

2017 WORKING GROUPS AND REGIONAL INITIATIVES REPORT

March 2018



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FOREWORD

It is with great pleasure that I present to you the 2017 Working Groups and Regional Initiatives Report. The year has been an exhilarating one for six working groups and four regional initiatives as it embarked on the implementation of its strategic plan to position itself for policy leadership with a vision for quality content, deeper capacity and more ambitious commitments.

While the working groups provide leadership and expertise in clearly defined innovative policy fields at the global level, the translation and implementation are undertaken at the regional levels through the regional initiatives. Within the network we now have four fully-fledged regional initiatives serving members in the African, Arab, Latin America & Caribbean and the Pacific regions. AFI has been able to stand out as a global organization and a platform for driving financial inclusion through member-driven agendas reinforced through peer learning and peer support.

Working groups in 2017 maintained a high and balanced participation of member institutions. In addition, the new roles of working groups enhanced the role of AFI as a global financial inclusion policy leadership organization by providing systematic guidance for devising financial inclusion policies and regulations. At the 2017 Global Policy Forum (GPF) in Sharm El Sheikh, Egypt, leaders of the working groups took stock of the nine strategic outcomes that are to strengthen and optimize working group content leadership and strike the balance of practical thought leadership and regulatory guidance on critical and unresolved policy issues.

The working groups and regional initiatives platforms have been instrumental in supporting members in adopting and implementing network accords, which has elevated the network's global voice in finding global consensus or solutions to address specific challenges for financial inclusion. We have seen growth in policy improvements in a number of financial inclusion enabling initiatives ranging from support for technology and innovation to policies that address inequality in access to financial services. This report reflects and underscores the tremendous work undertaken by the working groups, showcases the progress of each regional initiative and carves out the many notable achievements it has brought to life.

I congratulate members of the working groups and regional initiatives for the intensive work and the creativity - your constant dialogue, innovative ideas, and enthusiasm is transforming the way policymakers, regulators, and international development institutions are approaching new challenges for financial inclusion. More importantly the dedication and commitment from the leadership teams within each working group, the regional initiatives and the team from the AFI Management Unit.

It has been a great year! We are satisfied with the continuing achievements of the working groups and regional initiatives and we are looking forward enthusiastically to the next year.

Dr. Alfred Hannig
Executive Director, AFI



AFI UPDATES

95
MEMBER COUNTRIES



114
MEMBER INSTITUTIONS



290
POLICY CHANGES



MEMBER TRAINING
MOST USED AFI SERVICE
(72 OUT OF 114 MEMBER INSTITUTIONS)



946
ATTENDANCE GPF 2017

WORKING GROUPS AND REGIONAL INITIATIVES TEAM



ELIKI BOLETAWA
Head, Policy Programs
and Regional Initiatives



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Page 16



Page 30



GHIYAZUDDIN MOHAMMAD
Policy Manager, Digital
Financial Services



Page 10



LUIS TREVINO
Policy Manager, Financial
Inclusion Data



Page 13



ROBIN NEWNHAM
Head, Policy Analysis
and Capacity Building



Page 19



NIK KAMARUN
Policy Manager,
SME Finance



Page 22



EFOÉ KOUDADJEY
Regional Manager,
Sub-Saharan & MENA



Page 25



CARLOS MOYA
Regional Manager, Latin America
and Caribbean (LAC)



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AFI WORKING GROUPS (WG)

AFI Working Groups represent leadership, innovation and focus on thematic financial inclusion policy areas that AFI actively promotes, namely Consumer Empowerment and Market Conduct (CEMC), Financial Inclusion Strategy (FIS PLG), Financial Inclusion Data (FID), Global Standards Proportionality (GSP), Digital Financial Services (DFS) and SME Finance (SMEF).

Through these thematic policy areas, smart policies and practical solutions are crafted to meet the needs of members demand. Knowledge is shared within the network, integrating experiences, technical expertise and analytical research which is eventually translated into tangible knowledge products in the form of policy guideline notes, case studies and discussion papers. The six AFI Working Groups carry distinctive but not exclusive features as these characteristics intertwine across working groups.



CONSUMER EMPOWERMENT AND MARKET CONDUCT (CEMC) WORKING GROUP

The CEMC WG examines how consumer empowerment and protection can help to secure access to financial services and improve the quality of these services. The WG is a platform for policymakers to advance policy and regulatory issues related to consumer empowerment initiatives and market conduct regulations.



DIGITAL FINANCIAL SERVICES (DFS) WORKING GROUP

The DFS WG allows policymakers to discuss regulatory issues over digital financial services (DFS), including mobile financial services (MFS), branchless banking, electronic money, digital payment solutions and other newly-introduced technologies. Digital Financial Inclusion has been recognized as the “game-changer” for greater financial inclusion in developing and emerging countries.



FINANCIAL INCLUSION DATA (FID) WORKING GROUP

The FID WG leverages progress and lessons from AFI members and practitioners worldwide on the measurement of financial inclusion, including data issues, methodologies, global standards and principles. It enables voluntary peer review between its members, as well as in-country technical implementation upon explicit requests.



FINANCIAL INCLUSION STRATEGY (FIS) PEER LEARNING GROUP

The FIS PLG supports the development of national financial inclusion strategies via peer reviews and joint guidance. It also supports the capacity to develop frameworks to guide policy and regulatory reforms and encourages the alignment of public and private sector stakeholders under a unified vision and shared goals.



GLOBAL STANDARDS PROPORTIONALITY (GSP) WORKING GROUP

The GSP WG provides a platform to facilitate peer learning on issues policymakers and regulators face in achieving a balance between financial inclusion, integrity and stability. It also studies the proportionate implementation of the global standards set by global Standard-Setting Bodies (SSBs).



SME FINANCE (SMEF) WORKING GROUP

The SMEF WG provides a unique forum for financial policymakers to discuss, innovate and jointly create smart policies that facilitate small and medium enterprises' (SMEs) access to formal financial services via access to finance. The implementation of policy frameworks and interventions at a national level allows the financial inclusion of SMEs.

AFI REGIONAL INITIATIVES (RI)

Since 2009, AFI has been engaged in the exploration and promotion of innovative and successful financial inclusion policy solutions.

While AFI's working groups provide leadership and expertise in clearly defined traditional policy fields, the AFI network is constantly monitoring new developments and maintains a commitment to supporting financial inclusion efforts in emerging fields and regions. In keeping with that commitment, the AFI network is engaged in various dedicated initiatives.



AFRICAN FINANCIAL INCLUSION POLICY INITIATIVE (AfPI)

AfPI is the primary platform for AFI's African members to support and develop financial inclusion policy and regulatory frameworks in Africa, and to coordinate regional peer learning efforts.



FINANCIAL INCLUSION INITIATIVE FOR LATIN AMERICA AND THE CARIBBEAN (FILAC)

The vision of FILAC is to promote inclusive and sustainable growth and poverty reduction through sustainable financial inclusion policies in the Latin America & the Caribbean region.



PACIFIC ISLANDS REGIONAL INITIATIVE (PIRI)

AFI has created a unique model of south-south engagement and peer learning that is highly valued by policymakers from the Pacific Islands region, to enable all low-income Pacific Islanders access to formal and informal financial services.

FINANCIAL INCLUSION ARAB REGION INITIATIVE (FIARI)

Launched during the 2017 GPF, FIARI is a coordination platform to enable financial inclusion advocacy, capacity building, peer-learning, knowledge development, and in-country technical implementation support among the central banks and monetary authorities in the Arab region.

WORKING GROUP AND REGIONAL INITIATIVE TIMELINE

2010		1st Working Group Meeting for MFS. Cape Town, South Africa (currently known as DFS WG)
		1st Working Group Meeting FID WG Kuala Lumpur, Malaysia
		1st Working Group Meeting FINT WG (Currently known as GSP WG) Bali, Indonesia
2011		1st Working Group Meeting for CEMC WG Kuala Lumpur, Malaysia
2012		1st Working Group Meeting for FIS PLG Abuja, Nigeria
2013		1st Working Group Meeting for SMEF WG Kuala Lumpur, Malaysia
		Launch of AMPI ("The Zanzibar Declaration") Zanzibar, Tanzania
2014		1st Working Group Meeting for GSP WG (initially FINT WG) Port of Spain, Trinidad and Tobago
2015		Official launch of PIRI Dili, Timor Leste (The Dili Consensus)
2016		Official launch of FILAC Cartagena de Indias, Colombia
2017		From AMPI to AfPI transition Maputo, Mozambique
		Official launch of FIARI 2017, Global Policy Forum Sharm El Sheikh, Egypt

CONSUMER EMPOWERMENT AND MARKET CONDUCT (CEMC) WORKING GROUP



The Consumer Empowerment and Market Conduct (CEMC) Working Group was launched in April 2011 to examine how consumer empowerment and protection can help secure access to financial services and improve the quality of these services.

The CEMC WG is a platform for policymakers to advance policy and regulatory issues related to consumer empowerment initiatives and market conduct regulations.

