



BRINGING
SMART
POLICIES
TO LIFE



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17

AFI ANNUAL REPORT

MAKING FINANCIAL SERVICES MORE ACCESSIBLE TO THE WORLD'S UNBANKED

CONTENTS

PART ONE: THE AFI NETWORK	3
<i>Message from the Chair</i>	3
<i>About the AFI Network</i>	4
PART TWO: PERFORMANCE	10
<i>Message from the Executive Director</i>	10
<i>Highlights of Key Achievements</i>	12
<i>Strategic Approach and Performance</i>	15
<i>Strategic Objective 1</i>	15
<i>Strategic Objective 2</i>	19
<i>Strategic Objective 3</i>	21
PART THREE: FINANCIAL REPORT	24
<i>Statement of Financial Position</i>	25
<i>Statement of Income and Expenditure</i>	26
<i>Statement of Cash Flows</i>	27
PART FOUR: REFERENCES	28
<i>AFI Data Portal</i>	29
<i>AFI Member Zone</i>	30
<i>AFI Knowledge Products</i>	31
2017 AFI CALENDAR OF EVENTS	32
GLOSSARY OF TERMS	34

PART ONE: THE AFI NETWORK

MESSAGE FROM THE CHAIR

As the new Chair of the AFI Board, I am honored to present to you the AFI Annual Report for 2017. The year under review was an exciting one for the AFI network, not only because of the growing prominence of AFI on the international scene, but also the rise of financial inclusion as a topic of global interest.

As the network began to align to the realities and dimension that AFI now possesses at the global level, the AFI Board recognized the need to strengthen the governance structure. Chief among the enhancements is the expansion of the AFI Board from seven to nine members, which provides the Board with wider geographical coverage, regional balance and gender diversity in its composition. The year also saw a transition in Board leadership with new Chair and Vice-Chair appointments, along with Vice-Chair appointments for key governance committees to strengthen leadership and support to the AFI Board. The governance structure now incorporates a formal function of internal audit oversight to strengthen AFI's accountability to members as an independent and member-owned organization.

The AFI membership together took a historic step at the 2017 Annual General Meeting by endorsing AFI's approach to issue regulatory and policy guidance (key lessons from the AFI network) based on peer learning, cooperation and a bottom-up approach. This milestone will transition AFI from being a policy-driving network into a policy leadership alliance promoting in-country adoption of AFI's tested policy solutions.

Since AFI's independence in 2016, AFI members' leadership and resolve has led us to achieve strong results shown by the significant increase in policy changes in 2017. I would also like to commend the AFI Management Unit for their diligence, dedication and support in effectively implementing the initiatives to help achieve the network's goals. Moving forward to 2018, I see more opportunities for AFI to consolidate progressively as an impact-creating organization and leadership platform in financial inclusion through a member-driven agenda, reinforced through peer learning and strong alliances with like-minded partners.

Ilan Goldfajn
Governor, Banco Central do Brasil
Chair, AFI Board of Directors



ABOUT THE AFI NETWORK

The Alliance for Financial Inclusion (AFI) is a member-led organization with a vision of making financial services more accessible to the world's unbanked through a unique cooperative approach and bottom-up development model.

AFI members set their own agenda and harness the power of peer learning and peer pressure to develop practical and tested policy reforms that enhance financial inclusion with strategic partnership support from the public and private sector.

MEMBERSHIP

As of the end of 2017, the AFI network had 103 members from 90 countries, with Sub-Saharan Africa as the largest region accounting for over a third of members, followed by Latin America and the Caribbean region. In terms of membership categories, the AFI network has 82 Principal Members, 20 Associate Members and one Specialist Member. In 2017, AFI welcomed four new institutions as members: Banco Central de la República Argentina; Ministry of Employment, Entrepreneurship Development and Business Innovation, Seychelles; Banque Centrale de Mauritanie; and Central Bank of The Gambia.

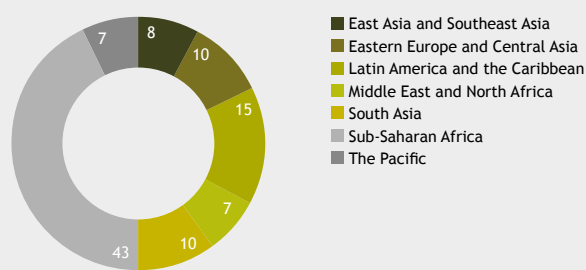
VISION

MAKING FINANCIAL SERVICES MORE ACCESSIBLE TO THE WORLD'S UNBANKED.

MISSION

EMPOWERING POLICYMAKERS TO INCREASE ACCESS AND USAGE OF QUALITY FINANCIAL SERVICES TO THE POOREST POPULATIONS THROUGH POLICY FORMULATION, IMPLEMENTATION AND GLOBAL ADVOCACY.

AFI MEMBERS BY REGION, %



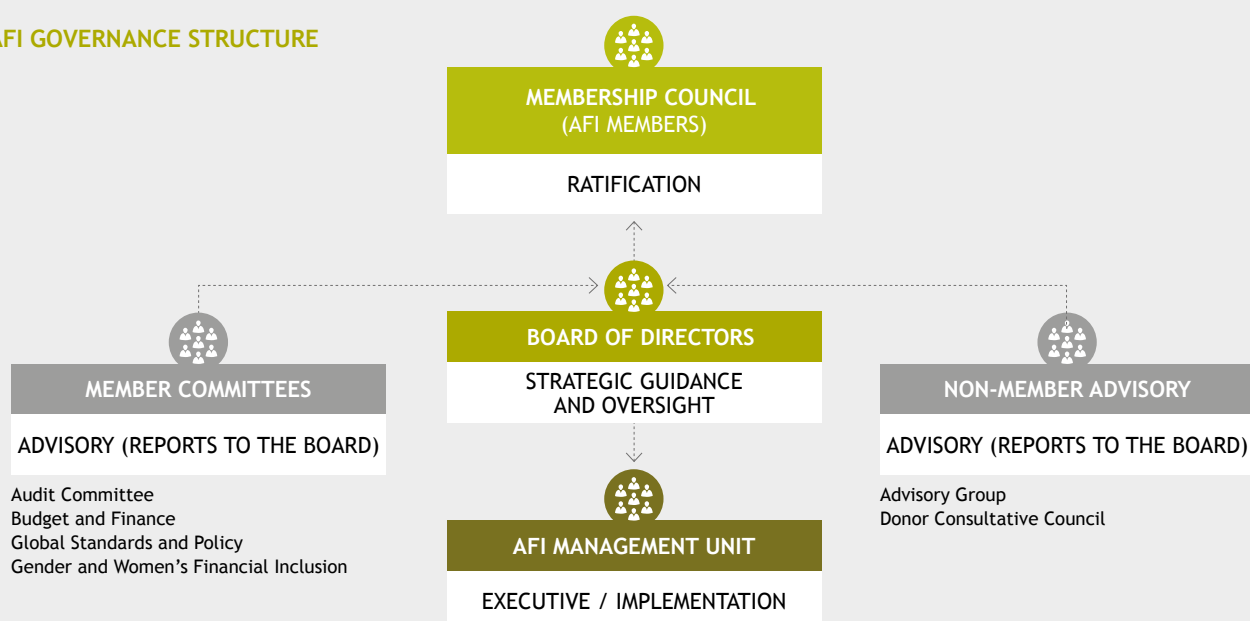
Source: AFI

GOVERNANCE

MEMBERSHIP COUNCIL

The AFI Membership Council is comprised of Principal, Associate and Specialist Members and meets once a year at the Annual General Meeting (AGM). All members have the right to attend the AGM, but only Principal Members can vote on decisions at the AGM. At the AGM, the Membership Council reviews the performance of AFI and ratifies strategic decisions with overall impact on the AFI network.

AFI GOVERNANCE STRUCTURE



BOARD OF DIRECTORS

The AFI network is led by the AFI Board of Directors, which has the primary mandate of providing strategic guidance to the AFI Management Unit and oversight of the organization's direction and activities.



Mr. Ilan Goldfajn
Governor, Banco Central do Brasil (Chair)¹



Mr. Fazle Kabir
Governor, Bangladesh Bank (Vice-Chair)



Mr. Luis Delgado
President, Consejo Nacional de Supervisión del Sistema Financiero de Costa Rica - CONASSIF, Superintendencia General de Entidades Financieras (SUGEF) Costa Rica



Mr. Tarek Hassan Nour El Din Amer
Governor, Central Bank of Egypt - Alternate: Mrs. Lobna Helal, Deputy Governor



Dr. Ernest Kwamina Yedu Addison
Governor, Bank of Ghana²



Dr. Davaasuren Sodnomdarjaa
Chair, Financial Regulatory Commission of Mongolia



Ms. Maiava Atalina AINU'u-Enari
Governor, Central Bank of Samoa³



Mrs. Elvira Nabiullina
Governor, Central Bank of the Russian Federation - Alternate: Mr. Mikhail Mamuta, Head of the Service for Protection of Financial Services Consumers and Minority Shareholders



Mr. Tiémoko Meyliet Koné
Governor, Banque Centrale des États de l'Afrique de l'Ouest (BCEAO)



Mr. Jason Lamb
Deputy Director, Bill & Melinda Gates Foundation (External non-voting Board member)



Dr. Alfred Hannig
Executive Director, AFI and Secretary to the AFI Board of Directors

¹ Mr. Isaac Sidney Ferreira, Deputy Governor, served as alternate to the Chair in 2017. Effective from 19 April 2018, Mr. Mauricio Moura, Deputy Governor, was admitted as alternate Board member for Banco Central do Brasil.

² Dr. Johnson Asiamah, Second Deputy Governor, served as alternate Board member in 2017. Effective from 19 April 2018, Mrs. Elsie Addo Awadzi, Second Deputy Governor, was admitted as alternate Board member for Bank of Ghana.

³ Effective from 19 April 2018, Mr. Gilbert Wongsin, Assistant Governor, was admitted as alternate Board member for Central Bank of Samoa.

BOARD COMMITTEES

BUDGET AND FINANCE COMMITTEE (BFC)

The BFC provides oversight on AFI's financial strategy to enhance accountability to members, funders and partners. Members of the BFC are: Bank Negara Malaysia, Bill & Melinda Gates Foundation, Reserve Bank of Fiji, Palestine Monetary Authority and National Bank of Rwanda.

GLOBAL STANDARDS AND POLICY COMMITTEE (GSPC)

The GSPC provides guidance and advice for AFI's engagement and peer learning initiatives with international Standard-Setting Bodies, and oversees AFI's policy initiatives and programs. Members of the GSPC are: Bank Negara Malaysia, Central Bank of Kenya, Bangladesh Bank, Reserve Bank of Malawi, Comisión Nacional Bancaria y de Valores (CNBV) Mexico, Banco Central del Paraguay and Central Bank of the Russian Federation.

GENDER AND WOMEN'S FINANCIAL INCLUSION COMMITTEE (GWFIG)

The GWFIG provides leadership on advancing and promoting women's financial inclusion in the AFI network. Members of the GWFIG are: Bank of Zambia, Central Bank of Egypt, Central Bank of Lesotho, National Bank of Rwanda, National Bank of Cambodia and Banco Central de Reserva de El Salvador. At the 2017 AFI AGM, the AFI Membership Council approved the establishment of GWFIG as a permanent Committee of the AFI Board, a reflection of AFI's commitment to tackling the gender gap in financial inclusion.

