



The problem areas listed below are for the reference of the applicants which shall be used to build their solutions. The solutions may belong but may not be limited to the following:

S.N	Streams	Problem Brief	Description
1	Lending	Improving underwriting models & credit scoring through non-traditional data sources	Existing credit underwriting models do not leverage new sources of qualitative and quantitative information. In addition, SMEs face challenges in credit evaluation as they do not have necessary audited financial statements. How can we improve and refine existing underwriting models and credit scoring for individuals and SMEs that leverage non-traditional qualitative and quantitative data sources?
2	Interoperability	Platform for merging rewards points from multiple merchants	Consumers need to manage multiple reward programmes. How do we build a platform that would merge loyalty rewards from multiple merchants and enable cross redemption of rewards points from different merchants in order to streamline reward program management for customers?

Problem areas| Fintech Disrupt Challenge 2018 | Karandaaz Pakistan

3	Insurtech	Using wearables to customize life & general insurance coverage	Insurers have traditionally based their underwriting and pricing principles on a limited number of variables. How do we leverage emerging technologies such as wearables to build a "pay-as-you-live" ecosystem that would provide personalised premium ratings based on the data collected to customise life and general insurance coverage?
4	Insurtech	Personalizing and pricing models through historical medical records and real time data	How can insurers effectively capture and analyse a customer's historic medical records and real-time health data to design personalised insurance products and new pricing models?
5	Insurtech	Developing smart car insurance based on driver profiles and risk scoring algorithms	How do we develop a smart car insurance product that would capture various sources of data to generate driver profiles and risk scoring algorithms? This could enable car insurers to develop alternative car insurance products (pay when you drive, per mile, per journey) and provide incident related services such as claims automation.
6	Consumer/Retail Banking	Enabling females & women entrepreneurs in accessing formal banking in an easy and secure manner	Females and women entrepreneurs face additional challenges in accessing formal banking and products due to social pressure, information privacy concerns and not having requisite documentation or collateral. How can we help this large segment of Pakistan gain access to formal financial products and services?
7	Consumer/Retail Banking	Using FI data and social media data for personalized products and improving customer journey	How can customer's data with FI's be used in tandem with additional datasets like social media profile to offer more relevant products and improve/personalize the customer journey
8	Interoperability	Provisioning unified platform & interface for manage and operate accounts across FIs	There is currently no application that allows a person to manage and consolidate accounts across different financial institutions. How can we help our customers seamlessly manage and consolidate their finances across financial institutions through a single platform and interface?
9	Consumer/Retail Banking	Increasing accessibility to online/digital banking while addressing literacy and cost challenges	Challenged by low literacy rates, clustered settlements and high cost of servicing through conventional channels, how can we increase the accessibility of online/digital banking?
10	Payments	Introduction of pull IBFT to enhance transaction volumes	How can we introduce pull IBFT while addressing concerns of reduction in deposits and avoid multiple taxation?
11	Consumer/Retail Banking	International remittance solutions offering faster and more economical transactions	How can the time and cost of international remittances be reduced as compared to the current options like SWIFT network based transactions?
12	Payments	Improving the uptake of online payments between buyers & sellers in a cost effective manner	There is no direct solution to address routine micro payments to merchants & little incentive is present in the available solutions to be adopted by the merchants and user on top of the concern of having to pay more taxes. How can we improve the uptake of online payments between buyers & sellers in a cost effective manner across all accounts?
13	Consumer/Retail Banking	Improving financial literacy across segments at strategic points	Financial literacy is generally very poor across Pakistan. How can we provide financial literacy for different demographic and psychographic segments in a creative, engaging way at strategic points?