OBJECTIVES

The CEMC WG has the following key objectives:

- > Develop and share a common understanding of good practices, lessons learned and cost-effective policy tools
- > Promote their adoption at national level as well as in a broader international context.

CEMC ACTIVITIES

Subgroups activities

Institutional Framework and Supervision Subgroup: A new set of assessments and indicators for a consumer protection framework that would be relevant to member countries, as low cost and universal as possible, should be ready by December 2018.

Responsible Lending Subgroup: following the Guideline Note on Digitally Delivered Credit published in November 2017, the subgroup consolidated survey responses and presented a new Digitally Delivered Credit Policy Note, which was endorsed and approved for publication by January 2018.

Financial Literacy and Education Subgroup: enhance the capacity of developing economies to implement audience-appropriate, evidence-based financial consumer protection and financial literacy programs and defined best practices in the monitoring and evaluation of financial literacy and education programs. Guideline note on financial education programs aimed at women is planned to be published by December 2018.

HIGHLIGHTS

63
MEMBER
COUNTRIES



61
MEMBER
INSTITUTIONS



18
KNOWLEDGE
PRODUCTS



126
MAYA DECLARATION
TARGETS



ACTIVITIES

	Policy changes	Peer reviews
2017	20	3
TOTAL*	82	10

*Refers to the total Policy Changes and Peer Reviews per thematic area since 2009

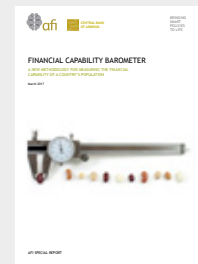
DELIVERABLES



CEMC Survey Report:
Alternative Dispute
Resolution
July 2017



Digitally Delivered
Credit: Consumer
Protection Issues and
Policy Responses to New
Models of Digital
Lending
November 2017



Financial Capability
Barometer
A New Methodology For
Measuring the Financial
Capability of a
Country's Population
March 2017

LEADERSHIP TEAM



A



B

MS. ARMENUHI MKRTCHYAN - Chair A
Head of Consumer Protection, Central Bank of Armenia

Ms. Mkrtchyan is responsible for the design of regulatory and supervisory policy for financial consumer protection in Armenia, supervision of the market conduct of financial institutions and financial education policies. Elected as co-chair in 2012 and as chair in 2014 and 2016, she has actively contributed to WG meetings, the development of knowledge products and represented AFI at international conferences. Before joining the Central Bank’s Consumer Protection Division, Ms. Mkrtchyan spent 10 years designing and implementing reforms in various sectors of the financial system: banking, micro-finance, insurance and securities.

MS. PIA ROMAN TAYAG - Co-Chair B
Head, Inclusive Finance Advocacy, Banco Sentral ng Pilipinas

Ms. Roman Tayag, is involved in the overall financial inclusion work of the Central Bank particularly in the areas of policy and regulation, capacity building, advocacy, and relationship building. She also oversees the bank’s principal consumer protection unit that ensures the protection of financial consumer rights by formulating related policies and standards, assessing supervised financial institutions’ adherence to the said standards, and implementing financial learning program and the BSP consumer assistance mechanism. Ms. Roman Tayag was elected as co-chair of the CEMC WG in 2016.



CEMC WORKING GROUP MEETINGS

- 2011 1st Kuala Lumpur, Malaysia
- 2011 2nd Riviera Maya, Mexico

- 2012 3rd Bangkok, Thailand
- 2012 4th Cape Town, South Africa

- 2013 5th Lima, Peru
- 2013 6th Kuala Lumpur, Malaysia

- 2014 7th Minsk, Belarus
- 2014 8th Port of Spain, Trinidad and Tobago

- 2015 9th Kuala Lumpur, Malaysia
- 2015 10th Maputo, Mozambique

- 2016 11th Yerevan, Armenia
- 2016 12th Nadi, Fiji

- 2017 13th **Mahe, Seychelles**
March 2017
The 13th Consumer Empowerment and Market Conduct Working Group (CEMC WG) Meeting was organized by Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Seychelles, jointly with the 8th SME Finance Working Group (SMEF WG) Meeting.

- 2017 14th **Sharm El Sheikh, Egypt**
September 2017
The 14th Consumer Empowerment and Market Conduct Working Group (CEMC WG) Meeting was organized by Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Egypt, in conjunction with the 9th Global Policy Forum (GPF).



MEMBERS

- > Da Afghanistan Bank
- > Banco Nacional de Angola
- > Central Bank of Armenia
- > Bangladesh Bank
- > Microcredit Regulatory Authority of Bangladesh
- > National Bank of the Republic of Belarus
- > Royal Monetary Authority of Bhutan
- > Banco Central do Brasil
- > Banque de la République du Burundi
- > National Bank of Cambodia
- > Superintendencia General de Entidades Financieras de Costa Rica
- > Banque Centrale du Congo
- > Central Bank of Egypt
- > Banco Central de Reserva de El Salvador
- > Bank of Ghana
- > Banque Centrale de la République de Guinée
- > Central Bank of Jordan Central Bank of Kenya
- > Central Bank of Lesotho
- > Central Bank of Liberia
- > Reserve Bank of Malawi
- > Bank Negara Malaysia
- > Financial Regulatory Commission of Mongolia
- > Bank Al-Maghrib
- > Banco de Moçambique
- > Bank of Namibia
- > Nepal Rastra Bank
- > Central Bank of Nigeria
- > Palestine Monetary Authority
- > Bank of Papua New Guinea
- > Banco Central del Paraguay
- > Superintendencia de Banca, Seguros y AFP del Perú
- > Bangko Sentral ng Pilipinas
- > National Bank of Rwanda Central Bank of Samoa
- > Banco Central de São Tomé e Príncipe
- > Central Bank of Seychelles
- > Central Bank of Solomon Islands
- > Central Bank of Sudan
- > Ministry of Finance of Swaziland
- > National Bank of Tajikistan
- > Bank of Tanzania
- > Bank of Thailand
- > Banco Central de Timor-Leste
- > National Reserve Bank of Tonga
- > Central Bank of Trinidad & Tobago
- > Bank of Uganda
- > Reserve Bank of Vanuatu
- > Bank of Zambia
- > Reserve Bank of Zimbabwe



14th CEMC Working Group Meeting, Egypt, September 2017

DIGITAL FINANCIAL SERVICES (DFS) WORKING GROUP



The Digital Financial Services (DFS) Working Group brings policymakers together to discuss regulatory issues related to digital financial services and promote DFS as a major driver of financial inclusion in emerging and developing countries. The DFS WG develops policy guidelines, conducts peer reviews and actively engages with DFS industry and global Standard-Setting Bodies (SSBs).

Digital financial services (DFS) is a key catalyst in advancing the cause of financial inclusion. Be it through increasing penetration of mobile money in Sub-Saharan Africa; or proliferation of smart-phone application based innovative payments and financial services in Asia; or the growing use of digital identity platforms for strengthening AML/CFT measures. DFS and fintech is also a topic of cross cutting within AFI's thematic financial inclusion policy areas such as consumer protection, financial inclusion strategy, SME finance etc. Given the importance of DFS and fintech, DFSWG plays a spearheading role within the network.

OBJECTIVES

The DFS WG has the following key objectives:

- > Create an enabling policy and regulatory environment for transformational DFS at national levels
- > Develop a shared understanding of the risk profiles of emerging digital financial services business models, which is essential in designing appropriate regulatory frameworks
- > Stimulate discussion and learning on new approaches and good practices in DFS regulation by encouraging policymakers to exchange experiences
- > Provide a platform for capturing, tracking and sharing information on innovative DFS, products, business models and appropriate new policy responses
- > Establish linkages and provide inputs, where appropriate, to global Standard-Setting bodies (SSBs) seeking to establish proportionate supervisory practices for DFS.

DFS WG ACTIVITIES

Subgroups' Activities

National Retail Payment Systems and Financial Inclusion Subgroup: publication of a Guideline Note in June 2017 highlighting the principles and options for regulators and policymakers to support financial inclusion in laws and regulations on retail payment systems.

HIGHLIGHTS

66
MEMBER
COUNTRIES



64
MEMBER
INSTITUTIONS



9
KNOWLEDGE
PRODUCTS



117
MAYA DECLARATION
TARGETS



ACTIVITIES

	Policy changes	Peer reviews
2017	37	3
TOTAL*	97	17

*Refers to the total Policy Changes and Peer Reviews per thematic area since 2009

DELIVERABLES



Guideline Note 29:
National Retail Payment
Systems to Support Financial
Inclusion

Digitally-Enabled Cross-Border Remittances Subgroup: guideline note to highlight new and innovative technology-based business models for cross-border remittances, legal and regulatory approaches. Final note expected January 2018.