AUDIT COMMITTEE

The Audit Committee was formed by the Board in December 2017 to provide oversight of AFI's financial reporting process, accounting and financial controls, internal and external audit functions, and risk identification and management. The AFI Management Unit will seek nominations among eligible members in 2018 to assume membership on the Audit Committee.

ADVISORY GROUP

The Advisory Group is comprised of external (non-AFI members) stakeholders who provide strategic advice to the AFI Board of Directors and Management Unit to promote sustainable value to AFI members for the achievement of AFI's vision. Members of the Advisory Group are: Dr. Tilman Ehrbeck, Senior Partner, Omidyar Network (Chair); Professor Njuguna Ndung'u, Associate Professor, University of Nairobi (Vice-Chair); Dr. Christoph Beier, Vice-Chair of the Management Board, Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ); and Ms. Sung-Ah Lee, Global Policy and Advocacy, Financial Services for the Poor, Bill & Melinda Gates Foundation.

DONOR CONSULTATIVE COUNCIL

The Donor Consultative Council comprises all funders in the AFI network and provides consultative advice to the AFI Management Unit to promote sustainable value to AFI members with the goal of achieving AFI's vision, particularly focusing on the sustainability of AFI, as well as resource mobilization and financial support for AFI's programs and activities.

REGIONAL GOVERNANCE STRUCTURE

AFI's regional activities are supported by the AFI Management Unit through a governance structure comprising a Leaders' Roundtable and an Expert Group on Financial Inclusion Policy (EGFIP). AFI Management Unit coordinates the organization of the meetings of Leaders and those of the EGFIP.

LEADERS' ROUNDTABLE

The Leaders' Roundtable is responsible for providing strategic guidance, oversight and monitoring of the work plans of AFI Regional Initiatives, which address regional financial inclusion challenges. Leaders, high-level policymakers and regulators meet at an annual roundtable and during the AFI Global Policy Forum to provide strategic perspectives on addressing policy issues and identifying solutions. Regional members elect a Chair and Co-Chair for the Leaders' Roundtable, whose term differs depending on the charter of the respective Regional Initiative.

EXPERT GROUP ON FINANCIAL INCLUSION POLICY (EGFIP)

The EGFIP is responsible for identifying key policy issues and undertaking the technical implementation and work plan of the Regional Initiative activities. The EGFIP also provides insights on policy and regulatory approaches to help address pertinent regional and sub-regional challenges of enhancing financial inclusion. The EGFIP is represented by senior officials nominated by their respective head of institution.

FURTHER INFORMATION

For the AFI Articles of Association and Terms of Reference of Committees, visit:
<https://www.afi-global.org/board>

For the AFI regional governance structure, visit:
<https://www.afi-global.org/initiatives>



AFI WORKING GROUPS

AFI Working Groups are the technical backbone of policy development, knowledge generation, regulatory guidance and policy implementation in the AFI Network. AFI Working Groups produce policy guidelines and tools for formulating financial inclusion policies, provide peer reviews of members' draft policies and regulatory frameworks, and contribute to the engagement of global Standard-Setting Bodies (SSBs) and financial inclusion ecosystems at national and regional levels.

AFI has six working groups that focus on the major policy areas identified from the financial inclusion mandates of members across the AFI Network:



**CONSUMER EMPOWERMENT
AND MARKET CONDUCT
(CEMC) WORKING GROUP**



**DIGITAL FINANCIAL SERVICES
(DFS) WORKING GROUP**



**FINANCIAL INCLUSION DATA
(FID) WORKING GROUP**



**FINANCIAL INCLUSION
STRATEGY (FIS) PEER
LEARNING GROUP**

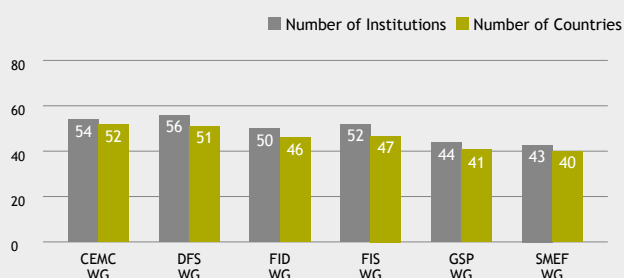


**GLOBAL STANDARDS
PROPORTIONALITY (GSP)
WORKING GROUP**



**SME FINANCE (SMEF)
WORKING GROUP**

WORKING GROUP MEMBERSHIP IN 2017



FURTHER INFORMATION

AFI Working Groups:
<https://www.afi-global.org/working-groups>



PARTNERSHIPS

AFI engages and collaborates systematically with three broad categories of partners and stakeholders: a) funding partners; b) private sector partners; and c) knowledge resource partners.

FUNDING PARTNERS

Funding partners are integral to AFI's success and provide unique and substantial intellectual, technical and financial contributions to support the advancement of AFI members' objectives. AFI formalizes partnership with funders through a funding agreement.

As a major funding partner of AFI since inception, the **Bill & Melinda Gates Foundation (BMGF)** complemented the funding of AFI's core costs in 2017 and contributed to AFI's governance as an external member of the AFI Board of Directors, representing the perspective of AFI's partners.

The **Omidyar Network** provided three-year funding for 2017-2019 to facilitate AFI's strategic transitioning to Phase III and the rollout of the AFI's policy peer learning platform on FinTech for Financial Inclusion.

AFI entered its second year of partnership with Canada's **International Development Research Centre (IDRC)**, a key funding partner for the Financial Inclusion Initiative for Latin America and the Caribbean (FILAC) launched in November 2016. AFI's collaboration with IDRC helped advance financial inclusion peer learning and capacity building in the LAC region in 2017. IDRC is also supporting AFI in identifying potential additional donors for FILAC.

GIZ and Germany's Ministry for Economic Cooperation and Development (BMZ) provided funding support for the implementation of various programs in 2018, including the work stream on Forcibly Displaced Persons (FDPs) under the German G20 Presidency, establishment of the Financial Inclusion for the Arab Region Initiative (FIARI), capacity building initiatives and grants.

The **Data2X** consortium provided grants to support AFI members in Egypt and Zambia in their Maya commitments on gender, focusing on the incorporation of gender-disaggregated data into the countries' respective national policy frameworks.

The **Pacific Financial Inclusion Programme** continued to provide support for AFI's Pacific Islands Regional Initiative (PIRI) meetings.

AFI is engaging prospective funders, including public sector funders from developed countries, development agencies and foundations in view of AFI's forthcoming business needs to meet the Strategic Objectives identified under the Phase III Strategic Plan adopted by the AFI membership.

PRIVATE SECTOR PARTNERS

Private sector partners are part of AFI's Public-Private Dialogue (PPD) Platform, providing a combination of unique private sector perspectives, technical input and targeted funding toward specific AFI policy areas and activities. AFI formalizes partnerships with these partners through PPD Partnership Agreements.

VISA and **MasterCard** continued to support AFI in the design and delivery of key capacity building and technical training modules for members on the topics of digital payments, DFS risk management, and cybersecurity.

AFI continued to work closely with the **GSM Association (GSMA)** in global and regional discussions regarding the role of DFS to reduce financial exclusion for vulnerable groups such as FDPs and women. In 2017, GSMA shared with the AFI Network the findings from its research, which indicated mobile money as a driving force of the significant reduction of transaction costs for international remittances.

One of AFI's recent PPD partners, **Letshego**, a microfinance holding company in the African region, contributed to global and regional discussions in the AFI Network on the leveraging of digital technologies in the delivery of microfinance services and the role of data and measurement for assessing impact in promoting financial inclusion for marginalized groups.

Letshego participated in a panel discussion on the topic of Transforming Agricultural Finance Through Digital Platforms. The discussion touches on the importance of digital platforms in connecting smallholder farmers, agents and buyers of agricultural goods, the added value of such platforms to farmers and the necessary conditions for such platforms to thrive.

AFI scaled up its partnership with B2B mobile payment network **TransferTo** from solely focusing on the Africa region to addressing global remittances, de-risking issues and solutions, and responsible finance. TransferTo also shared its perspectives with AFI members on women's empowerment through innovations in cross-border mobile remittances.

KNOWLEDGE RESOURCE PARTNERS

AFI engages a broad range of stakeholders to share the global voice of its members and as part of its collective responsibility to address global barriers to financial inclusion. These stakeholders have unique capacity, resources and technical know-how to support AFI members in developing and implementing policies.

In 2017, AFI signed MoUs with two international finance institutions: the **African Development Bank** and the **Asian Development Bank**. The MoUs provide a framework to significantly scale up cooperation and policy peer learning on topics of strategic joint interest in these respective regions, and will facilitate supplemental funding from other prospective donors in the medium term to further expand regional efforts. Both partnerships were well received by AFI members in these regions, and discussions are already underway with members on how to optimize support for members' objectives under the umbrella of these cooperation frameworks.

AFI partnered with the Arab Monetary Fund (AMF) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) to launch the Financial Inclusion for the Arab Region Initiative (FIARI). In addition to technical cooperation, GIZ provided funding support to AFI for the launch and initial work plan of FIARI.

AFI continued its cooperation with the **International Monetary Fund (IMF)**, particularly in contributing to the deliberation of the role of FinTech in advancing financial inclusion and its impact on financial integrity, consumer protection and financial stability in the Asia Pacific region.

As an identified partner in the Addis Ababa Action Agenda to facilitate financial inclusion peer learning, AFI contributed to the dialogue facilitated by the **United Nations Economic and Social Commission for Asia and the Pacific (UNESCAP)** to advance peer learning on financial inclusion and financial and development issues. AFI is also working with UNESCAP to develop a study on access to finance in Asia and the Pacific.

AFI continued to engage the **Office of Her Majesty Queen Máxima of the Netherlands, the UN Secretary General's Special Advocate for Inclusive Finance for Development (UNSGA)** in high-level dialogue with global Standard-Setting Bodies (SSBs), including participation in a private roundtable discussion at the sidelines of the Singapore FinTech Festival in November 2017.

As a **G20 Global Partnership for Financial Inclusion (G20 GPFI)** Implementing Partner with a specific mandate to foster participation of non-G20 developing countries, AFI supported the work of the German G20 Presidency in the area of financial inclusion of FDPs and SME finance. In 2018, AFI will continue to support the incoming Argentinian G20 Presidency in its priority to deliver an integrated policy guide to harness digitization to address the financial exclusion of individuals and SMEs in the informal economy.

AFI continued to collaborate with the **G-24** in conducting the annual G-24/AFI Policymakers' Roundtable on Financial Inclusion at the sidelines of the World Bank/IMF Spring Meetings, where heads of institutions discuss pertinent and emerging financial inclusion issues and solutions, particularly from the perspective of developing countries.

The 2017 Roundtable discussion was focused on the theme, "Leveraging Innovative Technology to Deliver Sustainable Financial Inclusion". AFI looks forward to the 10th Policymakers' Roundtable in 2018, which will be discussing the theme, "FinTech for Financial Inclusion: The Role of Regulators in an Age of Digital Transformation".

AFI collaborated with the **Islamic Financial Services Board (IFSB)** to provide technical input in the development of IFSB's technical note on financial inclusion and Islamic finance.

AFI's collaboration with **The Fletcher School at Tufts University** in the United States since 2011 has produced over 100 Fellows among the AFI Network's policymakers and regulators who completed the Leadership Program for Financial Inclusion. AFI aims to continue with such collaborations that develop more leaders in financial inclusion policy.