Problem areas | Fintech Disrupt Challenge 2018 | Karandaz Pakistan

14	Consumer/Retail Banking	Making pension collection seamless and convenient in a secure manner	One of the biggest challenge for senior citizens is the cumbersome documentation and collection of their pensions. How can we make this process seamless and convenient in a cost effective and secure manner?
15	Regtech	Using customer behaviour to detect and forecast potential fraud	Financial institutions need to optimise transactional monitoring and identify deliberate misconduct. How can we utilise customer behaviour and other tell-tale signs to detect and forecast potentially fraudulent behaviour during on boarding and servicing?
16	Regtech	Increasing digital adoption of micro-payments while addressing tax concerns of small merchants	Businesses such as dairy and daily grocery do not rely on digital means of making transactions. It also makes it challenging for regulators to track their earnings and calculate taxes. How do we create a solution to solve these issues without the need for costly infrastructure?
17	Payments	Offering direct debit for monthly bills/payments	Customers have routine monthly payments like utility bills for which repetitive effort is required. How can we offer them the option of making such routine payments with variable amounts through direct debit?
18	Consumer/Retail Banking	Increasing scale and reach of Islamic Banking products	Despite being in demand by masses, Islamic banking has limited reach beyond cities. Most branchless banking initiatives are moving towards conventional financial products which are resisted due to religious regions. How can we enhance the reach and scale of Islamic banking products?
19	Regtech	Reducing the tedious sign-up and documentation processes impeding growth of Islamic Financial services	Islamic banking despite being a preference, is challenged with extensive documentation for providers as well as customers. How can the barrier to entry for providers and customers be reduced to scale up the uptake of Islamic Banking products?
20	Regtech	Increasing adoption of digital currency by addressing perception of high taxation	Fear of taxation is identified as a major contributor towards resistance in using FIs for transactions, despite cases where large cash transactions pose a higher risk and cost as well (at times). How can we increase adoption of digital currency and transactions while addressing this challenge in perception?
21	Lending	Introduction of alternative credit scoring for lending to unbanked population	Financial inclusion and credit offering is challenging, especially in markets where there is poor or limited information about a customer's credit worthiness. Even for banked customers, there are limited credit agencies in Pakistan. How can we enable institutions to offer banking solutions, based on alternative credit scoring, to people that do not currently have access to basic financial services?
22	Lending	Risk assessment system for SMEs/female entrepreneurs seeking to delivery against sustainability development goals i.e. renewable energy, etc.	Small and medium sized businesses can provide many of the solutions needed for delivery on the sustainable development goals such as renewable energy, but many do not qualify for loans. How can we build a risk assessment system that effectively demonstrates creditworthiness of small and medium sized entrepreneurs?
23	Consumer/Retail Banking	Provision of financial advisory for banking customers	Financial advisory is not readily available to customers either due to limited emphasis by FIs or lack of awareness on part of the customers. How can make is easy for customers to get effect financial advisory?
24	Consumer/Retail Banking	Eliminating repetitive submission of documentation for signing up for banking products and services	For every credit facility the customer has to go through the same cumbersome process filling and submitting the same forms with the same documentation. This is not only a challenge to the customer but also adds to overheads at financial institutions. How can we reduce this overhead across the value chain and simplify the process for customers with documentation already available or through alternative data sources?

Problem areas| Fintech Disrupt Challenge 2018 | Karandaz Pakistan

25	Mobile wallets	Offering differentiated services promoting a mobile centric lifestyle	Mobile wallet products are very much the same across providers. How can we offer differentiated set of services and experiences promoting a mobile centric lifestyle?
26	Mobile wallets	Increasing balances & usage of Mobile Wallets	Branchless banking in Pakistan has been recognized as a success around the world. This success, however, is primarily due to the OTC model and volumes. The usage of mobile wallets continues to be a challenge that has not been addressed successfully. How can we improve the usage and uptake of mobile wallets?
27	Insurtech	Increasing uptake of micro insurance	Micro insurance is still at a nascent stage in Pakistan. Complacency with high ticket low volume business, fixed costs of servicing, low awareness of the population, poor literacy and poor documentation continue to impede the growth of this sector. How can we overcome the long list of barriers and increase the adoption?
28	Payments	Last mile solutions for improved payment disbursement	
29	Lending	Working capital financing for small scale entrepreneurs using non-traditional data sources	
30	Payments	Digitising charities for faster, safer & secure fund raising	At present, the number of charities that are utilizing mobile payments for fund-raising is low, potentially due to high barriers to entry of technology and lack of capacity and capabilities to run programmes. How can we digitise and enable charities to better manage, track and govern fundraising for their campaigns and programmes, whilst also adhering to regulatory guidelines?
31	Others ideas pertaining to the areas mentioned	<ul style="list-style-type: none"> • Payments • Interoperability • Consumer/Retail Banking • Regtech • Insurtech • Mobile wallets • Loyalty Programs • Savings & Credit 	
32	Fintech in General	<ul style="list-style-type: none"> • Fintech to unlock marketing & advertisement avenues • Fintech in App Economy • Islamic Fintech • Risk analysis & Fraud Detection • Credit scoring / crop insurance / finance / market access for farmers • Fintech and transportation • Running Capital Financing • Saving solutions for women/farmers and bottom of the pyramid audiences • Collective saving instruments (committee/ROSCA) • Fintech to unlock marketing & advertisement avenues • Donations / Charity platforms with innovative payment mechanism and risk management 	