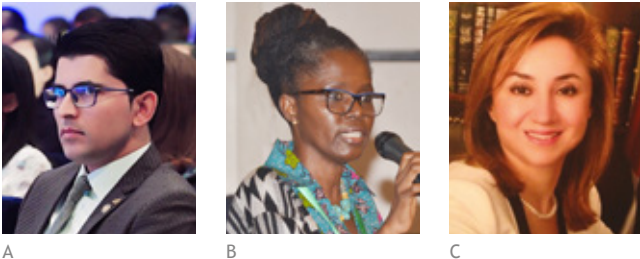
KYC Innovation Subgroup: guideline note on innovative KYC models across the globe that promote financial inclusion and strengthen due diligence and AML/CFT measures. First draft of the note expected by July 2018.

FinTech for Financial Inclusion Subgroup: guideline note to analyse key FinTech regulatory challenges, propose responses to risks without stifling its growth. As a cross-cutting theme, this work is carried out jointly with the GSP WG. First draft of the note expected by April 2018.

Interoperability Subgroup: guideline note to identify different approaches and models of interoperability in AFI member countries through case studies and pros and cons of each model. First draft of the analysis and resulting recommendations expected by June 2018.

DFS Indicators for Access, Usage and Quality Subgroup: updating a guideline note on DFS indicators with a focus on usage and quality measures. As a cross-cutting theme, this work has been carried out jointly with the FID WG. First draft is expected by February 2018.

LEADERSHIP TEAM



MR. AZIZULLAH SIKANDRI - Chair A
Mobile Money Head FSD, Da Afghanistan Bank

Mr. Azizullah is a senior manager for mobile money institutions in Financial Supervision Department of Da Afghanistan Bank (DAB) since 2014. He has been working with DAB for almost 7 years, working in various positions. He was elected as the new Chair for the DFS WG in 2017.

MS. CLARISSA KUDOWOR - Co-Chair B
Payment Systems Supervisor, Bank of Ghana

Ms. Kudowor became the deputy head in the new Payment Systems Department established in August 2016. She is directly responsible for the financial inclusion and consumer empowerment office. She is one of the Bank’s representatives on the national financial inclusion strategy task force. She was elected as co-chair of the DFS Working Group in 2017.

MS. MAHA BAHOU - Co-Chair C
Executive Manager for Payment Systems & Domestic Banking, Central Bank of Jordan

Ms. Bahou has been Executive Manager of the Payment Systems, Domestic Banking Operations and Financial Inclusion Department of the Central Bank of Jordan since July 2011. Overall, she has been with the Jordanian Central Bank for 28 years, working in different positions. She gained most of her experience in the Treasury Department. She was elected as co-chair of the DFS Working Group in 2017.

DFS WORKING GROUP MEETINGS

- 2010 1st MFS WG, Cape Town, South Africa
- 2010 2nd Bali, Indonesia
- 2011 3rd Bangkok, Thailand
- 2011 4th Riviera Maya, Mexico
- 2012 5th Moscow, Russia
- 2012 6th Cape Town, South Africa
- 2013 7th Antigua Guatemala, Guatemala
- 2013 8th Kuala Lumpur, Malaysia
- 2014 9th MFS WG known as DFS WG Arusha, Tanzania
- 2014 10th Port of Spain, Trinidad and Tobago
- 2015 11th Kuala Lumpur, Malaysia
- 2015 12th Maputo, Mozambique
- 2016 13th Yerevan, Armenia
- 2016 14th Nadi, Fiji
- 2017 15th **Accra, Ghana February 2017**
The 15th DFS WG Working Group Meeting was organized by the Alliance for Financial Inclusion (AFI) and co-hosted by Bank of Ghana, jointly with the 6th Global Standards Proportionality (GSP) Working Group Meeting.
- 2017 16th **Sharm El Sheikh, Egypt September 2017**
The 16th DFS WG Meeting was organized by the Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Egypt, in conjunction with the 9th GPF.



MEMBERS

- > Da Afghanistan Bank
- > Banco Nacional de Angola
- > Banco Central de la República Argentina
- > Central Bank of Armenia
- > Bangladesh Bank
- > National Bank of the Republic of Belarus
- > Royal Monetary Authority of Bhutan
- > Banco Central do Brasil
- > Banque de la République du Burundi
- > National Bank of Cambodia
- > Superintendencia General de Entidades Financieras de Costa Rica
- > Ministère de l'Economie et des Finances de la Côte d'Ivoire
- > Banque Centrale du Congo
- > Central Bank of Egypt
- > Banco Central de Reserva de El Salvador
- > Superintendencia del Sistema Financiero de El Salvador
- > Bank of Ghana
- > Superintendencia de Bancos de Guatemala
- > Banque Centrale de la République de Guinée
- > Central Bank of Jordan
- > Central Bank of Lesotho
- > Central Bank of Liberia
- > Banque Centrale de Madagascar
- > Direction Générale du Trésor, Ministère des Finances et du Budget, Madagascar
- > Reserve Bank of Malawi
- > Bank Negara Malaysia
- > Comisión Nacional Bancaria y de Valores (CNBV)
- > Financial Regulatory Commission of Mongolia
- > Bank Al-Maghrib
- > Banco de Moçambique
- > Bank of Namibia
- > Central Bank of Nigeria
- > Palestine Monetary Authority
- > Banco Central del Paraguay
- > Superintendencia de Banca, Seguros y AFP del Perú
- > Bangko Sentral ng Pilipinas
- > Central Bank of the Russian Federation
- > National Bank of Rwanda
- > Ministère de l'Economie, des Finances et du Plan du Sénégal
- > Central Bank of Seychelles
- > Bank of Sierra Leone
- > Central Bank of Sudan
- > Ministry of Finance of Swaziland
- > National Bank of Tajikistan
- > Bank of Tanzania
- > Bank of Thailand
- > Banco Central de Timor-Leste
- > National Reserve Bank of Tonga
- > Bank of Uganda
- > Reserve Bank of Vanuatu
- > Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO)
- > Bank of Zambia
- > Reserve Bank of Zimbabwe



16th DFS Working Group Meeting, Egypt, September 2017

FINANCIAL INCLUSION DATA (FID) WORKING GROUP



The FID WG leads discussions and knowledge-sharing activities on the measurement of financial inclusion, including data issues, methodologies, global standards and principles. The group leverages progress and lessons from AFI members and practitioners worldwide. It also enables voluntary peer review processes related to the development and implementation of financial inclusion measurements and data between its members, as well as in-country technical implementation to members upon explicit requests.

As one of the first products from the FIDWG, the Financial Inclusion Data and Measurement Framework is one of the first Policy Models to be drafted and endorsed given the relevance it represents to build a common framework to diagnose, track progress, and set targets of financial inclusion policies in a country.

OBJECTIVES

The FID WG has the following key objectives:

- > Develop common frameworks for FIDWG members to measure financial inclusion, including components and indicators
- > Promote the adoption of these framework in AFI member countries and at the international level
- > Share lessons learned about target setting, survey methodologies, data analysis and using data to inform policymaking.

FID ACTIVITIES

Subgroups' Activities

Sex-Disaggregated Data Subgroup: published a guideline note and toolkit in early 2017 to share best practices in collecting, using and disseminating sex-disaggregated data to promote financial inclusion for women. Developed supply-side regulatory templates and a guideline note to provide further guidance on data collection, which will be released by mid-2018.

Supply-Side Data Subgroup: complementing sex-disaggregated data efforts to identify and address main challenges and opportunities in collecting supply-side financial inclusion data.

Needs-Based Approach (Demand-Side) Subgroup: piloting, with technical support from Insight2impact (i2i), additional

HIGHLIGHTS

52

MEMBER
COUNTRIES



56

MEMBER
INSTITUTIONS



18

KNOWLEDGE
PRODUCTS



84

MAYA DECLARATION
TARGETS



ACTIVITIES

	Policy changes	Peer reviews
2017	8	2
TOTAL*	70	16

*Refers to the total Policy Changes and Peer Reviews per thematic area since 2009

DELIVERABLES



Guideline Note 26:
Sex-Disaggregated
Data Toolkit
January 2017



Guideline Note 25:
Leveraging Sex-
Disaggregated Data
February 2017

questions in its demand-side surveys to collect new indicators that link usage of financial services with satisfying individuals' basic financial needs. The results of this pilot testing should be published by Q3 2018.

Joint M&E and NFIS Subgroup: together with FIS PLG, focus on identifying the key lessons and challenges in enabling specific M&E frameworks to guide financial inclusion programs and strategies, as well as the experiences and recommendations of international financial institutions, such as the World Bank and CGAP. A knowledge product is expected by Q2 2018.

AFI is providing 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 survey results are expected to be completed by Q3 2018.

LEADERSHIP TEAM



A



B

MR. MYNARD BRYAN R. MOJICA - Chair
Bank Officer IV, Bangko Sentral ng Pilipinas

A

Mr. Mojica is a bank officer at the Inclusive Finance Advocacy Office of the Central Bank of the Philippines where he is primarily responsible in financial inclusion data and measurement. Mr. Mojica joined the FID WG in 2013. He has been an active member of the working group, participating in peer reviews and leading the subgroup that developed the SME Finance Indicators together with the SME Finance Working Group. He was elected co-Chair of FID WG in 2015 and assumed the role of Chair in 2016.