FURTHER INFORMATION

AFI's Partners

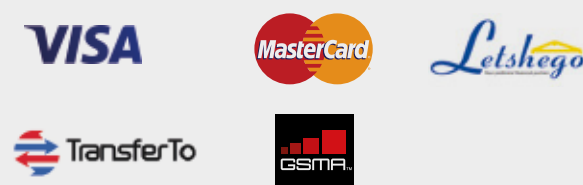
<https://www.afi-global.org/partners>



FUNDING PARTNERS



PRIVATE SECTOR PARTNERS



KNOWLEDGE RESOURCE PARTNERS



PART TWO: PERFORMANCE

MESSAGE FROM THE EXECUTIVE DIRECTOR

2017 was a highly enthusiastic year for AFI. As the AFI Network moves towards the end of the Phase II Strategic Plan, we started laying foundations for AFI's Phase III Strategic Plan. In the second year following AFI's independence, the AFI Network also accelerated progress with a number of key achievements made possible with the continued support of our members through membership fees and strategic guidance to advance the work of AFI at the regional and global level.



AFI has grown stronger since its independence in terms of a growing membership, enhanced governance and improved management function that ensures member needs are prioritized and implemented. This has been made possible through the Membership Council's ratification of key strategic decisions, including the Articles of Association, the Board's excellent oversight, and resource mobilization and management based on a comprehensive annual strategic planning process. Thus, we closed the year with considerable financial position, a strong membership base of 69 paying member institutions and support from external funders.

In its effort to strengthen partnerships and diversify the funding base, the AFI Network embarked on new partnerships including two Memorandums of Understanding (MoU) with the African Development Bank (AfDB) and Asian Development Bank (ADB) to scale up regional programs in Africa, Asia and the Pacific, a Letter of Intent with the Arab Monetary Fund (AMF) and GIZ to establish the Financial Inclusion for the Arab Region Initiative (FIARI), and an MoU with the Central Bank of Portugal and central banks of Portuguese-speaking countries, AFI's first step in formalizing cooperation with developed country regulators. AFI's PPD partners also scaled up technical and financial support towards AFI's delivery of services and initiatives to help members advance financial inclusion policy in their countries.

I am pleased to report that members of the AFI Network reported 118 policy and regulatory changes made in year 2017 to enhance financial inclusion in their countries, a 100% increase from the 56 policy changes reported for 2016. The practical input by technical staff through Working Groups and regional Expert Groups has enriched the Network's policy content and knowledge exchange. We are pleased to highlight that 66 countries have made Maya Commitments to date, and 82 percent of all AFI members with commitments reported achievement of one or more targets.

In 2017, we brought the AFI Global Policy Forum (GPF) to the Arab region for the first time, hosting it together with the Central Bank of Egypt in Sharm El Sheikh, Egypt. Under the overarching theme of "Exploring Diversity, Promoting Inclusion", the GPF showcased the interlocking of diverse elements in the AFI Network to create and promote effective financial inclusion policy reforms in AFI member countries. The GPF concluded successfully with the adoption of the Sharm El Sheikh Accord on Financial Inclusion, Climate Change and Green Finance and a number of new Maya commitments focusing on gender and women's financial inclusion.

AFI also launched the Financial Inclusion for the Arab Region Initiative (FIARI) with the support of the Arab Monetary Fund (AMF) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). We expect AFI's Africa Regional Office based in Abidjan, Côte d'Ivoire to be operational by mid-year of 2018 thanks to the support of the hosts, the Ministry of the Economy and Finance of Côte d'Ivoire and the Central Bank of West African States (BCEAO).

AFI members have taken ownership in influencing the strategic focus of the respective region. In the Africa region, AFI leaders adopted a new name for the regional initiative, the African Financial Inclusion Policy Initiative (AfPI), in line with the decision to broaden its scope beyond mobile financial services.

AFI members from the Pacific region also played a key role in initiating the Zero Draft of the Climate Change Statement, which paved the way for the adoption of the Sharm El Sheikh Accord by the broader membership. AFI looks forward to supporting the work stream on FinTech for Financial Inclusion in the Pacific for 2018 and beyond, also initiated by AFI members in this region.

As a key focus of AFI's Phase III Strategic Plan, members at the 2017 Annual General Meeting endorsed AFI's approach to issue regulatory and policy guidance (key lessons from the network) based on peer learning, cooperation and a bottom-up approach. AFI's governance structure will take an additional and substantial role in endorsing practical policy guidance for ratification by the Membership Council. We are immensely grateful for our members' support in providing input to the strategy document, and the commitment of members and partners alike to outwork the corresponding initiatives to achieve each strategic objective.

Moving to 2018, I echo the optimism expressed by the Chair and the Board in the capacity of the AFI Network to lead and guide global and regional dialogues on addressing the increasingly diverse challenges of financial inclusion. AFI remains committed to continuing to uphold our core values as a member-driven network, and cooperating with like-minded partners to reinforce members' in-country support and the network's aspirations in continuing the path towards sustainability.

Dr. Alfred Hannig
Executive Director, AFI

65%

OF THE MEMBERS' POLICY CHANGES ATTRIBUTED TO AFI'S INTERVENTIONS.



PHASE III STRATEGIC PLAN

KEY FOCUS TO ISSUE REGULATORY AND POLICY GUIDANCE BASED ON PEER LEARNING, COOPERATION AND A BOTTOM-UP APPROACH.



82%

OF AFI MEMBERS WITH MAYA DECLARATION COMMITMENTS REPORTED ACHIEVEMENT OF ONE OR MORE TARGETS.



HIGHLIGHTS OF KEY ACHIEVEMENTS

AFI's working groups and capacity building activities continued to focus on the six main thematic policy areas:

- > consumer empowerment and market conduct
- > digital financial services
- > financial inclusion data
- > financial inclusion strategy
- > global standards proportionality
- > SME finance



CEMC Working Group



FIS Peer Learning Group



DFS Working Group



GSP Working Group



FID Working Group



SMEF Working Group

AFI also advanced and incorporated the following emerging themes across the work streams:

> Gender and Women's Financial Inclusion

AFI members adopted the Denarau Action Plan (DAP) at the 2016 GPF, which aims to accelerate the progress of women's financial inclusion by halving the financial inclusion gender gap in each of AFI's member countries by 2021 to contribute to the UN Sustainable Development Goals (SDG), specifically Goal 5: Gender Equality.

> Financial Inclusion of Forcibly Displaced Persons (FDPs)

AFI worked in partnership with the G20 GPFI to identify policy and regulatory approaches to addressing financial inclusion of FDPs through capacity building, publishing a special report and developing a road map to shape a regulatory landscape based on innovative approaches.

> Financial Inclusion and Climate Change

AFI members endorsed the Sharm El Sheikh Accord on Financial Inclusion, Climate Change and Green Finance at the 2017 GPF under which members and partners will work together to identify, understand and implement financial inclusion policy solutions focusing on communities most vulnerable to climate change. The Accord contributes to SDG 13: Take urgent action to combat climate change and its impacts.

> FinTech and RegTech for Financial Inclusion

AFI members have created a global peer learning platform on FinTech and RegTech for Financial Inclusion, focusing on establishing regulatory sandbox environments that allow for mutual learning among regulators and technological innovators based on traditional 'test and learn' or experimental approaches.

> De-Risking

AFI continued to work with international partners, including the G-24, to enhance understanding of the scale and nature of de-risking concerns among affected countries and facilitate practical solutions. AFI's de-risking work focused on: promoting product understanding; producing a road map of implementation priorities; advancing dialogue and peer learning; and conducting specific impact analysis on vulnerable groups and how technological innovations can help to ensure access to formal financial services.

> Addressing Risk Issues in Innovative Financial Inclusion

AFI members engaged in further learning to better understand cybersecurity risks and balancing cybersecurity rules/regulations to mitigate these risks, but at the same time not stifling innovation to promote financial inclusion.

> Impact Measurement of Policy Changes

AFI continued to emphasize strong monitoring and evaluation efforts to track its progress and measure its impact on the ground through members' capacity to formulate financial inclusion policies, make

commitments to implement financial inclusion policies and AFI's impact on the global policy agenda.

> Issuance of Policy and Regulatory Guidance

AFI members endorsed AFI's approach to issuing regulatory and policy guidance (key lessons from the network) based on peer learning, cooperation and a bottom-up approach in line with Strategic Objective 1: Guidance for devising financial inclusion policies and regulations of AFI's Phase III Strategic Plan. AFI's role in issuing guidance will be supported by AFI's governance structure led by the Global Standards and Policy Committee with the support of AFI's Working Groups.

> Capacity Building

AFI's capacity building activities continued to attract high levels of participation in 2017 with: 62 countries and BCEAO; 72 member institutions; and 355 individual participants from member institutions. AFI also enhanced its capacity building service offering by introducing an online course 'Certified Expert in Financial Inclusion Policy' in partnership with the Frankfurt School of Finance and Management. 38 students participated in the first intake of the online course.

> In-Country Implementation

In 2017, AFI provided 17 grants to member institutions to support their achievement of Maya Declaration targets including a peer advisory service on NFIS, demand-side surveys to facilitating sex-disaggregated data collection, and lessons on market conduct and financial literacy through knowledge exchange visits. The grants included two grants by Data 2X to support the Central Bank of Egypt and the Bank of Zambia in the collection of sex-disaggregated data.

GOVERNANCE

BOARD OF DIRECTORS

- > Strengthened the Network's governance through a gender-diverse and regionally representative Board, specialized support provided by governance committees and participation by the broader AFI membership in steering the strategic direction of the AFI Network towards becoming a policy leadership alliance through AFI's Phase III Strategic Plan.
- > Enhanced the Board structure by: (a) increasing the maximum number of voting Board seats from seven to nine positions; (b) reinforcing Board composition through requirement of high-level representation with the Head of institution as the principal representative and Deputy Head of institution as the alternate delegate; and (c) including gender consideration in the criteria for evaluating Board nominations.

BUDGET AND FINANCE COMMITTEE

- > Reviewed the audited financial statements of AFI for FY2016, which was certified as an unqualified report by external auditors, AFI's financial performance throughout the year, and the Budget Proposal for FY2018 which was approved by the AFI Board.

MEMBERSHIP HIGHLIGHTS

69 MEMBERS

58 PRINCIPAL MEMBERS AND 11 ASSOCIATE MEMBERS, PAID THEIR MEMBERSHIP FEES, ENABLING AFI TO MAINTAIN THE TARGETED LEVEL OF FUNDING FROM MEMBERSHIP FEES IN THE SECOND YEAR OF INDEPENDENCE.



384

POLICY IMPROVEMENTS HAVE BEEN IMPLEMENTED BY 63 AFI MEMBERS TO DATE, WITH 118 (30 PERCENT OF THE TOTAL) IMPLEMENTED IN 2017 ACROSS ALL SIX MAIN POLICY AREAS.



98.6%

OF AFI MEMBERS USING AT LEAST TWO AFI SERVICES AND 87 PERCENT USING AT LEAST FOUR SERVICES.



87%

AFI MEMBERS' OVERALL SATISFACTION WITH THE ORGANIZATION INCREASED FROM 8.6 (OUT OF 10) IN 2016 TO 8.7 IN 2017.



65%

MORE MEMBERS ATTRIBUTED AFI AS CONTRIBUTING TO THEIR NATIONAL POLICY REFORM, FROM 55 PERCENT IN 2016 TO 65 PERCENT IN 2017.



