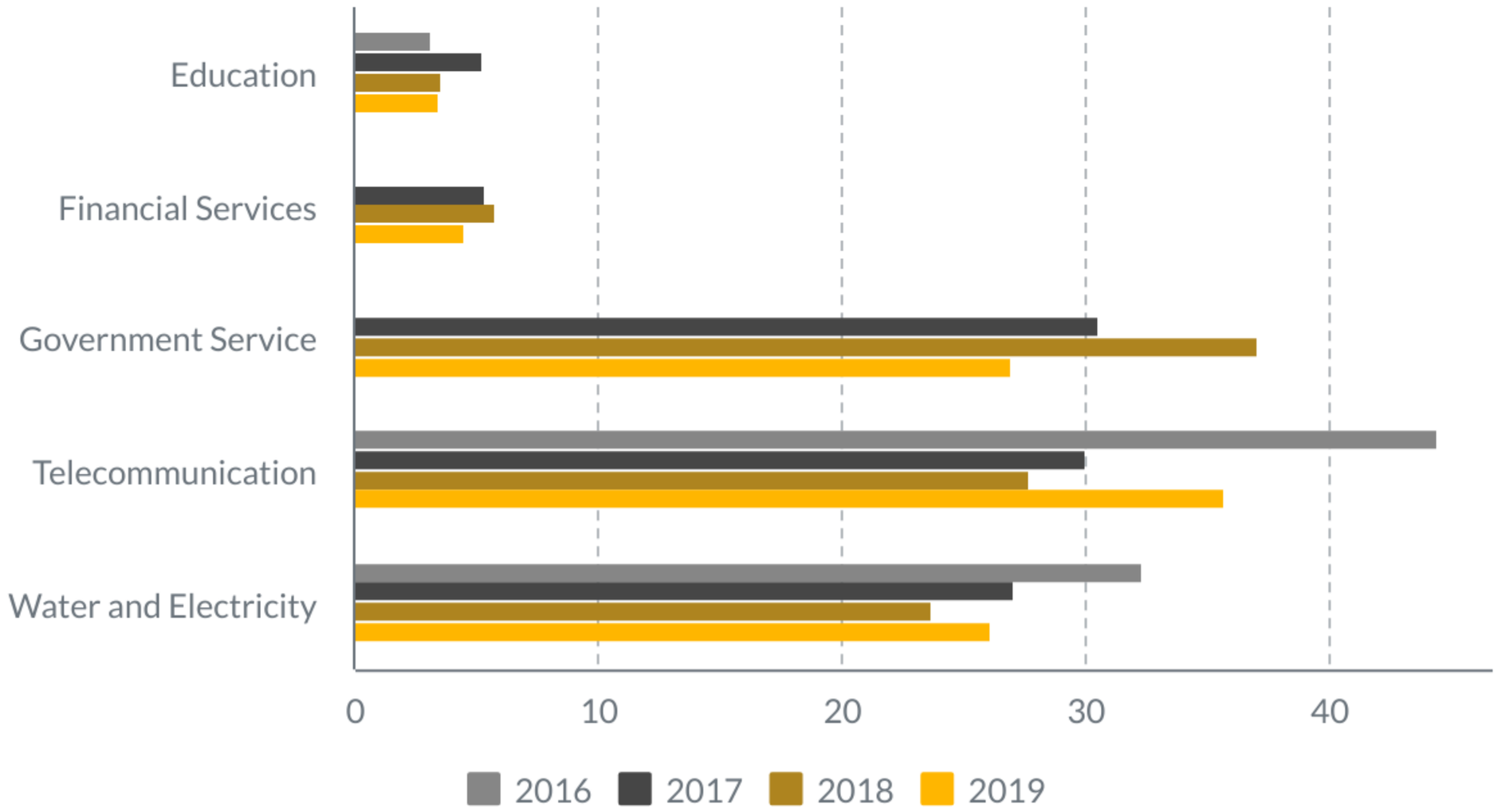


Figure 10: annual percentage of each transaction type by total percentage type on eFAWATEERcom.