MS. LAURA RAMOS TORRES - Co-Chair
Director for Access to Finance, CNBV Mexico

B

Ms. Ramos oversees financial inclusion databases generation and coordinates the National Financial Inclusion Report, As an expert in the design and implementation of the financial inclusion demand-side surveys, works closely with the National Institute of Statistics - INEGI - to develop Mexico's demand-side survey ENIF III. She participated in the 3rs AFI Global Policy Forum in Riviera Maya, Mexico, the context in which the Mexico's CONAIF was enacted, and where the Maya Declaration was signed. Ms. Ramos was elected Co-chair in 2016.

FID WORKING GROUP MEETINGS

2010	1st	Kuala Lumpur, Malaysia
	2nd	Bali, Indonesia
2011	3rd	Lima, Peru
	4th	Riviera Maya, Mexico
2012	5th	Livingstone, Zambia
	6th	Cape Town, South Africa
2013	7th	Manila, Philippines
	8th	Kuala Lumpur, Malaysia
2014	9th	Casablanca, Morocco
	10th	Port of Spain, Trinidad and Tobago
2015	11th	Kuala Lumpur, Malaysia
	12th	Maputo, Mozambique
2016	13th	San Salvador, El Salvador
	14th	Nadi, Fiji
2017	15th	Dushanbe, Tajikistan April 2017

The 15th Financial Inclusion Data (FID) Working Group Meeting was organized by the Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Tajikistan, jointly with the 10th Financial Inclusion Strategy (FIS) Peer Learning Group Meeting.



16th **Sharm El Sheikh, Egypt**
September 2017

The 16th Financial Inclusion Data (FID) Working Group Meeting was organized by the Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Egypt, in conjunction with the 9th Global Policy Forum (GPF).



MEMBERS

- > Da Afghanistan Bank
- > Banco Nacional de Angola
- > Banco Central de la República Argentina
- > Central Bank of Armenia
- > Bangladesh Bank
- > National Bank of the Republic of Belarus
- > Royal Monetary Authority of Bhutan
- > Banco Central do Brasil
- > Banque de la République du Burundi
- > National Bank of Cambodia
- > Superintendencia General de Entidades Financieras de Costa Rica
- > Central Bank of Egypt
- > Banco Central de Reserva de El Salvador
- > Superintendencia del Sistema Financiero de El Salvador
- > Reserve Bank of Fiji
- > Bank of Ghana Banque Centrale de la République de Guinée
- > Comisión Nacional de Bancos y Seguros de Honduras
- > Central Bank of Jordan
- > Central Bank of Kenya
- > Direction Générale du Trésor, Ministère des Finances et du Budget, Madagascar
- > Reserve Bank of Malawi
- > Bank Negara Malaysia
- > Comisión Nacional Bancaria y de Valores (CNBV)
- > Financial Regulatory Commission of Mongolia
- > Bank Al-Maghrib
- > Banco de Moçambique
- > Bank of Namibia
- > Central Bank of Nigeria
- > Bangko Sentral ng Pilipinas
- > Central Bank of the Russian Federation
- > National Bank of Rwanda
- > Central Bank of Samoa
- > Banco Central de São Tomé e Príncipe
- > Ministère de l'Economie, des Finances et du Plan du Sénégal
- > Central Bank of Solomon Islands
- > Central Bank of Sudan
- > Ministry of Finance of Swaziland
- > National Bank of Tajikistan
- > Bank of Tanzania
- > Social Security Regulatory Authority of Tanzania
- > Bank of Thailand
- > National Reserve Bank of Tonga
- > Bank of Uganda
- > Reserve Bank of Vanuatu
- > Bank of Zambia
- > Reserve Bank of Zimbabwe



16th FID Working Group Meeting, Egypt, September 2017

FINANCIAL INCLUSION STRATEGY (FIS) PEER LEARNING GROUP



AFI's Financial Inclusion Strategy (FIS) Peer Learning Group promotes the development and implementation of national financial inclusion strategies.

The group provides practical support to countries that have made commitments under the Maya Declaration and to the G20 through its Financial Inclusion Peer Learning Program.

OBJECTIVES

The FIS PLG has the following key objectives:

- > Facilitate peer learning on the different approaches to strategy development and implementation across the network
- > Provide a platform for peer reviews of draft strategies and action plans
- > Develop joint guidance on aspects of national strategy formulation and implementation
- > Support the capacity of members to develop and implement financial inclusion strategies, including through connections to expert stakeholders.

FIS PLG ACTIVITIES

Subgroups' Activities

Effective Stakeholders Coordination Mechanism Subgroup: published a Survey Report on National Coordination and Leadership Structure in July 2017. The subgroup will be conducting further desk research to identify the issues and challenges of coordinating an NFIS effectively. The first draft of the report will be submitted to AFI in the first quarter of 2018.

Communication Strategies for NFIS Subgroup: translate the 2016 NFIS Toolkit into French, as requested by members from Francophone African countries, and prepare a guideline note on the preparation of a communication strategy (NFIS, key challenges and critical areas for communication). Both documents will be ready by December 2018.

SDGs and Socially Responsible Financing (SRF) Subgroup: scoping study to produce a booklet on country experiences that aims to improve understanding of SRF and highlight the connection between the SDGs and SRF. The document will be released by September 2018.

HIGHLIGHTS

59
MEMBER
COUNTRIES



59
MEMBER
INSTITUTIONS



6
KNOWLEDGE
PRODUCTS



71
MAYA DECLARATION
TARGETS



ACTIVITIES

	Policy changes	Peer reviews
2017	22	2
TOTAL*	54	17

*Refers to the total Policy Changes and Peer Reviews per thematic area since 2009

DELIVERABLES



Bank on her: Diamond Bank enhances opportunities for Nigeria's low-income women to save
August 2017



FIS Survey Report: National Coordination and Leadership Structure
July 2017



Women's Financial Inclusion in the Solomon Islands
August 2017



Guideline Note 28: Defining Financial Inclusion
July 2017



Women financing: A case study on LAPO Microfinance Bank Limited
August 2017



Guideline Note 27: Integrating Gender and Women's Financial Inclusion into National Strategies
February 2017

Joint Subgroup with FID WG: research that captures the experiences and lessons of developing monitoring and evaluation frameworks for NFIS. A guideline note will be published by early 2018.

Gender Subgroup: published a guideline note in February 2017 on “Integrating Gender and Women’s Financial Inclusion into National Strategies”.

LEADERSHIP TEAM



MR. JOSEPH ATTAH - Chair A
Head FI Strategy Coordination Central Bank of Nigeria

In his current position as the Head of the Financial Inclusion Strategy Coordination Office of the Financial Inclusion Secretariat of Central Bank of Nigeria, Mr. Attah handles collaborations with stakeholders such as banks, financial services regulators, governments and microfinance banks/ institutions. Mr. Attah has been a member of the FIS PLG since the Central Bank of Nigeria hosted its first meeting in 2012 and was elected co-chair at its 6th meeting in 2015.

MS. NANGI MASSAWE - Co-Chair B
Principal Bank Officer, Bank of Tanzania

Ms. Nangi Massawe from the Bank of Tanzania is a member and current Co-Chair of FIS PLG since 2016. Her insights and expertise were particularly instrumental in the process of developing the guideline note on Defining Financial Inclusion published in 2017.

MS. NOMCEBO HADEBE - Co-Chair C
Principal Economist/ Finance officer, Ministry of Finance of Swaziland

Having joined the Ministry of Finance Swaziland in 2007, Ms. Hadeba is now Principal Finance Officer in the Fiscal and Monetary Affairs Section of the Ministry of Finance Swaziland. Her main responsibility is to head financial policy development under the stewardship of the Director of Fiscal and Monetary Affairs. Ms Hadebe is keen on developing policies that will impact the livelihoods of the underserved in Swaziland. She was elected co-chair of the FIS PLG in 2016.

FIS PLG GROUP MEETINGS

- 2012** 1st Abuja, Nigeria
- 2013** 2nd Bangkok, Thailand
3rd Kuala Lumpur, Malaysia
- 2014** 4th Nadi, Fiji
5th Port of Spain, Trinidad and Tobago
- 2015** 6th Kuala Lumpur, Malaysia
7th Maputo, Mozambique
- 2016** 8th Casablanca, Morocco
9th Port of Spain, Trinidad and Tobago
- 2017** 10th **Dushanbe, Tajikistan**
April 2017

The 10th Financial Inclusion Strategy (FIS) Peer Learning Group Meeting was organized by the Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Tajikistan, jointly with the 15th Financial Inclusion Data (FID) Working Group Meeting.



16th Sharm El Sheikh, Egypt
September 2017
The 11th Financial Inclusion Strategy (FIS) Peer Learning Group Meeting was organized by the Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Egypt, in conjunction with the 9th Global Policy Forum (GPF).