NO. 1

PEER LEARNING WAS RATED 9 (OUT OF 10), THE HIGHEST RATED AFI SERVICE IN 2017.



88%

OF MEMBERS VIEW AFI'S INDEPENDENCE AS OFFERING MORE ADVANTAGES TO THE MEMBERSHIP, UP FROM 8.2 IN 2016.



AFI'S CAPACITY BUILDING

ACTIVITIES WERE RATED HIGHEST IN TERMS OF SATISFACTION AND USAGE ACROSS ALL AFI SERVICES, WITH SATISFACTION RATING FOR MEMBER TRAININGS AT 9.1 AND FOR JOINT LEARNING PROGRAMS AT 9.0



GENDER AND WOMEN'S FINANCIAL INCLUSION COMMITTEE

- > Guided the finalization of the Strategic Implementation Framework (SIF) for the Denarau Action Plan, which includes a monitoring and evaluation plan to track progress of activities and outputs using agreed indicators.
- > Facilitated discussions on in-country implementation of the DAP at the 9th Annual G-24/AFI Policymakers' Roundtable on Financial Inclusion and AFI's High-Level Public-Private Dialogue to identify the role of the private sector in the implementation of the DAP.
- > Called on AFI members to commit to halve the gender gap in each of their countries by 2021 by setting specific gender-related targets.
- > Convened focal points from AFI's regional initiatives and working groups to move forward with the next steps of DAP's implementation.
- > Published "Bridging the Gap: Promoting Women's Financial Inclusion, Tools and Guidance from the AFI Network", a compendium of policy guidance and tools issued by AFI Working Groups, including country case studies.
- > Launched the Leadership and Diversity Program for Regulators in cooperation with Women's World Banking.

GLOBAL STANDARDS AND POLICY COMMITTEE

- > Initiated the operational plan detailing the Committee's role in issuing policy guidance and oversight of the AFI Working Groups.
- > Considered high-impact strategies to build AFI's excellence as a global thought leader on financial inclusion. The Committee will focus its work on: developing and publishing pre-conditions for an effective financial inclusion ecosystem; exploring inclusive insurance as a new area of focus for AFI; advocating for the formalization of clear assessment methodology for financial inclusion under the Financial Sector Assessment Program (FSAP) country assessments; and developing and publishing FinTech for Financial Inclusion use cases.

ADVISORY GROUP

- > Actively contributed to the strategic review process for developing AFI's Phase III Strategic Plan through providing independent opinion and advice for AFI's outlook beyond 2018; and identifying opportunities to address the challenges facing the global unbanked population.
- > Reviewed AFI's Corporate Strategy for 2018 – the final year of AFI's Phase II Strategic Plan – and provided input on the key planning assumptions, action plan and target setting.

REGIONAL INITIATIVES

> African Mobile Phone Financial Services Initiative (AMPI)

Leaders from AFI members in the Africa region decided to broaden the scope of the African Mobile Phone Financial Services Initiative (AMPI) to include topics such as SME/MSME finance, gender and women's financial inclusion, agricultural finance, DFS and microfinance synergies, and change the name of the regional initiative to the African Financial Inclusion Policy Initiative (AfPI). In addition, leaders agreed to establish Technical Groups of Experts on specific topics to enhance the technical implementation of AfPI.

> Financial Inclusion Initiative for Latin America and the Caribbean (FILAC)

Within the first year of its launch, the Financial Inclusion Initiative for Latin America and the Caribbean (FILAC) has advanced peer learning and dialogue in the LAC region and produced deliverables: (a) rolled out a regional work plan with DFS and gender as key policy drivers; (b) launched a capacity building program in cooperation with private sector partners focused on DFS risk management and cybersecurity; (c) initiated in-country support for Haiti's NFIS; and (d) developed and launched a report, "Regulatory Approaches to DFS in LAC".

> Pacific Islands Regional Initiative (PIRI)

Leaders approved the Kokopo Climate Change proposal, which led to the adoption of the Sharm El Sheikh Accord by the AFI membership. PIRI also published a Special Report on Digital Financial Services in the Face of De-risking, and a Survey Report "Financial Services Demand Side Survey Tonga", the fourth country in PIRI to conduct a financial inclusion demand-side survey.



AfPI



FILAC



PIRI

STRATEGIC APPROACH AND PERFORMANCE

In 2017, AFI continued to focus on four strategic objectives that are in line with AFI's mission and guided by a theory of change that provides a systematic approach to achieving its objectives:

- 1 Improving the financial inclusion knowledge and capability of policymakers
- 2 Members have concrete financial inclusion commitments and implement policy changes
- 3 Impact on the global policy agenda
- 4 AFI's independence and sustainability

STRATEGIC OBJECTIVE 1

Improving the financial inclusion knowledge and capability of policymakers.

ACHIEVEMENTS

384 policy changes have been implemented by 68 countries represented in the AFI membership to date, with 118 (30 percent of the total) implemented in 2017 across all six main policy areas. Almost half of the policy changes in 2017 were led by members in the Sub-Saharan Africa region. The top three policy areas registering the highest number of policy changes were digital financial services, financial inclusion strategy and consumer empowerment and market conduct.

KEY ENABLERS

1. Delivery of Working Groups

AFI's Working Groups provided support to policymakers by enhancing their capability to formulate policies. The convergence of working group activities helped to enhance the quality and comprehensiveness of deliberations and deliverables produced by AFI's Working Groups. Members rated the working groups the highest in terms of awareness, participation and satisfaction among AFI's services. Members also rated the working groups' knowledge products as most useful and practical, and reflecting members' collective needs and interests.

The highest number of policy changes was recorded in digital financial services (DFS) at 37 policy changes. AFI's DFS work stream was led by the Digital Financial Services Working Group (DFS WG), which reviews regulatory issues related to DFS and promotes DFS as a major driver of financial inclusion in emerging and developing countries. The DFS WG conducted peer reviews on the DFS (e-money) regulations of Bhutan, Afghanistan and Namibia.

In 2018, the DFS WG will also focus on addressing emerging issues of cybersecurity highly relevant to AFI members given the ongoing digitization and growing number of connections to critical digital infrastructure, and FinTech and RegTech, particularly digital ID, blockchain, digital or cryptocurrency and innovative regulatory approaches.

After DFS, financial inclusion strategy recorded the second highest number of policy changes at 22 policy changes. The work stream was led by the Financial Inclusion Strategy Peer Learning Group (FIS PLG), which supports the development of national financial inclusion strategies (NFIS) through peer reviews and joint guidance. The FIS PLG conducted peer reviews on the draft NFIS of Zambia, Uganda and Palestine. In 2018, the FIS PLG plans to finalize deliverables related to country experiences on the link between SDGs and socially responsible financing, communication strategies and effective coordination mechanisms for NFIS implementation.

The third highest number of policy changes was recorded in consumer empowerment and market conduct at 20 policy changes. The work stream is led by the Consumer

Empowerment and Market Conduct Working Group (CEMC WG), which reviews policy and regulatory issues related to consumer empowerment initiatives and market conduct regulations. The CEMC WG conducted three peer reviews in 2017: Consumer Protection Guidelines for Egypt, National Financial Education Strategy for Bhutan and Consumer Protection Regulatory Framework for Burundi.

Looking ahead to 2018, the CEMC WG will finalize deliverables related to institutional frameworks and supervision, responsible lending and financial literacy. CEMC WG also plans to enhance discussions on the impact of financial innovation and digitization on regulatory and policy implementation for consumer protection and financial literacy.

2. Delivery of Regional Initiatives

2.1 Africa



In conjunction with the African Financial Inclusion Policy Initiative (AfPI) meeting, AFI, in collaboration with MasterCard, a PPD partner, organized a capacity building program for over 60 officials from 28 AFI member institutions and 24 countries on 9-10 May 2017 in Maputo, Mozambique. MasterCard's involvement in program delivery provided participants with practical insights on emerging DFS issues and innovations, including RegTech, best practices in KYC implementation, integrating gender considerations and the policy implications of building effective DFS ecosystems. In August 2017, AfPI published a case study of Ghana, "Strengthening Cooperation between Financial and Telecom Regulators on DFS Issues".

"As a result of AFI and AfPI (previously AMPI) involvement, regulators and financial policymakers in Africa are creating a regulatory environment favoring digital financial services thus promoting financial inclusion in the continent."

Governor Rogério Lucas Zandamela, Banco de Moçambique

AfPI leaders conducted a dialogue with the private sector and stakeholders on: closing the gender gap with DFS; harnessing the potential of MSMEs through enabling technologies; and transforming agricultural finance through digital platforms. The EGFIP is pursuing two work streams in the implementation of activities for the region: policy and regulatory approaches to deepen financial inclusion in Africa through digitally enabled cross-border remittances; and approaches for effective policy interventions for DFS interoperability schemes that support financial inclusion.

MEMBER FEEDBACK

REGULATORY POLICY FORUM ON CYBERSECURITY: SAFEGUARDING THE FUTURE FOR INNOVATIVE FINANCIAL INCLUSION IN COLLABORATION WITH BANK NEGARA MALAYSIA.

"An appropriate time to have the forum. I think I have a lot of takeaways. Country studies were particularly helpful!"

"We need to break silos in communicating the needs of requirements for financial inclusion. Technology is a key driver and cybersecurity a key requirement. Well done AFI."

"Cybersecurity should be embraced by all as a matter that should foster better innovation rather than stifling innovation."

"The session gave a very good perspective for us as regulators on how the reality of cyberthreats could impact lives. Gave very good insights on trends globally. Gave very good application of practice."

MEMBER TRAINING ON ANTI-MONEY LAUNDERING AND COUNTER FINANCING OF TERRORISM: CONSIDERATIONS AND APPROACHES FOR FINANCIAL INCLUSION.

"One of the most useful content was country sharing where the speakers shared about the difficulties and challenges they faced and how they addressed it."

"I appreciate the change in speaker background and bringing the perspective of other stakeholders at the receiving end of regulatory implementations." - Feedback on session on 'Analyzing KYC for Humanitarian Initiatives' facilitated by Mercy Corps

"The practical exercises, especially group case work at the end of the program, provided an opportunity to translate the knowledge obtained from this training into practical applications."



2.2 Latin America and the Caribbean



“FILAC allows us to better understand the unique challenges in the region and in return, enables us to share our experiences to promote better policies. The peer-to-peer approach championed by the AFI network can advance public policies to promote economic and social development in the region.”

Governor Ilan Goldfajn, Banco Central do Brasil

Under the umbrella of the Financial Inclusion Initiative for Latin America and the Caribbean (FILAC), members from the region highlighted their country experiences related to DFS and these experiences were published by AFI:

- > The Superintendence of Paraguay shared their case study, “Interoperability and Interconnectivity of Electronic Payment Methods and Financial Inclusion in Paraguay”, following a successful workshop addressing key challenges and bottlenecks of interoperability in Paraguay, where interoperability has translated into lower cash-out fees by the private sector and the revision of the Banking and Payments Law by the central bank.
- > The case study, “E-Money in El Salvador”, highlighted how the government designed the fundamentals of a regulatory approach in line with its capacities and leveraged the existing physical infrastructure of financial services providers to foster digital solutions to expand financial inclusion in the country.