Following an observation indicating that the rate of cash-based payments are increasing at a higher velocity than digital payments at the end of 2018, this trend appears to be receding (figure 11), where the rate of digital payments increased at a higher rate than cash based payments. In December 2019, there were 2.25 transactions made digitally for every cash based transaction, as opposed to 1.7 digital payments for each cash based payment in January 2019.

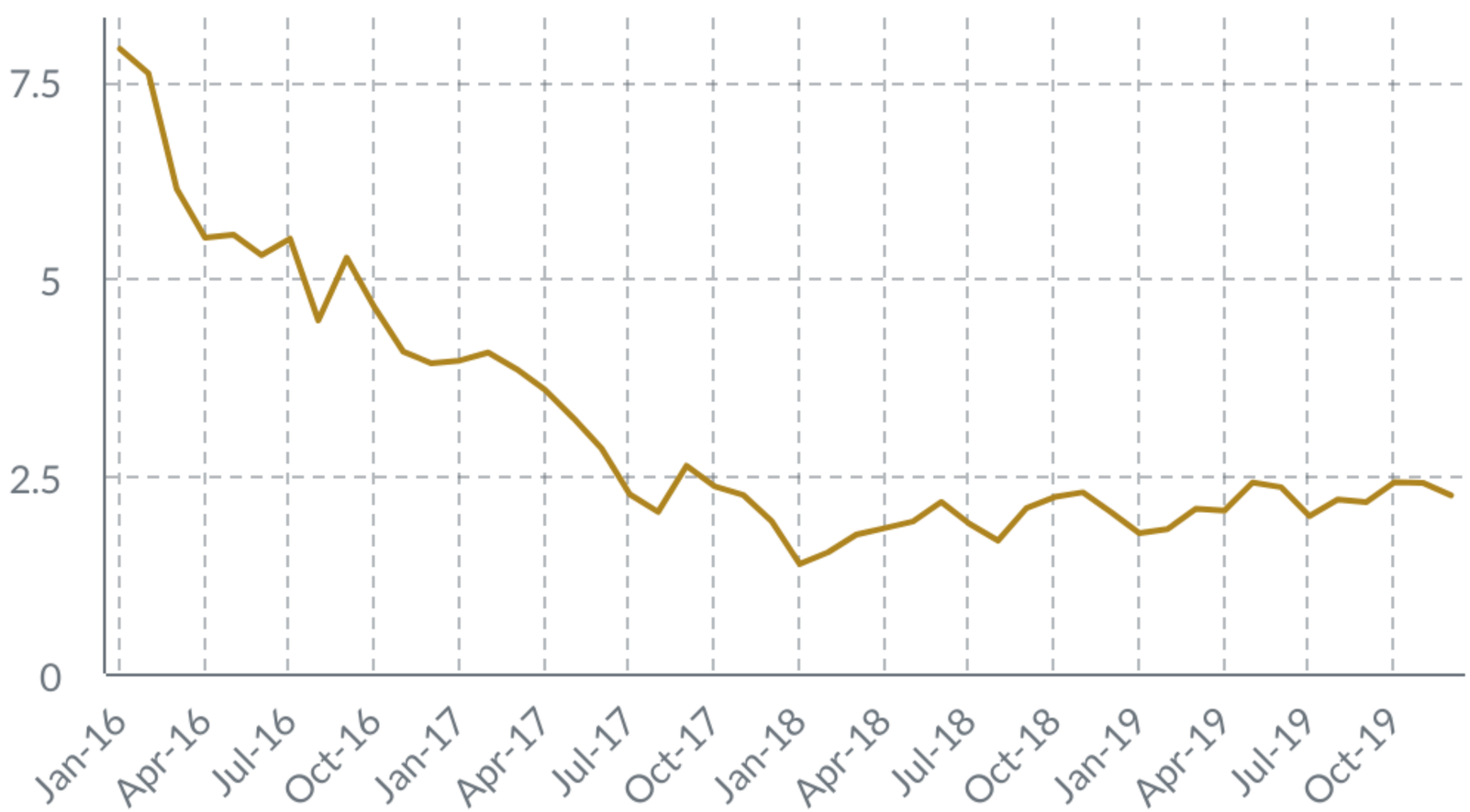
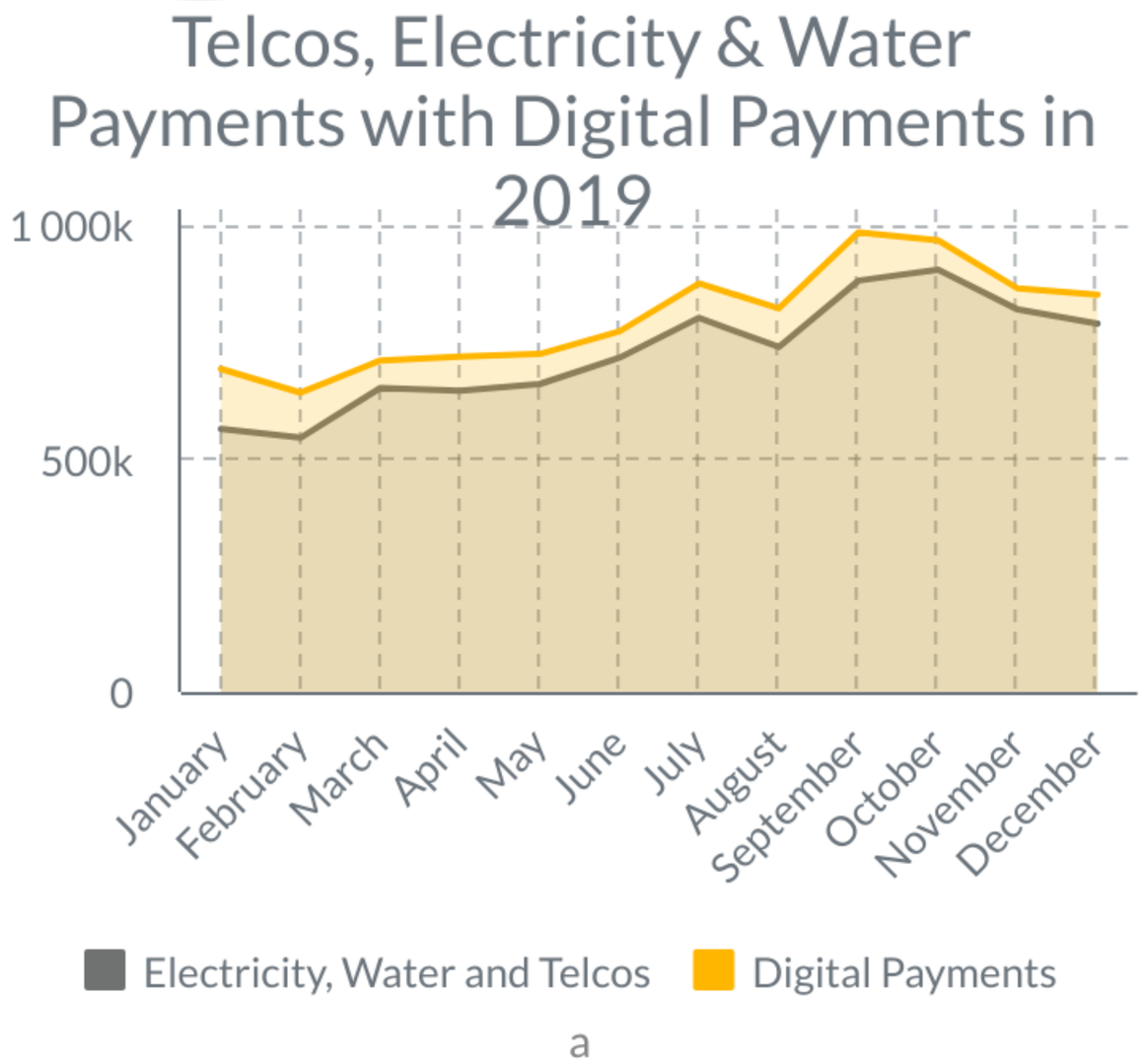