MEMBERS

- > Da Afghanistan Bank
- > Banco Nacional de Angola
- > Banco Central de la República Argentina
- > Central Bank of Armenia
- > Bangladesh Bank
- > Microcredit Regulatory Authority of Bangladesh
- > Ministry of Finance Bangladesh
- > National Bank of the Republic of Belarus
- > Royal Monetary Authority of Bhutan
- > Banque de la République du Burundi
- > National Bank of Cambodia
- > Superintendencia General de Entidades Financieras de Costa Rica
- > Ministère de l’Economie et des Finances de la Côte d’Ivoire
- > Banque Centrale du Congo
- > Central Bank of Egypt
- > Banco Central de Reserva de El Salvador
- > Reserve Bank of Fiji
- > Superintendencia de Bancos de Guatemala
- > Banque de la République d’Haiti
- > Central Bank of Jordan
- > Central Bank of Lesotho
- > Direction Générale du Trésor, Ministère des Finances et du Budget, Madagascar
- > Bank Negara Malaysia
- > Comisión Nacional Bancaria y de Valores (CNBV)
- > Financial Regulatory Commission of Mongolia
- > Bank Al-Maghrib
- > Banco de Moçambique
- > Nepal Rastra Bank
- > Central Bank of Nigeria
- > Palestine Monetary Authority
- > Bank of Papua New Guinea
- > Bangko Sentral ng Pilipinas
- > Central Bank of Samoa
- > Banco Central de São Tomé e Príncipe
- > Ministère de l’Economie, des Finances et du Plan du Sénégal
- > Bank of Sierra Leone
- > Central Bank of Solomon Islands
- > Central Bank of Sudan
- > Central Bank of Swaziland
- > Ministry of Finance of Swaziland
- > National Bank of Tajikistan
- > Bank of Tanzania
- > National Reserve Bank of Tonga
- > Bank of Uganda
- > Reserve Bank of Vanuatu
- > Banque Centrale des Etats de l’Afrique de l’Ouest (BCEAO)
- > Bank of Zambia
- > Reserve Bank of Zimbabwe



11th FIS Working Group Meeting, Egypt, September 2017

GLOBAL STANDARDS PROPORTIONALITY (GSP) WORKING GROUP



The GSP WG provides a platform for AFI members to discuss ways to implement global standards for financial stability and integrity proportionately and ensure that financial inclusion is pursued in tandem with a safe and sound financial system.

OBJECTIVES

The GSP WG has the following key objectives:

- > Create policy guidance and knowledge products on proportionate implementation of global standards to strengthen and balance financial integrity, financial stability, and financial inclusion
- > Disseminate key insights and learning on proportionality to the broader AFI membership
- > Conduct peer reviews of policies and regulations which aim to promote proportionality in practice
- > Provide technical support to the AFI Global Standards & Policy Committee (GSPC) on proportionate application of global standards
- > Engage in in-country implementation issues with SSB regional bodies such as the FATF-style regional bodies (FSRBs), and FSB Regional Consultative Groups.

GSP ACTIVITIES

Subgroups' Activities

AML-CFT Proportionality Subgroup: peer learning on country experiences with National Risk Assessments and Mutual Evaluations, identifying common challenges and good practices. Case studies on proportionality in practice will be published by March 2018 and a toolkit will also be developed on the proportionate implementation of AML-CFT standards in 2018.

Basel Standards Subgroup: survey of member country experiences with proportionate implementation of the Basel Standards, progress on implementing Basel III standards, related challenges and impact on financial inclusion. A guidance note will be developed in 2018.

Deposit Insurance Subgroup: with support from the Malaysia Deposit Insurance Corporation (MDIC), stocktaking of member country approaches on deposit insurance with a focus on e-money. Guideline note on proportionate deposit insurance will be published by end 2018.

HIGHLIGHTS

44

MEMBER
COUNTRIES



47

MEMBER
INSTITUTIONS



5

KNOWLEDGE
PRODUCTS



8

MAYA DECLARATION
TARGETS



ACTIVITIES

	Policy changes	Peer reviews
2017	11	0
TOTAL*	28	8

*Refers to the total Policy Changes and Peer Reviews per thematic area since 2009



Shadow Banking Subgroup: country survey on the regulatory and supervisory approaches members are taking to mitigate the risks of shadow banking while facilitating innovation in the non-bank financial institutions sector. The group is also working toward a guideline note on proportionate regulation of shadow banking which will be released by end 2018.

FinTech for Financial Inclusion: as a cross-cutting theme, this work is carried out jointly with the DFSWG: guideline note to analyse key FinTech regulatory challenges, propose responses to risks without stifling its growth. First draft of the note expected by April 2018.

Gender Focal Point: guideline note on gender dimension in AML-CFT expected by end 2018.

LEADERSHIP TEAM



MS. MARINA ABDUL KAHAR - Chair A
Director, Bank Negara Malaysia

Ms. Marina Kahar is currently the Director of Development Finance & Enterprise in Bank Negara Malaysia. She holds a degree in Business Administration, majoring in Finance and Economics from Southern Illinois University of U.S.A. She has been the Chair of GSP since 2014.

MS. CAROLINE PICKERING - Co-Chair B
Manager Policy & Compliance, Reserve Bank of Fiji

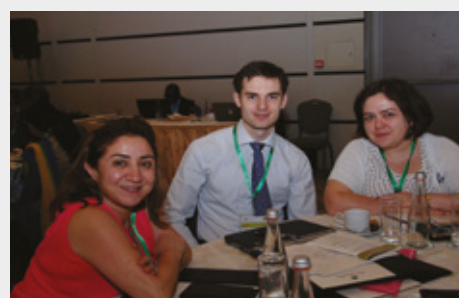
Ms. Caroline Pickering is the manager for Policy and Compliance in the Financial Intelligence Unit of Fiji. Caroline was elected as Co-Chair of the Global Standards Proportionality Working Group (GSP WG) in March 2017 on a two-year term.

MR. A.K.M RAMIZUL ISLAM - Co-Chair C
Joint Director, Bangladesh Bank

Mr. Islam is the Joint Director of Bangladesh Financial Intelligence Unit (BFIU), where he has been working as an analyst for the Analysis Wing and is responsible for strategic and operational analysis. He is also a ML/TF trainer for the Law Enforcement Agency, Banking Sector and Capital Market. Mr. Islam has been a primary member of GSP WG since 2014.

GSP WORKING GROUP MEETINGS

- 2010** 1st **FINTWG**
Bali, Indonesia
- 2011** 2nd Lima, Peru
3rd Riviera Maya, Mexico
- 2012** 4th Lilongwe, Malawi
5th Cape Town, South Africa
- 2013** 6th Kuala Lumpur, Malaysia
- 2014** 7th Frankfurt, Germany
- GSPWG**
1st Port of Spain, Trinidad and Tobago
- 2015** 2nd Kuala Lumpur, Malaysia
3rd Maputo, Mozambique
- 2016** 4th Moscow, Russia
5th Nadi, Fiji
- 2017** 6th **Accra, Ghana**
February 2017
The 6th Global Standards Proportionality (GSP) Working Group Meeting was organized by the Alliance for Financial Inclusion (AFI) and co-hosted by the Bank of Ghana, jointly with the 15th Digital Financial Services (DFS) Working Group Meeting.



7th Sharm El Sheikh, Egypt
September 2017
The 7th Global Standards Proportionality (GSP) Working Group Meeting was organized by Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Egypt, in conjunction with the 9th Global Policy Forum (GPF).



MEMBERS

- > Da Afghanistan Bank
- > Banco Central de la República Argentina
- > Central Bank of Armenia
- > Bangladesh Bank
- > National Bank of the Republic of Belarus
- > Royal Monetary Authority of Bhutan
- > Banque de la République du Burundi
- > National Bank of Cambodia
- > Superintendencia General de Entidades Financieras de Costa Rica
- > Central Bank of Egypt
- > Banco Central de Reserva de El Salvador
- > Reserve Bank of Fiji
- > Bank of Ghana
- > Bank Negara Malaysia
- > Comisión Nacional Bancaria y de Valores (CNBV)
- > Financial Regulatory Commission of Mongolia
- > Bank Al-Maghrib
- > Bank of Namibia
- > Central Bank of Nigeria
- > Bangko Sentral ng Pilipinas
- > Central Bank of the Russian Federation
- > Ministère de l'Économie, des Finances et du Plan du Sénégal
- > Central Bank of Sudan
- > Ministry of Finance of Swaziland
- > National Bank of Tajikistan
- > Bank of Tanzania
- > National Reserve Bank of Tonga
- > Bank of Uganda
- > Reserve Bank of Vanuatu
- > Bank of Zambia
- > Reserve Bank of Zimbabwe



7th GSP Working Group Meeting, Egypt, September 2017

SME FINANCE (SMEF) WORKING GROUP



The SMEF WG was formally launched in September 2013 at the AFI Global Policy Forum in Kuala Lumpur, Malaysia. The vision of SMEF WG is to contribute to the development of MSMEs in developing and emerging countries through financial services.