2.3 Pacific Islands



PIRI regulators have embarked on a work stream on FinTech for Financial Inclusion in the Pacific during 2018 and beyond that includes: enabling test-and-learn approaches; a FinTech knowledge repository; additional and systematic regulatory guidance; PPD and global exchange; and rationalization of multiple support activities and stakeholder offerings. In relation to this work stream, PIRI members look forward to endorsing the Apia Action Plan on de-risking at the 4th PIRI Meeting in Apia, Samoa in 2018. PIRI members also plan to review and broaden the scope of the Dili Consensus adopted at the 1st PIRI Meeting in 2015 to include dimensions of climate change, green finance and gender and women’s financial inclusion.

3. Delivery of Capacity Building Programs

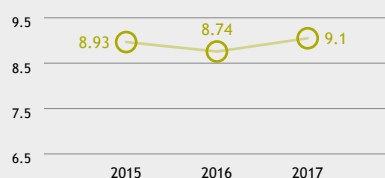


The improvements implemented for AFI’s capacity building service offering since 2016 has led to higher member satisfaction demonstrated by the impressive 89 percent usefulness rating for AFI’s capacity building programs, the highest rated AFI service by members in the 2017 Member Needs Assessment (MNA) survey.

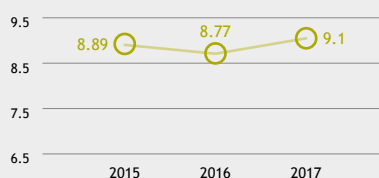
As a new training delivery method to complement existing capacity building services, AFI introduced the Certified Expert in Financial Inclusion Policy online course in partnership with the Frankfurt School of Finance and Management.

INCREASE IN USEFULNESS RATING FOR DIFFERENT TYPES OF CAPACITY BUILDING PROGRAMS

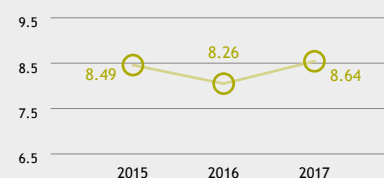
MEMBER TRAINING



JOINT LEARNING PROGRAMME



MEMBER TRAINING WITH PPD



The first intake received enrolment of 38 students, including financial regulators (AFI members and non-members), commercial banks, microfinance institutions, development organizations, government officials and academicians.

Students can complete this self-paced part-time course in six months through a combination of online lectures, practical exercises, case studies, discussion and networking forums, tutoring and personalized support. Upon successful completion, students receive a certificate jointly signed by the Frankfurt School and AFI. In addition, the course provides six European Credit Transfer and Accumulation System (ECTS) credits for academic programs in Europe.

Eighteen AFI members graduated as Fellows of the Fletcher Leadership Program for Financial Inclusion (FLPFI), an executive education program run by The Fletcher School at Tufts University in the United States. The 2017 cohort joins 89 other AFI members who have graduated from the program.



FURTHER INFORMATION

Certified Expert in Financial Inclusion Policy (CEFI) online training:

<https://www.afi-global.org/news/2017/06/afi-and-frankfurt-school-finance-management-launch-online-training-module-financial>



USEFULNESS RATING BY MEMBERS

89%
OVERALL CAPACITY
BUILDING EVENTS



91%
MEMBER TRAININGS



90%
JOINT LEARNING
PROGRAMS



86%
MEMBER TRAININGS
BY PRIVATE PARTNERS



PARTICIPATION

62
COUNTRIES
AND BCEAO



72
MEMBER INSTITUTIONS



355
UNIQUE MEMBERS



495
TOTAL MEMBER PARTICIPANTS
(SOME ATTENDED MORE THAN
ONE CAPACITY BUILDING
EVENT)



505
ATTENDEES (MEMBERS
AND PARTNERS)



STRATEGIC OBJECTIVE 2

Members have concrete financial inclusion commitments and implement policy changes.

ACHIEVEMENTS

There are 66 financial inclusion commitments representing 1.1 billion or 57 percent of the total unbanked population globally.³ Furthermore, 82 percent of all AFI members that have made commitments have reported achieving one or more targets. There was also a remarkable increase in the number of commitments on women's financial inclusion spurred by the Denarau Action Plan (DAP) in 2016, which called on AFI members to halve the financial inclusion gender gap in their respective countries by 2020.

KEY ENABLERS

1. Maya Declaration Country Commitments

During 2017, AFI received four new and 22 renewed commitments to the Maya Declaration. New commitments were received from National Bank of Cambodia, Central Bank of Lesotho, Banco Central de São Tomé e Príncipe and Central Bank of Seychelles.

Members made new targets focusing on gender and women's financial inclusion, bringing the total number of members with such targets to 27. AFI members' commitments on women's financial inclusion are focused on promoting consumer protection and financial education for women, collecting and analyzing sex-disaggregated data and encouraging women's entrepreneurship (SME finance).

AFI was recognized by the Bill & Melinda Gates Foundation as a key driving force to advance financial inclusion in developing and emerging countries, through acknowledgement of the Maya Declaration platform as a "vital accelerator platform for progress on financial inclusion policy development and implementation".

2. In-Country Implementation Support

AFI's Working Groups provided in-country implementation support to members. The Financial Inclusion Data Working Group (FID WG) in particular peer reviewed the Financial Inclusion Demand-Side Survey for two countries: Uganda and Senegal. AFI, through the FID WG, also provided in-country technical assistance to the Central Bank of São Tomé e Príncipe (BCSTP), working in collaboration with São Tomé e Príncipe's National Institute of Statistics to develop a baseline financial inclusion demand-side survey. The results of this implementation will be shared with the AFI Network once it is completed (by 2018).

The SME Finance Working Group (SMEF WG) conducted a study of MSME definitions across the AFI Network to identify parameters, key considerations, challenges and lessons learned with a view to publish a survey report in 2018. The SMEF WG also reviewed financial education levels among MSMEs in member countries as part of its plan to develop a knowledge product on MSME financial education, which will help to eliminate the information

gap between financial institutions and users of financial products and services. The work of the SMEF WG in 2018 will also focus on new avenues of SME financing, online SME financing platforms and alternative data to enhance credit reporting.

AFI's capacity building services, such as Joint Learning Programs (JLPs) and Peer Advisory Services, supported members in enhancing their institutional capability to effectively implement policies at the national level. AFI conducted two JLPs in 2017: JLP on Global Standards Proportionality hosted by CNBV Mexico and JLP on DFS hosted by Bangladesh Bank. AFI conducted a Peer Advisory on In-Country Implementation of NFIS hosted by the Central Bank of Nigeria, which gave participants the opportunity to observe the actual proceedings of national-level working group and technical committee meetings.

AFI strengthened its presence in the Africa region through the launch of its new Regional Office in Africa hosted by the Ministry of the Economy and Finance of Côte d'Ivoire and the Central Bank of West African States (BCEAO) in Abidjan, Côte d'Ivoire. AFI also signed a Memorandum of Understanding (MoU) with the African Development Bank (AfDB) to commence a partnership involving multi-year funding, systematic knowledge exchange and technical cooperation to scale up regional policy development and implementation in Sub-Saharan Africa.

AFI launched the Financial Inclusion for the Arab Region Initiative (FIARI) with the support of the Arab Monetary Fund (AMF) and Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ). AFI contributed to various activities in the Arab region, including a high-level policy forum on new venture finance and FinTech entitled "New Venture Finance in the Arab World" in Morocco in November 2017; a joint scoping mission and development of a baseline assessment to assist the Central Bank of the United Arab Emirates (CBUAE) in enhancing its market conduct supervision and financial literacy framework; and supporting the Central Bank of Egypt in the enhancement of its sex-disaggregated data framework.

AFI signed an MOU with the Asian Development Bank (ADB) in November 2017 to facilitate cooperation between AFI, ADB and like-minded partners to advance financial inclusion policy in the Asia and Pacific region.

AFI signed an MoU with the Central Bank of Portugal, Banco Central do Brasil and central banks of Portuguese-speaking countries in July 2017 for a capacity building partnership in financial inclusion and education in Portuguese-speaking countries. The MoU was an important milestone for the AFI network, as it was the first time AFI formalized cooperation with a developed country regulator.

3 Based on 2014 World Bank FINDEX data

In December 2017, AFI visited heads of institutions and senior representatives of central banks in the Asia region, including Nepal Rastra Bank, Central Bank of Sri Lanka and Bank of Thailand, as part of a regional tour to strengthen relationships with members in the Asia region, discuss areas of priorities, identify opportunities for collaboration and consolidate lessons learned. The purpose of engagement in Nepal and Sri Lanka was also to lay the groundwork for establishing the South Asia regional collaboration initiative.

In June 2017, AFI scaled up its efforts to engage potential members in the Eastern Europe and Central Asia (EECA) region. In June, AFI met with heads of institutions of central banks in the Western Balkans during the Annual Summit of National Bank Governors, Finance Ministers and Tax Administration Directors of the Western Balkans in Montenegro. AFI's Executive Director's presentation, "Regional Financial Stability in the New Global Environment", emphasized the importance of financial inclusion in the context of the Western Balkans and broader EECA region, and highlighted challenges such as policy implications of emerging technologies, new market and regulatory challenges, and the unprecedented opportunities for central banks to address these challenges to improve financial services for its people.

In July 2017, the AFI delegation also engaged with heads of member institutions on the sidelines of the International Financial Congress hosted by the Central Bank of the Russian Federation in St. Petersburg, Russia, and discussed ways to strengthen AFI's presence in the region and deliver more tailored knowledge products suitable for members' needs.

CASE STUDY BANK AL-MAGHRIB: A MAYA DECLARATION SUCCESS STORY

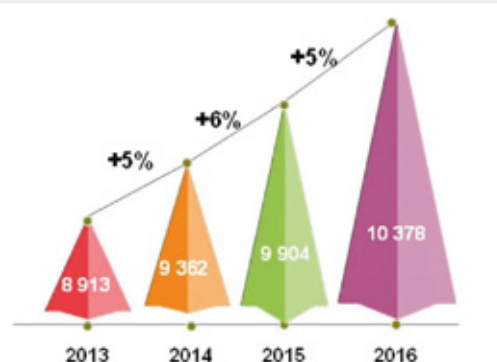
COMMITMENTS AND ACHIEVEMENTS UNDER THE MAYA DECLARATION

At the 2013 AFI Global Policy Forum in Kuala Lumpur, Bank Al-Maghrib made an ambitious commitment: to bank two-thirds of Morocco's population by the end of 2014. To achieve this goal, the Bank mobilized public and private stakeholders to improve access to financial products and services; developed innovative products to meet the needs of low-income people; created partnerships with microcredit institutions, telecommunication companies and money transfer companies; and worked to improve consumer protection and financial education.

A 2013 national survey assessed perceptions of financial services and identified bottlenecks to financial inclusion, allowing the Bank to develop even more targeted and needs-oriented action plans to improve access to quality financial services. By the end of 2014, its Maya commitment had been achieved, and by 2016, Morocco's banking system had expanded to offer financial services at almost 2,500 new branches.

LESSONS LEARNED

Morocco's experience making commitments under the Maya Declaration demonstrates the importance of setting priorities and investing necessary resources to meet targets within a certain timeframe. Maya commitments must reflect the goals of stakeholders, produce action plans with clear stages to be followed, stakeholders must be brought on board, and a coordinated approach is needed that draws on both domestic and international experiences. This approach has enabled Bank Al-Maghrib to measure the technical assistance and capacity building needs of its staff and partners, and to design effective policies that could be implemented successfully.