Figure 11: the ratio of digital to cash payments on eFAWATEERcom since 2016

Figure 12 shows a strong correlation between Cash transactions and Government payments (fig. 12a), and a strong correlation between digital transactions and Electricity, water and telecommunication payments. This is a symptom if the high concentration on the platform, and is a driver of the cash vs digital trends on the platform.



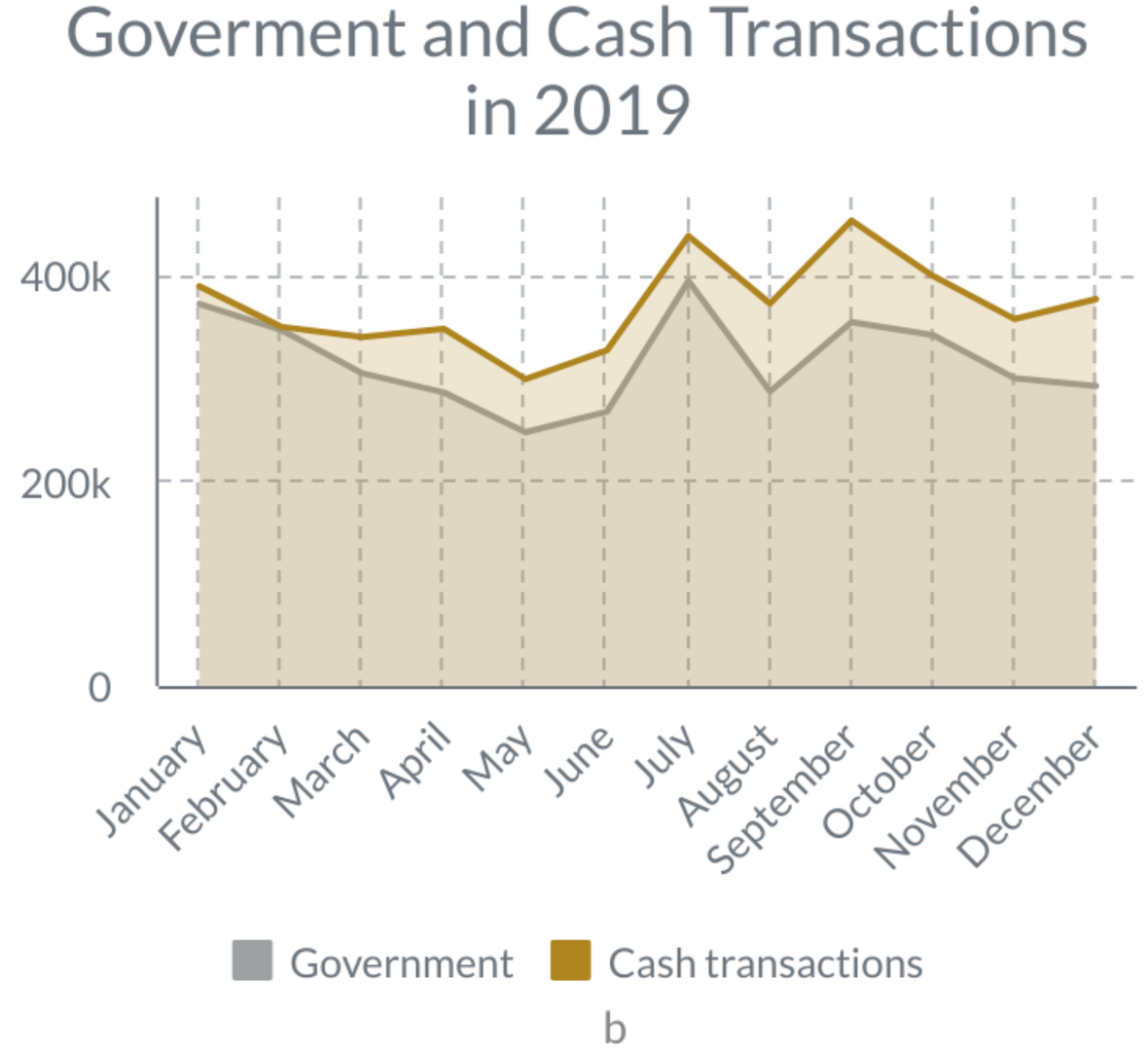


Figure 12: a) government type total transaction value in comparison with cash payments on eFAWATEERcom
b) Electricity, water and telecommunication total transaction value in comparison with digital payments on eFAWATEERcom for the year 2019