The SMEF WG promotes the development and implementation of policy frameworks that improves access to financial services for MSMEs within national contexts.

OBJECTIVES

The SMEF WG has the following key objectives:

- > Exchange knowledge and establish a common understanding of policies that promote tangible access and usage of financial services for MSMEs
- > Identify policy frameworks learned from different regions and different actors involved in spurring the viability and financial inclusion of MSMEs, with a specific but not exclusive focus on financial sector policies.

SMEF WG ACTIVITIES

Subgroups' Activities

Defining Criteria to Define MSMEs Subgroup: take stock of MSME definitions across the AFI network, identify the parameters and key considerations of member countries when defining "MSME", the challenges and lessons learned with existing definitions and initiatives currently being undertaken. A survey report will be published by September 2018.

G20/AFI SME Finance Dialogue Subgroup: actively consult and work together to foster the financial inclusion of MSMEs, enhance coordination between the AFI and GPFI SMEF Subgroups, facilitate a platform to discuss policies and regulations, increase collaboration to produce joint-knowledge products, case studies and other documents.

Gender Subgroup: Share knowledge on gender strategies to promote women's financial inclusion in support of the Denarau Action Plan. Knowledge product expected by end 2018.

Joint Knowledge on SME Education: Take stock of financial education levels among MSMEs in member countries. Share knowledge on MSME financial education to eliminate or close the information gap on products and services offered by financial institutions and the users of these products

HIGHLIGHTS

53
MEMBER
COUNTRIES



52
MEMBER
INSTITUTIONS



5
KNOWLEDGE
PRODUCTS



63
MAYA DECLARATION
TARGETS



ACTIVITIES

	Policy changes	Peer reviews
2017	16	1
TOTAL*	47	3

*Refers to the total Policy Changes and Peer Reviews per thematic area since 2009

DELIVERABLES



Case study 5:
Expanding Women's
Financial Inclusion in
Bangladesh
February 2017



Case Study 9:
Meeting the Financial
Needs of the
Agricultural Sector
through Productivity
Regulated SACCOs in
Kenya
September 2017



SME Survey Report:
Defining Small and
Medium Enterprises in
the AFI Network
March 2017

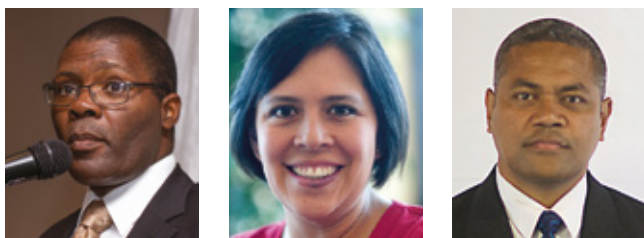


SME Survey Report:
SME Finance Policies for
MSMEs Owned by
Women and Women
Entrepreneurs
March 2017

and services, i.e. MSMEs. Knowledge product expected by end 2018.

Policy Catalogue on Agricultural Finance Intervention in Africa: A Case Study of Ghana, Swaziland and Tanzania.: policy catalogue will be released by June 2018.

LEADERSHIP TEAM



MR. DAVID MYENI - Chair A
National Programme Director, Ministry of Finance of Swaziland

Mr David Mfanimpela Myeni holds the seat as National Programme Director for Ministry of Finance of Swaziland. David has been appointed as the Chair of the SMEF WG since March 2017.

MS. ZAIRA BADILLO - Co-Chair B
Deputy General Director for Access to Finance, CNBV Mexico

Ms. Zaira Badillo is a Director at Comisión Nacional Bancaria y de Valores (CNBV). Zaira has been in the co-chair seat for the SMEF WG since September 2016.

MR. ESALA MASITABUA - Co-Chair C
Deputy Governor, Reserve Bank of Fiji

Mr. Masitabua has been deputy governor of the Reserve Bank of Fiji since 1st of January 2018. With over 20 years of central banking experience, he joined the Bank in 1997. During his tenure, Mr Masitabua assumed a number of senior roles and responsibilities, including acting as the deputy governor on several occasions. Mr. Masitabya was elected as SMEF WG co-chair in September 2016.



SMEF WORKING GROUP MEETINGS

- 2013** 1st Kuala Lumpur, Malaysia

- 2014** 2nd Yogyakarta, Indonesia
- 3rd Port of Spain, Trinidad and Tobago

- 2015** 4th Kuala Lumpur, Malaysia
- 5th Maputo, Mozambique

- 2016** 6th Ulan Bator, Mongolia
- 7th Nadi, Fiji

- 2017** 8th **Mahe, Seychelles**
14-16 March 2017
The SME Finance Working Group (SMEF WG) Meeting was organized by the Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Seychelles, jointly with the 13th Consumer Empowerment and Market Conduct (CEMC) Working Group Meeting.

- 9th **Sharm El Sheikh, Egypt**
September 2017
The 9th SMEF WG Meeting was organized by the Alliance for Financial Inclusion (AFI) and co-hosted by the Central Bank of Egypt, in conjunction with the 9th Global Policy Forum (GPF)

MEMBERS LIST

- > Da Afghanistan Bank
- > Banco Central de la República Argentina
- > Central Bank of Armenia
- > Bangladesh Bank
- > Ministry of Finance Bangladesh
- > National Bank of the Republic of Belarus
- > Royal Monetary Authority of Bhutan
- > Banque de la République du Burundi
- > National Bank of Cambodia
- > Superintendencia General de Entidades Financieras de Costa Rica
- > Banque Centrale du Congo
- > Central Bank of Egypt
- > Banco Central de Reserva de El Salvador
- > Reserve Bank of Fiji
- > Bank of Ghana
- > Sacco Societies Regulatory Authority (SASRA) Kenya
- > Direction Générale du Trésor, Ministère des Finances et du Budget, Madagascar
- > Bank Negara Malaysia
- > Comisión Nacional Bancaria y de Valores (CNBV)
- > Financial Regulatory Commission of Mongolia
- > Bank Al-Maghrib
- > Bank of Namibia
- > Central Bank of Nigeria
- > Palestine Monetary Authority
- > Bangko Sentral ng Pilipinas
- > Central Bank of the Russian Federation
- > Central Bank of Samoa
- > Ministère de l'Economie, des Finances et du Plan du Sénégal
- > Central Bank of Seychelles
- > Central Bank of Solomon Islands
- > Central Bank of Sudan
- > Ministry of Finance of Swaziland
- > National Bank of Tajikistan
- > Bank of Tanzania
- > Bank of Thailand
- > Banco Central de Timor-Leste
- > National Reserve Bank of Tonga
- > Bank of Uganda
- > Reserve Bank of Vanuatu
- > Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO)
- > Bank of Zambia
- > Reserve Bank of Zimbabwe



9th SME Working Group Meeting, Egypt, September 2017

AFRICAN FINANCIAL INCLUSION POLICY INITIATIVE (AfPI)



The African Financial Inclusion Policy Initiative (AfPI) is the primary platform for AFI's African members to support and develop financial inclusion policy and regulatory frameworks in Africa and to coordinate regional peer learning efforts.

At their 5th Annual Roundtable in Maputo, Mozambique in May 2017, the leaders of AFI member institutions in Africa unveiled AfPI as a successor of the African Mobile Phone Financial Services Policy Initiative (AMPI) launched in February 2013 in Zanzibar, Tanzania.

OBJECTIVES

AfPI has the following key objectives:

- > Enhance effective financial inclusion policies that address the pressing needs of the region
- > Enhance effective policy solutions to advance the Digital Financial Services (DFS) platform in Africa
- > Serve as a peer learning platform for AFI members from Africa to coordinate efforts, gain insights on new developments and business models and share knowledge and experiences on practical financial inclusion policies
- > Facilitate high-level discussions among leaders with the view to identify barriers that impede access and usage of financial services by the unbanked population, vulnerable groups (including women and youth) and MSMEs from different sectors of the economy
- > Enhance in-country implementation of financial inclusion policies in Africa

AfPI 2017 ACTIVITIES

Expert Group on Financial Inclusion (EGFIP)

AfPI Leaders agreed on two work streams for the EGFIP, a technical group that will implement its activities. These are:

- 1 Policy and regulatory approaches to deepen financial inclusion in Africa through digitally-enabled cross-border remittances.
- 2 Approaches for effective policy interventions for DFS interoperability schemes that support financial inclusion.