Increase in number of access points from 2013-2016

Source: Bank Al-Maghrib.

STRATEGIC OBJECTIVE 3

Impact on the global policy agenda.

ACHIEVEMENTS

In 2017, AFI continued to elevate members' voices on the global platform, including with the G-24 and G20 GPFI and at the annual AFI Global Policy Forum. AFI also provided input based on members' experiences to global dialogue on DFS and emerging topics such as gender, financial inclusion for FDFs, FinTech, RegTech and climate change. It was observed that AFI's knowledge products have been referenced in discussions by various SSBs, and that this would help AFI become a more influential player in setting the global policy agenda.

KEY ENABLERS

1. Global Policy Forum

At the 2017 AFI Global Policy Forum (GPF), AFI members adopted the Sharm El Sheikh Accord on Financial Inclusion, Climate Change and Green Finance as a pledge to contribute to climate change adaptation and mitigation, not only in their own jurisdictions and regions, but also to achieve SDG 13: Take urgent action to combat climate change and its impacts. AFI, together with AMF and GIZ, signed a Letter of Intent to establish the Financial Inclusion for the Arab Region Initiative (FIARI), which aims to use financial inclusion as a driving force for sustainable economic and social developments in line with a range of the SDGs.

"Financial inclusion is one of Egypt's main targets that will help include all citizens, especially women and youth, ensuring their access to financial services and merging the informal economy into the formal one. This should boost economic growth and improve the living standards of citizens."

From the keynote address of the President of the Arab Republic of Egypt, H.E. Mr. Abdel Fattah el-Sisi

"The programs during the AFI Global Policy Forum, reinforced by regional initiatives, can help create momentum in enhancing financial inclusion in the Arab world."

From the speech by Dr. Abdulrahman A. Al Hamidy, Arab Monetary Fund Director General Chairman of the Board



EXPLORING
DIVERSITY,
PROMOTING
INCLUSION

THE 2017
AFI GLOBAL
POLICY FORUM

13-15 SEPTEMBER
SHARM EL SHEIKH, EGYPT

Progress was made on key deliverables from previous GPFs:

1.1 FinTech and RegTech

Following the member decision at the 2016 GPF to embark on a peer learning initiative on RegTech and FinTech, AFI conducted a member survey that confirmed the relevance of FinTech and RegTech to members' financial inclusion objectives, but highlighted the absence of specific policies, regulations and initiatives. AFI established DFS WG subgroups on FinTech and RegTech and KYC Innovation, and incorporated regulatory sandbox approaches within the GSP WG's Proportionality in Practice work stream.

AFI contributed to peer learning initiatives on FinTech and RegTech on global and regional platforms including:

- > The FSB FinTech issues group through a consultation workshop in Singapore in March 2017;
- > H.M. Queen Máxima's Reference Group's meeting on FinTech hosted by the Central Bank of the Netherlands in May 2017;
- > ADB's High-Level Forum, "FinTech and Sustainable Development in Asia", in Manila, Philippines in November 2017;
- > The financial inclusion track of the Singapore FinTech Festival held by the Monetary Authority of Singapore in Singapore in November 2017; and
- > The Asia Pacific Group on Money Laundering (APG) special conference on FinTech in Seoul, South Korea in December 2017, the first FinTech-focused event held by an FATF-style regional body.

In line with the focus of the newly launched work stream on FinTech for Financial Inclusion, AFI's global and regional events in 2018 will support peer learning on enabling regulatory approaches for members.

1.2 Financial Inclusion, Climate Change and Green Finance

The adoption of the Sharm El Sheikh Accord on Financial Inclusion, Climate Change and Green Finance at the 2017 GPF provided the impetus to formalize the climate change agenda in the AFI Network, paving the way for the formation of partnerships and dialogues. AFI will use its existing policy tracking tool to monitor the development and implementation of climate change-related financial inclusion policies, regulations and instruments by AFI members. AFI will also implement a communications strategy to enhance the visibility of the Sharm El Sheikh Accord, raise members' awareness and build members' capacity, with the aim of mainstreaming climate change considerations in existing and forthcoming financial inclusion strategies and policies.

1.3 Gender and Women's Financial Inclusion

AFI made great strides in advancing financial inclusion for women since the launch of the Denarau Action Plan (DAP) on Gender and Women's Financial Inclusion at the 2016 GPF. The GWFIC, in cooperation with Women's World Banking (WWB), announced the launch of the Leadership and Diversity Program for Regulators at the 2017 GPF. The curriculum for the Leadership Program, targeting leaders and high-potential women from AFI member institutions, will be developed in 2018 as a partnership between AFI and

WWB, with the first cohort planned to commence in the first quarter of 2019. The GWFIC Chair also represented AFI at the launch of the BMGF's Goalkeepers and Accelerators event held alongside the UNGA Meetings in New York City where AFI was recognized as an 'Accelerator' for growing the number of commitments under the Maya Declaration championing greater financial inclusion through digital financial services.

2. Public-Private Dialogue (PPD)

AFI engaged with PPD partners in high-level discussions to identify key policies and market solutions to address challenges faced by financial service providers in reaching the unbanked.

At the high-level PPD meeting on 21 April 2017 in Washington, DC, leaders from more than 20 AFI member institutions and AFI's PPD partners discussed practical country-level, regional and global public-private cooperation activities to address policy and market barriers to advancing financial inclusion for women through DFS. As an outcome of the meeting, a joint public-private consensus paper, "Harnessing the Potential of Closing the Gender Gap in Financial Inclusion through Partnerships", was issued and prompted in-depth discussions between AFI members with Maya commitments on gender and private sector partners.

"A ubiquitous solution to bring women in emerging markets up to the same speed as men is through digital financial services (DFS) - offering simple, reliable and quick methods of moving and saving money, particularly for those who are typically unable to reach traditional financial services."

Eric Barbier, President, TransferTo

AFI's leaders and PPD partners continued their discourse at the sidelines of the 2017 GPF, this time focusing on the topic of digital cross-border remittances. Knowledge exchange focused on key enablers to scale innovative solutions for enhanced efficiency and cost-effectiveness, regulatory concerns and the role that external stakeholders can play in addressing these concerns, and capacity building assistance that could benefit regulators. PPD discussions in 2018 will continue to focus on cross-border remittances from which a joint outcome statement will be issued for collective action.

3. Financial Inclusion Stakeholders Engagement

3.1 Intergovernmental Group of Twenty-Four on International Monetary Affairs and Development (G-24)

AFI members and the G-24, representing over 25 countries, participated in the 9th Annual G-24/AFI Policymakers' Roundtable on 19 April 2017 in Washington, DC. Representatives from the World Bank, IMF, FSB, BMGF and Omidyar Network were also in attendance and, for the first time, the meeting included observers from the private sector. Discussions focused on the challenges of de-risking and the importance of new technologies; the impact of financial technology and the rapidly developing fields of FinTech and RegTech; and the financial inclusion gender gap and how support for the implementation of AFI's Denarau Action Plan could help to close this gap.

"De-risking, FinTech, financial stability and inclusion, are pertinent topics for the work of the G-24 and AFI and the guidance of all members and partners here can help us shape these important G-24 and AFI Initiatives."

Opening remarks by Professor Benno Ndulu, former Governor of Bank of Tanzania and former AFI Board Chair

3.2 Association of Southeast Asian Nations (ASEAN) Working Committee on Financial Inclusion (WN-FINC)

AFI continued to participate and contribute to the work of the ASEAN WC-FINC through its presence at the 4th WC-FINC meeting held in Brunei in August 2017. AFI took the opportunity to engage further with current and potential members and development partners, including the World Bank and UNCDF, by providing global perspective on region-specific financial inclusion issues, initiatives and action plans. During the meeting, AFI's guideline notes were referenced, including the definition of DFS by the DFS WG, AFI's Core Set of Indicators and sex-disaggregated data toolkit. Following AFI's presentation, members also expressed strong interest in AFI's work plan on FinTech and blockchains and how lessons are translated between working groups and regional initiatives. AFI members also shared their experiences on the benefits and value-added services their institutions have received from AFI.

3.3 G20 Global Partnership for Financial Inclusion (GPFI)

AFI continued to support the work stream and deliverables of the G20 Presidency held by Germany in 2017 and participated in key meetings of the GPFI, including:

- > Workshop on updating the G20 Financial Inclusion Action Plan (FIAP) and forum on Digital Financial Services in Wiesbaden in January 2017
- > Workshop on Climate-Smart Financing for Rural MSMEs in Frankfurt in March 2017
- > High-Level Forum on the Financial Inclusion of Forcibly Displaced Persons in Berlin in April 2017
- > Responsible Finance Forum, GPFI Forum and GPFI Plenary in Berlin in May 2017
- > GPFI plenary meeting on the transition of the G20 Presidency from Germany to Argentina in Washington, DC in October 2017

As a G20 GPFI Implementing Partner, AFI contributed to the German G20 Presidency in three principal areas:

(a) Financial Inclusion of FDPs

- > As Lead Implementing Partner to the GPFI's Temporary Steering Committee on the Financial Inclusion of FDPs, AFI organized the High-Level Forum on the Financial Inclusion of FDPs, a special session at the GPF to share the findings of the GPFI work with AFI members, and provided technical assistance with the G20 Policy Paper, which showcased the experiences of AFI members that have implemented innovative policy reforms to advance the financial inclusion of FDPs.

(b) Implementation of the G20 Principles for Digital Financial Inclusion

> AFI contributed insights to the GPFI report, “Digital Financial Inclusion: Emerging Policy Approaches”, which highlighted the experiences of AFI members that have implemented the G20 Principles for Digital Financial Inclusion. AFI also organized a panel session on the role of the AFI’s regional initiatives in supporting the implementation of the G20 High-Level Principles. The panel was represented by leaders of AFI’s Regional Initiatives, AfPI, FILAC, PIRI and FIARI (represented by Arab Monetary Fund Chairman Dr. Al Hamidy) and moderated by AFI Executive Director. The panel concluded that regional initiatives such as AFI’s could be powerful driving forces in the practical implementation of DFS policy reforms conducive to greater financial inclusion.

(c) Supporting the G20’s Policy Priorities for SME Finance

> AFI’s SME Finance (SMEF) Working Group created a subgroup dedicated to strengthening collaboration between the AFI SMEF Working Group and the GPFI Subgroup on SME Finance. The G20 FIAP made reference to the knowledge products of the SMEF Working Group, the Maya Declaration commitments on SME finance and the reporting of country progress on the AFI Data Portal.

Looking ahead, AFI will support the incoming G20 Presidency by Argentina in 2018, working together with the Central Bank of Argentina, which joined the AFI Network in 2017. The Central Bank of Argentina presented Argentina’s priorities for the G20 presidency to the AFI membership during the 2017 Global Policy Forum. AFI will also further the work of the GPFI’s Temporary Steering Committee on the Financial Inclusion of FDPs to facilitate the GPFI’s role in preparing a Roadmap for the Financial Inclusion of FDPs.

4. Member Perspectives on the Global Standards

AFI continued to provide input to influence global standards through participation in peer learning with the SSBs and emerging policy areas such as gender, financial inclusion for FDPs, FinTech and RegTech, Financial Inclusion and Climate Change.