KEY MILESTONES

5

AfPI LEADERS' ROUNDTABLES



4

CAPACITY BUILDING WORKSHOPS



THE ADOPTION OF A "COOPERATIVE ARRANGEMENT FRAMEWORK WITH TELECOMMUNICATIONS REGULATORS" IN THE AREA OF DFS



4

FACILITATION OF 2 PEER ADVISORY PROGRAMS ON IN-COUNTRY IMPLEMENTATION OF FINANCIAL INCLUSION STRATEGY



AN INTELLECTUAL PARTNERSHIP BETWEEN AFI AND THE AFRICAN DEVELOPMENT BANK (AfDB) TO ENHANCE IN-COUNTRY IMPLEMENTATION OF FINANCIAL INCLUSION POLICIES IN AFRICA



DELIVERABLES



Driving change in financial inclusion through innovation in Africa
May 2017



Strengthening cooperation between financial and telecom regulators on DFS issues: A case study on Ghana
August 2017

Annual Roundtable

AfPI leaders shared ideas in Maputo with the private sector and other stakeholders on:

- 1 Closing the financial inclusion gender gap with DFS.
- 2 Harnessing the economic potential of MSMEs through enabling technologies.
- 3 Transforming agri-finance through digital platforms.

Capacity Building

In partnership with Mastercard under the umbrella of AFI's PPD Platform, AfPI hosted a capacity building program in Maputo on:

- 1 DFS innovation.
- 2 RegTech.
- 3 Best practices in implementing KYC regulations.
- 4 Integrating gender considerations in promoting financial inclusion.
- 5 Policy implications of building effective DFS ecosystems.

Deliverables

AfPI released a Special Report in May 2017 on Driving Change in Financial Inclusion through Innovation in Africa and a Case Study of Ghana in August 2017 on Strengthening Cooperation between Financial and Telecom Regulators on DFS Issues.

Regional Office

After an open bidding process, AFI Regional Office will open in 2018 in Abidjan, Côte d'Ivoire, hosted by Ministère de l'Économie et des Finances de Côte d'Ivoire and BCEAO. AFI has also entered into a cooperative arrangement with the African Development Bank (AfDB) to support AfPI activities and enhance in-country implementation of financial inclusion policies.

Sub-Regional Focal Points Meeting

Initial discussion in Sharm El Sheikh on the policy and regulatory considerations related to cross-border remittances that could spur financial inclusion.

AFRICAN FINANCIAL INCLUSION POLICY INITIATIVE (AfPI)

- 2013** 1st AMPI was launched in February 2013, Zanzibar, Tanzania
"The Zanzibar Declaration"
- 2014** 2nd Naivasha, Kenya
"AMPI Strategic Plan 2014-2016"
- 2015** 3rd Yamoussoukro, Cote d'Ivoire Institutional framework & road map for a physical presence in Africa
- 2016** 4th Dakar, Senegal
Guiding Principles for Charter and institutionalization
- 2017** 5th AfPI Leaders Roundtable, Mozambique, May 2017



16th AfPI Sub-Regional Focal Points Meeting & AfPI Leaders meeting, Egypt, September 2017



AFI MEMBER INSTITUTIONS IN AFRICA

- > Banco de Moçambique - Chair
- > Banque Centrale de la République de Guinée - Co-Chair
- > Banco Nacional de Angola
- > Ministère de l'Economie et des Finances du Burkina Faso
- > Banque de la République du Burundi
- > Commission Bancaire de l'Afrique Centrale (COBAC)
- > Ministère de l'Economie et des Finances de la Côte d'Ivoire
- > Banque Centrale du Congo (DRC)
- > Central Bank of Egypt
- > National Bank of Ethiopia
- > Central Bank of The Gambia
- > Bank of Ghana
- > Ministry of Finance and Economic Planning Ghana
- > Central Bank of Kenya
- > Retirement Benefits Authority of Kenya
- > Sacco Societies Regulatory Authority (SASRA) Kenya
- > Central Bank of Lesotho
- > Central Bank of Liberia
- > Banque Centrale de Madagascar
- > Direction Générale du Trésor, Ministère des Finances et du Budget, Madagascar
- > Reserve Bank of Malawi
- > Banque Centrale de Mauritanie
- > Bank Al-Maghrib (Morocco)
- > Bank of Namibia
- > Ministère des Finances de la République du Niger
- > Central Bank of Nigeria
- > Nigeria Deposit Insurance Corporation
- > Ministry of Finance and Economic Planning Rwanda
- > National Bank of Rwanda
- > Banco Central de São Tomé e Príncipe

- > Ministère de l'Economie et des Finances du Sénégal
- > Central Bank of Seychelles
- > Ministry of Employment, Entrepreneurship Development and Business Innovation, Seychelles
- > Bank of Sierra Leone
- > National Treasury of the Republic of South Africa
- > South African Reserve Bank
- > Central Bank of Sudan
- > Central Bank of Swaziland
- > Ministry of Finance of Swaziland
- > Bank of Tanzania
- > Social Security Regulatory Authority of Tanzania
- > Ministère de l'Economie et des Finances du Togo
- > Ministère des Finances de la République Tunisienne
- > Bank of Uganda
- > Insurance Regulatory Authority of Uganda
- > Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO)
- > Bank of Zambia
- > Reserve Bank of Zimbabwe

AFI MEMBER INSTITUTIONS IN THE MIDDLE EAST

- > Central Bank of Jordan
- > Palestine Monetary Authority
- > Banque Centrale de Syrie
- > Central Bank of Yemen



Participants ahead of the training held at the 5th AfPI Leaders Roundtable in Maputo, Mozambique.

FINANCIAL INCLUSION INITIATIVE FOR LATIN AMERICA AND THE CARIBBEAN (FILAC)



The Financial Inclusion Initiative for Latin America and the Caribbean (FILAC) was officially launched in November 2016 in Cartagena de Indias, Colombia, where the new FILAC Leaders Roundtable met for the first time and the Experts Group on Financial Inclusion Policy (EGFIP) was established. The vision of FILAC is to promote inclusive and sustainable growth and poverty reduction by generating more knowledge about financial inclusion and supporting the implementation of smart financial inclusion policies in the region.

OBJECTIVES

FILAC has the following key objectives:

- > Enhance policies and regulations to scale up financial inclusion solutions for the most vulnerable groups, through research, peer learning and capacity building.

2017 ACTIVITIES

NFIS

According to a 2017 AFI's Women's Financial Inclusion Survey, 55% of institutions have launched their NFIS and the remaining countries have not done so because of institutional challenges related to lack of consensus among stakeholders and budgetary constraints. This might indicate the need for awareness-raising efforts aimed at key government officials that emphasize the importance of this strategic tool to foster financial inclusion.

Interoperability

A workshop addressing key challenges and bottlenecks of interoperability in Paraguay was translated into a decrease of cash-out fees by the private sector, and revision of the Banking and Payments Law by the Central Bank, which shared their country Case Study on the topic. FILAC also captured - through a survey - the role central banks played in promoting interoperability. The findings were that, despite a common understanding of the topic, countries still need to address policy challenges to have a full interoperable system.

E-Money

Other countries besides Paraguay are also beginning to share their experiences. A Case Study of "E-Money in El Salvador" published in September 2017 highlights how the

FINANCIAL INCLUSION INITIATIVE FOR LATIN AMERICA AND THE CARIBBEAN (FILAC)

2011

AFI hosted the GPF in Riviera Maya, Mexico, and launched Maya Declaration

2013

LAC launched in Cartagena, de Indias, Columbia. Published "Smart Policies for Mobile Finance in the Americas: The Next Financial Inclusion Breakthrough + LAC Leaders group created to prioritize DFS"

2014

Published "Regulatory Approaches to Mobile Financial Services in Latin America + National Strategy in LAC meeting co-hosted with IDB"

2016

First FILAC's Leaders Roundtable meeting took place in Cartagena, Colombia

2017

1st FILAC EGFIP Meeting, Brazil, June 2017

2nd FILAC's Leaders Roundtable and 2nd FILAC's EGFIP meetings took place in Sharm El Sheikh, Egypt



government designed the fundamentals of a regulatory approach in line with its capacities and leveraged the existing physical infrastructure of financial service providers to foster digital solutions to expand financial inclusion in the country.

Gender

A survey on women's financial inclusion was conducted during the last quarter of 2017. The preliminary results highlight three important barriers: income levels, financial literacy and socio-cultural factors. Other factors include inadequate financial products, collateral and KYC requirements.

Capacity Building

Under the umbrella of AFI's PPD Platform, a DFS training session was held in Brazil to showcase innovations in DFS in public transportation payments systems, credit cards issued by non-bank entities, FinTech's role, e-commerce trends, integrating gender in financial inclusion, country experiences in KYC regulation and policy implications to build effective DFS ecosystems. A general consensus arose on the role that DFS can play on fostering FI.

AFI MEMBER INSTITUTIONS IN LATIN AMERICA AND THE CARIBBEAN

- > Banco Central do Brasil - Chair
- > Superintendencia General de Entidades Financieras de Costa Rica - First Co-Chair
- > Banque de la République d'Haïti - Second Co-Chair
- > Banco Central de la República Argentina
- > Banco Central de Reserva de El Salvador
- > Banco Central del Paraguay
- > Banco de la República de Colombia
- > Central Bank of Trinidad & Tobago
- > Centrale Bank van Suriname
- > Comisión Nacional Bancaria y de Valores de México
- > Comisión Nacional de Bancos y Seguros de Honduras
- > Superintendencia de Banca, Seguros y AFP del Perú
- > Superintendencia de Bancos de Guatemala
- > Superintendencia del Sistema Financiero de El Salvador

DELIVERABLES



Case Study:
Interoperability and
Interconnectivity of
Electronic Payment
Methods and Financial
Inclusion in Paraguay
September 2017



Case Study:
E-Money in
El Salvador
September 2017



Representatives from the AFI Member Institutions in Latin America and the Caribbean at the Brazil Meeting of EGFIP

PACIFIC ISLANDS REGIONAL INITIATIVE (PIRI)



The Pacific Islands Regional Initiative (PIRI) was created in 2014 at the Global Policy Forum (GPF) in Trinidad and Tobago and officially launched in May 2015 in Dili, Timor Leste. It was previously called the Pacific Islands Financial Inclusion Working Group (PIWG) and was originally formed in 2009 at the request of the Central Banks of Fiji, Samoa, Solomon Islands, Vanuatu, Papua New Guinea, Timor-Leste and Tonga.

OBJECTIVES

PIRI has the following key objectives:

- > Remove policy barriers to improve access
- > Utilize technology for financial services provision and access
- > Empower and protect through financial literacy and education
- > Collaborate with stakeholders to advance financial inclusion in the region
- > Utilize data for smart policy making and monitoring.

2017 ACTIVITIES

Annual Roundtable

The PIRI Leaders Roundtable meeting underscored the progressive role of PIRI in advancing financial inclusion in the region through facilitative regulatory environments for women and SME empowerment and advancing solutions to challenges arising from de-risking and climate change. Leaders approved the Kokopo Climate Change proposal in principle. The proposal outlines the support of PIRI in promoting the policy area, with adoption to be undertaken at the South Pacific Governors meeting to be held in November 2018 in Nuku'alofa, Tonga.

PIRI Expert Group on Financial Inclusion (EGFIP)

During the 7th EGFIP Meeting in Egypt, and in line with the members' proposal under the climate change workstream in the 6th EGFIP meeting in Kokopo, the Reserve Bank of Fiji presented the outcomes of the workshop on sustainable finance initiatives. The members deliberated and agreed on the next steps under the Denarau Action Plan and PIRI's role in implementing it, including agreement to move forward with sex-disaggregated data indicators.

PACIFIC ISLANDS REGIONAL INITIATIVE (PIRI)

2009

Launch of the Pacific Islands Working Group (PIWG)

2012

Pan-Pacific Regulators Workshop on Microinsurance

2014

Pacific Islands Regional Initiative (PIRI) created in 2014

2015

Official launch of PIRI in May 2015 in Dili, Timor Leste

2016

Denarau Action Plan, GPF 2016

2017

Kokopo Statement on Climate Change

3rd [PIRI Leaders Roundtable & PIRI EGFIP Meeting, Papua New Guinea, May-June 2017](#)



4th [PIRI Leaders Roundtable and PIRI EGFIP Meeting, Egypt, September 2017](#)



AFI MEMBER INSTITUTIONS IN THE PACIFIC

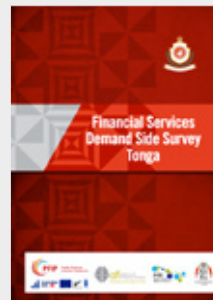
- > Reserve Bank of Vanuatu - Chair
- > Bank of Papua New Guinea - Co-Chair
- > Banco Central de Timor-Leste
- > Central Bank of Samoa
- > Central Bank of Solomon Islands
- > National Reserve Bank of Tonga
- > Reserve Bank of Fiji

DELIVERABLES

PIRI published a Special Report on Digital Financial Services in the Face of De-Risking in September 2017, and a Survey Report in August entitled “Financial Services Demand Side Survey Tonga”, the fourth country in PIRI to move forward with a financial inclusion demand-side survey.



Special Report:
3rd AFI PIRI Leaders
Roundtable Digital
Financial Services in the
Face of De-Risking
June 2017



Survey Report:
Financial Services
Demand Side Survey
Tonga
August 2017



Leaders of the Pacific Islands Regional Initiative (PIRI) met in Kokopo, Papua New Guinea for the 3rd PIRI Leaders Roundtable in 2017

WG, RI AND PUBLIC-PRIVATE DIALOGUE (PPD) 2017



Scaling up cooperation with the private sector has been in line with members' growing interests and expectations. The private sector is considered a key partner to advancing financial inclusion, by leveraging on Working Groups and Regional Initiatives.

Public-Private Dialogue (PPD) keeps abreast of the latest topics and technology, as well as challenges particularly in sectors such as digital financial services (DFS) where the pace of innovation has given rise to unprecedented opportunities. AFI has fully incorporated PPD into its core operations and strengthened members' technical capacity to address these challenges. AFI and its PPD partners have jointly designed and implemented capacity-building workshops for regulators on topics that members have identified as high priority and where private sectors can relate to the policy on the ground.



CEMC & SMEF WG MEETING IN SEYCHELLES 2017

PPD partner: VISA

PPD title: Small Merchant Acceptance: A Path to Financial Inclusion

Sub-topics:

- > Challenges in Financial Inclusion: Progress, Gender Gap, Cash
- > Impact of Digital Payments and Financial Inclusion
- > Deep Dive: Digital Payments System
- > Micro and Small Merchant Inclusion and Acceptance
- > Key Learnings on Accelerating Small Merchant Digital Payments, Acceptance and Financial Inclusion.

DFS & GSP WG MEETINGS IN GHANA 2017

PPD partner: VISA

PPD title: Digital G2P Payments

Sub-topics:

How government payments can catalyze financial inclusion and lead to long-term, sustainable impacts and benefits – and the involved policy and product design choices:

- > Digital payment ecosystem
- > Four party model and financial inclusion challenges as the basis for in-depth discussion on trends, opportunities and challenges in government payments
- > Lessons drawn from diverse cases and best practices.

AMPI 2017 IN MAPUTO MOZAMBIQUE

PPD partner: MasterCard

PPD title: Digital Approaches to Enhancing Financial Inclusion

Sessions:

- > DFS innovation
- > RegTech
- > Best practices in implementing KYC regulations
- > Integrating gender considerations in promoting financial inclusion
- > Policy implications of building effective DFS ecosystems.

FILAC 2017 IN BRAZIL

PPD partner: MasterCard

PPD title: DFS Policy and Regulation

Sessions:

Showcase innovations in DFS in:

- > Public transportation payments systems
- > Credit cards issued by non-banks
- > E-commerce trends
- > FinTech's role
- > Integrating gender in financial inclusion
- > Country experiences in KYC regulation
- > Policy implications to build effective DFS ecosystems.

WORKING GROUP RATED HIGHLY BY AFI MEMBERS

As a member-driven organization, AFI continuously builds on its members orientation, being responsive and flexible to best cater to its members' needs and expectation. To do so, AFI conducts an annual Member Needs Assessment (MNA) survey to assess the awareness, usage and satisfaction of its members towards the services AFI delivers to them. The MNA used to gauge members' future priorities and guides AFI's decisions about the services and thematic areas to focus on.

Data from the MNA 2017 shows positive and encouraging results. AFI member's overall satisfaction with the organization has increased - from a rating of 8.6 out of 10 in 2016 to 8.7 out of 10 in 2017 MNA. There was also an increase in members' attribution to AFI in contributing to their national policy reform, from 55% in 2016 to 64% in 2017.

The MNA 2017 results reveal that peer-learning is still the highest rated AFI features - rated 9 out of 10, which also recorded an increase from 8.8 in 2016. This is a measure that AFI members most value the AFI's peer-learning approach from the network.

Digital Financial Services (DFS) has also been identified by AFI members as the top priority area in MNA 2017. This finding is in line with the Maya Declaration Commitments of AFI member institutions, where 47 out of 63 Commitments have a DFS component.



AFI Members at the Working Group Convergence Meeting in Sharm El Sheikh, Egypt, 2017

MOVING FORWARD

In 2018, AFI is at the final year of Phase II (2013 -2018) and engage its transition to Phase III (2019-2023). The 2017 corporate strategic priorities are aimed to ensure that AFI maintains and enhances its position as a global financial inclusion Policy Leadership Organization.

The efforts continue in Phase III as indicated by internal survey reinforced AFI's consideration of the strategic initiatives that will be deployed to mitigate identified risk and harness opportunities in pursuing AFI's goals in 2018, guided by three major themes:


- > **regulatory guidance**
- > **in-country implementation, and**
- > **impact communication.**

All these could only be delivered based on practical knowledge creation at Working Groups (WGs), aiming to accommodate the demand from AFI members to deepen discussions and peer-learning opportunities. This allows policymakers to share, deliberate and deepen knowledge and understanding on key financial inclusion issues. Regional Initiatives (RIs) ensure the granularities of policy contents are practical and implementable at the country levels. Furthermore, RIs promote regional cooperation and brings together members of the same region to discuss, integrate and advance discussion on financial inclusion at the regional level.

Alliance for Financial Inclusion

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