AFI Member-Led Governance to Engage SSBs

AFI envisages an increasingly important role for the Global Standards Policy Committee (GSPC) supported by the GSP WG in recommending approaches for implementing global standards for financial stability and integrity proportionately and ensuring that financial inclusion is pursued in tandem with a safe and sound financial system. To align its support with the needs of the network, the GSP WG adopted a five-year strategic plan for guiding key activities, including engaging assessors (IMF and World Bank) on country Financial Sector Assessment Programs (FSAPs), analyzing and identifying gaps in capacity building and documenting country practices, aligning national risk assessments with NFIS, the role of insurance and proportionate regulatory approaches to integrating insurance in NFIS, and enhancing AFI’s peer learning initiative with international SSBs.



2017 GPFI Opening Ceremony



9th Annual G-24/AFI Policymakers' Roundtable



2017 GPFI Session



High-Level PPD Meeting

PART THREE: FINANCIAL REPORT



STATEMENT OF FINANCIAL POSITION AT 31 DECEMBER 2017

	USD 2017	USD 2016
ASSETS		
NON CURRENT ASSET		
Equipment	84,173	-
Total Non Current Asset	84,173	-
CURRENT ASSETS		
Trade receivable	123,898	2,231,087
Other receivables and prepayments	28,054	7,906
Fixed deposit with a licensed bank	-	1,000,000
Cash and bank balances	7,380,634	1,494,219
Total Current Assets	7,532,586	4,733,212
TOTAL ASSETS	7,616,759	4,733,212
EQUITY AND LIABILITY		
EQUITY		
Accumulated funds	4,693,410	3,785,466
Total Equity	4,693,410	3,785,466
CURRENT LIABILITY		
Other payables and accruals	2,923,349	947,746
Total Liability	2,923,349	947,746
TOTAL EQUITY AND LIABILITY	7,616,759	4,733,212

STATEMENT OF INCOME AND EXPENDITURE

FOR THE YEAR ENDED 31 DECEMBER 2017

	USD 01.01.2017 to 31.12.2017	USD 27.01.2016 to 31.12.2016
Revenue	9,499,241	7,421,346
Interest income	63,264	10,379
Total income	9,562,505	7,431,725
Less: Expenditure	(8,654,561)	(9,554,604)
Surplus/(deficit) of income over expenditure for the financial year/period	907,944	(2,122,879)
Taxation	-	-
Surplus/(deficit) of income over expenditure after tax for the financial year/period	907,944	(2,122,879)
Accumulated funds brought forward	3,785,466	-
Fund contribution from Deutsche Gesellschaft für Internationale Zusammenarbeit ("GIZ")	-	5,908,345
Accumulated funds carried forward	4,693,410	3,785,466

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017

	USD 01.01.2017 to 31.12.2017	USD 27.01.2016 to 31.12.2016
RECEIPTS		
Cash receipts from donors and membership fee	10,477,852	7,998,537
Cash receipts from GIZ	2,566,769	3,677,258
Interest received	66,764	6,879
	13,111,385	11,682,674
LESS: PAYMENTS		
Auditor's remuneration	6,643	3,071
Bank charges	24,666	14,236
Contracted consultants and event fees	1,089,414	1,396,451
Directors' remuneration	869,927	661,840
Entertainment	3,871	7,423
Grant disbursements	589,548	235,530
Indirect costs	-	285,366
Other direct costs	50,943	389,433
Postage and Courier	903	6,981
Purchase of computer hardware and software	107,279	177,210
Purchase of office equipment	59,428	10,010
Purchase of motor vehicles	31,273	-
Purchase of office supplies	3,415	8,141
Realised foreign exchange loss	-	59,622
Rental of premise	12,221	7,692
Staff costs	3,542,231	3,437,033
Training - Sponsorship	126	-
Travel expenses - Flights	607,368	881,256
Travel expenses - Accommodations	357,350	766,794
Travel expenses - Member sponsorships for flights and accommodations	806,186	767,343
Utilities expense	62,178	73,023
	8,224,970	9,188,455
Net increase in cash and cash equivalents	4,886,415	2,494,219
Cash and cash equivalents at beginning of the financial year/period	2,494,219	-
Cash and cash equivalents at the end of the financial year/period	7,380,634	2,494,219

PART FOUR: REFERENCES



AFI DATA PORTAL

The AFI Data Portal (ADP) is a unique global database on financial inclusion policies, regulations and outcomes provided directly by policymakers and regulators. The ADP primarily houses three types of data: Maya Declaration commitments and targets, AFI Country Policy Profiles and Financial Inclusion Indicators.

Publicly launched in September 2016, the objectives of the ADP are:

- > To enable AFI members to report progress on their national financial policy commitments and targets, and to benchmark their progress against that of their peers;
- > To enable both members and partners to analyze country progress on financial inclusion policy effectively and efficiently;
- > To provide a repository of knowledge on policy and regulatory status pertaining to financial inclusion, emphasizing aspects deemed important by AFI members; and
- > To grant the public access to the ADP thus enhancing AFI's contribution to global knowledge.

PROGRESS ON DATA REPORTING

As of December 2017, the ADP housed 63 Maya Declaration commitments with a total of 570 targets made by AFI member institutions, compared to 350 targets in the previous reporting period. 44 members with Maya Declaration commitments have reported progress on their targets via the ADP during this period. This represents 67 percent of the AFI network that have made Maya Declaration commitments with 70 percent reporting progress on their targets in the past 12 months.

The ADP also houses AFI Country Policy Profiles, a repository of knowledge on policy and regulatory status pertaining to financial inclusion, emphasizing aspects deemed important by AFI members. The Policy Profiles contains five sets of questionnaires: Financial Inclusion Data, Digital Financial Services, AML/CFT, Consumer Protection and Market Conduct, and SME Finance. During the reporting period, the ADP housed 67 country profiles, 61 of which have completed all five questionnaires.

44 countries have enhanced their data measurement policies by incorporating AFI's Core Set of Financial Inclusion Indicators, formulated by AFI's Financial Inclusion Data Working Group (FID WG). As of December 2017, 35 had reported data on AFI's Core Set of Indicators on the ADP.

ADP USAGE

Of the 75 AFI member institutions with active users on the ADP, 48 also reported data (including Maya Declaration progress reports and financial inclusion indicators) during the reporting period. This indicates not only high usage of the ADP by AFI members, who are sharing reports on their national policy commitments and targets, but also high viewership of what their peers are sharing.

LOOKING AHEAD

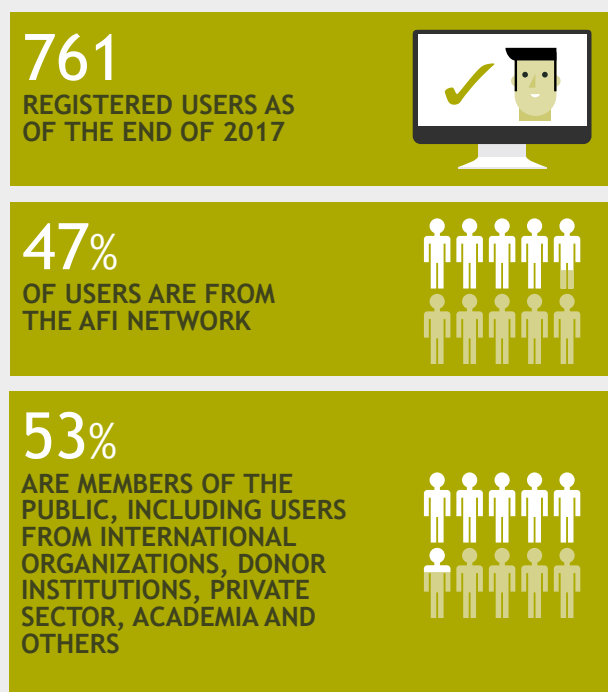
The ADP underwent technical and design enhancements in 2017 based on user feedback and to cater to the increased volume of data and usage. The new ADP, to be launched in early 2018, is anticipated to be more intuitive and user friendly, optimizing data sharing functionality as well as adding analytics and data tracking features.

AFI will continue to encourage members to update and share their financial inclusion data regularly. A 'State of Financial Inclusion Report' will be published and shared with the AFI Network, showcasing the financial inclusion journey of members based on data submitted to the ADP.

MOST VIEWED PAGES ON THE ADP (IN DESCENDING ORDER)



ACCESS TO THE AFI DATA PORTAL



FURTHER INFORMATION

AFI Data Portal:
www.afi-dataportal.org

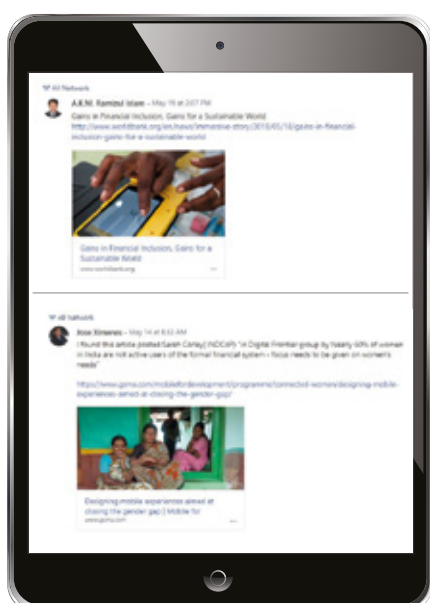
AFI Data Portal Fact Sheet:
<https://www.afi-global.org/publications/2338/AFI-Data-Portal-ADP-Sharing-your-countries-financial-inclusion-stories-through-data-2017-Factsheet>



AFI MEMBER ZONE

The AFI Member Zone (MZ) is a member-exclusive online platform where AFI members can collaborate on financial inclusion policy issues beyond meetings and events.

The MZ virtually connects over 900 regulators from more than 90 countries on an interactive and user-friendly platform. As a virtual community, MZ users can ask questions, receive feedback, identify peers working on similar issues and learn about worldwide successes in financial inclusion.



FURTHER INFORMATION

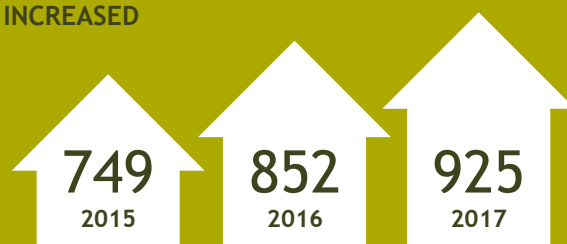
AFI Member Zone Fact Sheet:
<https://www.afi-global.org/publications/2333/The-AFI-Member-Zone-2017-Factsheet>

To access the AFI Member Zone, visit:
www.afi-memberzone.org



MEMBER ZONE USERS INCREASED

MEMBER ZONE USERS INCREASED



4,088

ACTIVITIES INCLUDING
1,172 POSTS,
407 COMMENTS
AND 183 SHARED
DOCUMENTS



MOST ACTIVE INSTITUTIONS



2017 AFI MEMBER ZONE AWARD WINNER

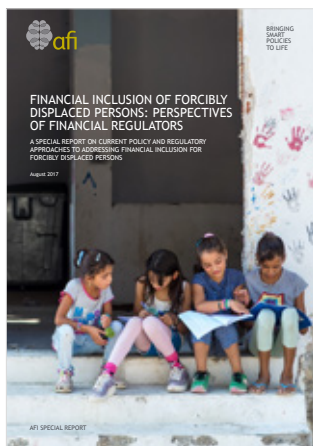
ASIF IQBAL

"The Member Zone is a neighborhood where policymakers across continents and time zones can share information, policies, knowledge and thoughts. It also provides a platform for members to debate and seek solutions to unique and critical problems. The Member Zone is a vehicle that supports policymakers in bringing smart policies to life."

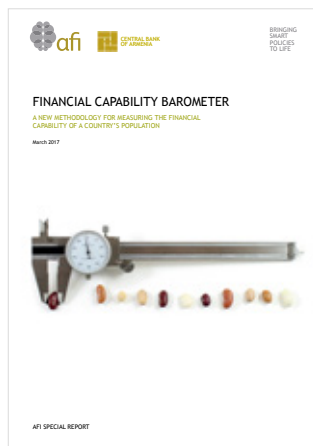
Asif Iqbal, Bangladesh Bank



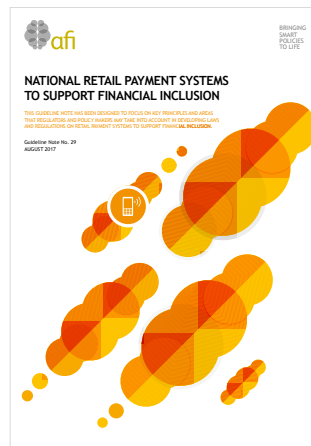
AFI KNOWLEDGE PRODUCTS



Financial Inclusion of Forcibly Displaced Persons: Perspectives of Financial Regulators



Financial Capability Barometer
- A new methodology for measuring the financial capability of a country's population



Guideline Note 29
- National Retail Payment Systems to support Financial Inclusion

ONLINE:
<https://www.afi-global.org/publications/>

JANUARY

Guideline Note 25 - Leveraging Sex-Disaggregated Data

Guideline Note 26 - Sex-Disaggregated Data Toolkit

FEBRUARY

Case Study 5 - Expanding Women's Financial Inclusion in Bangladesh through MSME Financial Policies

Guideline Note 27 - Integrating Gender and Women's Financial Inclusion into National Strategies

MARCH

Survey Report on SME Finance Policies for Micro, Small and Medium Enterprises (MSMEs) Owned by Women and Women Entrepreneurs

Defining Small and Medium Enterprises in the AFI Network

Financial Capability Barometer - A new methodology for measuring the financial capability of a country's population

JULY

Guideline Note 28 - Defining Financial Inclusion

National Coordination and Leadership Structure

Financial Inclusion of Forcibly Displaced Persons: Perspectives of Financial Regulators

Alternative Dispute Resolution

AUGUST

Case Study 1 - Strengthening Cooperation between Financial and Telecom Regulators on DFS Issues: A Case Study of Ghana

Case Study 6 - Women Financing: A case study of LAPO Microfinance Bank Limited

Case Study 7 - Women's Financial Inclusion in the Solomon Islands. A simple opportunity can make a difference

Case Study 8 - Bank on Her: Diamond Bank Enhances Opportunities for Nigeria's Low-Income Women to Save

Guideline Note 29 - National Retail Payment Systems to support Financial Inclusion

SEPTEMBER

Case Study 9 - Meeting the financial needs of the agriculture sector through prudentially regulated SACCOs in Kenya

Case Study 3 - E-Money in El Salvador: A comprehensive model

NOVEMBER

Digitally Delivered Credit : Consumer Protection Issues and Policy Responses to New Models of Digital Lending

Case Study 2: Interoperability and Interconnectivity of Electronic Payment Methods and Financial Inclusion in Paraguay

2017 AFI CALENDAR OF EVENTS

JANUARY

24-27	GPFI Meeting, Workshop on G20 FIAP and G20 Conference on Digitizing Financial Services	Wiesbaden, Germany
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FEBRUARY

20	AFI Board of Directors Meeting	Teleconference
20-23	Digital Financial Services Working Group (DFS WG) Meeting	Accra, Ghana
20-23	Global Standards Proportionality Working Group (GSP WG) Meeting	Accra, Ghana
24	PPD Training on Catalyzing Financial Inclusion with Government Payments	Accra, Ghana

MARCH

6-10	AFI-BNM Member Training on SME Finance	Kuala Lumpur, Malaysia
10	AFI Advisory Group Meeting	Eschborn, Germany
13-16	Consumer Empowerment and Market Conduct Working Group (CEMC WG) Meeting	Mahé, Seychelles
13-16	SME Finance Working Group (SMEF WG) Meeting	Mahé, Seychelles
15	Gender and Women's Financial Inclusion Committee Meeting	Teleconference
17	PPD Training on Small Merchant Acceptance: A Path to Financial Inclusion	Mahé, Seychelles
21	Budget and Finance Committee Meeting	Kuala Lumpur, Malaysia

APRIL

19	9th Annual G-24/AFI Policymakers' Roundtable at the World Bank/IMF Spring Meetings	Washington, DC, US
21	High-Level PPD Meeting	Washington, DC, US
21	AFI Board of Directors Meeting	Washington, DC, US
24-27	Financial Inclusion Data Working Group (FID WG) Meeting	Dushanbe, Tajikistan
24-27	Financial Inclusion Strategy Peer Learning Group (FIS PLG) Meeting	Dushanbe, Tajikistan
28	Workshop on Measuring the Impact of Financial Inclusion	Dushanbe, Tajikistan
26	High-Level Forum on the Financial Inclusion of Forcibly Displaced Persons	Berlin, Germany
27-28	Responsible Finance Forum	Berlin, Germany

MAY

2-5	GPFI Forum and Plenary under German G20 Presidency	Berlin, Germany
9-10	AMPI Regulatory Training: Digital Approaches to Enhancing Financial Inclusion	Maputo, Mozambique
11-12	African Mobile Financial Services Policy Initiative (AMPI) Leaders' Roundtable	Maputo, Mozambique
22-26	AFI Joint Learning Program on Proportionate Regulations for Financial Inclusion	Mexico City, Mexico
30	Pacific Islands Regional Initiative (PIRI) EGFIP Meeting	Kokopo, Papua New Guinea
31-1 June	PIRI Leaders' Roundtable	Kokopo, Papua New Guinea

JUNE

6-7	Financial Inclusion Initiative for Latin America and the Caribbean (FILAC) EGFIP Meeting	Brasília, Brazil
8-9	FILAC Training on DFS Policy and Regulation	Brasília, Brazil
27	Budget and Finance Committee Meeting	Kuala Lumpur, Malaysia
30	AFI Advisory Group Meeting	Teleconference

JULY

10-14	AFI-BNM Member Training on Behavioral Economics and Consumer Empowerment and Market Conduct	Kuala Lumpur, Malaysia
20	Gender and Women's Financial Inclusion Committee Meeting	Teleconference

AUGUST

1-2	Policy Forum on Cybersecurity: Safeguarding the Future for Innovative Financial Inclusion	Kuala Lumpur, Malaysia
2-3	PPD Training on Cybersecurity Challenges and Resilience Management	Kuala Lumpur, Malaysia
7-10	AFI-BNM Member Training on Financial Inclusion Strategy and Data	Kuala Lumpur, Malaysia
11	AFI Board of Directors Meeting	Kuala Lumpur, Malaysia

SEPTEMBER

11	AfPI Sub-Regional Focal Points Meeting, FILAC EGFIP Meeting and PIRI EGFIP Meeting	Sharm El Sheikh, Egypt
12	AFI Board of Directors Meeting	Sharm El Sheikh, Egypt
12	Gender and Women's Financial Inclusion Committee Meeting	Sharm El Sheikh, Egypt
12	Working Group Meetings	Sharm El Sheikh, Egypt
13	AFI Annual General Meeting	Sharm El Sheikh, Egypt
13	Global Standards and Policy Committee Meeting	Sharm El Sheikh, Egypt
13	Regional Initiatives Meetings	Sharm El Sheikh, Egypt
14-15	AFI Global Policy Forum	Sharm El Sheikh, Egypt
14	AFI Advisory Group Meeting	Sharm El Sheikh, Egypt

OCTOBER

18-19	AFI-BNM Member Training on AML/CFT	Kuala Lumpur, Malaysia
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NOVEMBER

21	AFI Advisory Group Meeting	Teleconference
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DECEMBER

4	Budget and Finance Committee Meeting	Kuala Lumpur, Malaysia
4-5	Financial Inclusion Policy Forum	Amman, Jordan
4-8	AFI Joint Learning Program on Digital Financial Services	Dhaka, Bangladesh
19	AFI Board of Directors Meeting	Teleconference

GLOSSARY OF TERMS


ADB	Asian Development Bank
AfDB	African Development Bank
AFI	Alliance for Financial Inclusion
AFI	Alliance for Financial Inclusion
AfPI	African Financial Inclusion Policy Initiative
AMF	Arab Monetary Fund
AML	Anti-Money Laundering
AMPI	African Mobile Phone Financial Services Policy Initiative
BCBS	Basel Committee on Banking Supervision
BFC	Budget and Finance Committee
BMGF	Bill & Melinda Gates Foundation
BMZ	German Federal Ministry for Economic Cooperation and Development
BNM	Bank Negara Malaysia
CEMC WG	Consumer Empowerment and Market Conduct Working Group
CFT	Combating the Financing of Terrorism
CGAP	Consultative Group to Assist the Poor
CPSS	Committee on Payment and Settlement Systems
Denarau Action Plan or DAP	Denarau Action Plan: The AFI Network Commitment to Gender and Women's Financial Inclusion
DFS	Digital financial services
DFS WG	Digital Financial Services Working Group
EECA	Eastern Europe and Central Asia
EGFIP	Experts Group on Financial Inclusion Policy
e-money	Electronic money
e-payment	Electronic payment
FATF	Financial Action Task Force
FDP	Forcibly displaced persons
FIARI	Financial Inclusion for the Arab Region Initiative
FID WG	Financial Inclusion Data Working Group
FILAC	Financial Inclusion Initiative for Latin America and the Caribbean
FinTech	Financial Technology
FIS PLG	Financial Inclusion Strategy Peer Learning Group
FSB	Financial Stability Board
G20	Group of Twenty consisting of governments and central bank governors from 20 major economies
G-24	Intergovernmental Group of Twenty-Four on International Monetary Affairs and Development
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit or German Society for International Cooperation, Ltd.
GPF	Global Policy Forum

GPFI	Global Partnership for Financial Inclusion
GSP WG	Global Standards Proportionality Working Group
GSPC	Global Standards and Policy Committee
GWFI	Gender and Women's Financial Inclusion Committee
IDRC	International Development Research Centre
IMF	International Monetary Fund
IT	Information technology
JLP	Joint Learning Program
KYC	Know Your Customer
LAC	Latin America and the Caribbean
MDGs	Millennium Development Goals
MENA	Middle East and North Africa
MFS	Mobile financial services
MNA	Member Needs Assessment
MoU	Memorandum of Understanding
MSME	Micro, Small and Medium Enterprise
MU	Management Unit
NFIS	National financial inclusion strategy
OECD	Organisation for Economic Cooperation and Development
PAS	Peer Advisory Service
PFIP	Pacific Financial Inclusion Programme
PIRI	Pacific Islands Regional Initiative
PPD	Public-Private Dialogue
PPP	Public-Private Partnership
RegTech	Regulatory Technology
SDGs	Sustainable Development Goals
SME	Small and Medium Enterprise
SMEF WG	SME Finance Working Group
SSA	Sub-Saharan Africa
SSBs	Standard-Setting Bodies
UN	United Nations
WWB	Women's World Banking

Alliance for Financial Inclusion

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