

The 2013 AFI Global Policy Forum Report

Driving Policies for Optimal Impact



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Introduction

From September 10-12, 2013, Bank Negara Malaysia and the Alliance for Financial Inclusion (AFI) held the fifth annual Global Policy Forum (GPF) in Kuala Lumpur. The Forum brought together more than 400 participants from 82 countries worldwide—primarily policymakers from AFI member institutions, as well as key external partners from the development community, the private sector and academia.

Under the overarching theme, *Driving Policies for Optimal Impact*, the Forum examined how key policy objectives are interconnected and can be aligned to optimize impacts on inclusive development and poverty reduction. The Forum was also an important milestone in AFI's journey to becoming an independent policy-driving network and member-owned institution. This made *Driving Policies for Optimal Impact* a particularly appropriate theme.

GPF 2013 had four main objectives. It aimed to: i) articulate the links between financial inclusion, financial stability and integrity, and consumer protection and education, and identify ways to optimize synergies to produce greater impact; ii) identify and analyze the risks and challenges of moving the financial inclusion agenda forward, as well as find new and innovative solutions to mitigate these risks; iii) report and evaluate the progress of the Maya Commitments and launch a network-wide initiative to monitor the progress of national, quantifiable targets for financial inclusion and; iv) facilitate dialogue with AFI members on the concrete steps that will be taken to ensure its sustainable future as a fully independent, member-owned institution.

Rich discussions at the Forum culminated in the launch of the Sasana Accord, which reaffirms the commitment of AFI members to enrich the Maya Declaration and encourages members to streamline their efforts by setting measurable national targets, tracking progress systematically, coordinating policy, and building capacity across the AFI Network. The Forum also saw the AFI Network propose a peer learning initiative with the global Standard-Setting Bodies (SSBs), introduce an extended risk framework, and pilot the capacity building program tailored to policymakers, which is set to gain even more traction in 2014.

A summary of each of the sessions at the Forum can be found in the following pages of this report. It is organized into three main sections that reflect the policy objectives of the GPF theme: financial inclusion, financial stability and integrity, and consumer protection and education. The key topics and issues in the report will be central to ongoing policy dialogues in the AFI Network and crucial to shaping the agenda of the 2014 AFI Global Policy Forum, to be held September 9-11 in Port of Spain, Trinidad and Tobago.



Sessions at the 2013 AFI Global Policy Forum

Participants at the 2013 GPF came together to explore this year's theme, *Driving Policies for Optimal Impact*, in a range of contexts. Session types included plenary presentations, interactive policy track discussions, and breakout sessions focused on specific areas of interest, such as regional cooperation.

Policy Tracks

FINANCIAL INCLUSION

Financial inclusion aims at drawing the 'unbanked' – about 2.5 billion people globally – into the formal financial system so that they have the opportunity to access financial services ranging from savings, payments, and transfers to credit and insurance. Greater financial inclusion has positive effects on economic growth, financial stability and social cohesion, and policymakers in many developing and emerging countries are including access to formal financial services for the poor on national development agendas and as a policy goal.



FINANCIAL STABILITY AND INTEGRITY

A proportionate approach to regulation that balances financial stability, integrity and inclusion is increasingly important. Proportionate regulation relies on each country assessing the risks of financial inclusion policy (such as money laundering and terrorist financing) and developing risk-appropriate regulations. Lower risk areas (like services for the poor) may not require the same level of regulation and oversight as higher risk areas.



CONSUMER PROTECTION AND EDUCATION

Consumer protection and education are vital issues for vulnerable and low-income customers. Efforts to strengthen effective protection mechanisms and improve financial literacy and education are considered complementary strategies for improving the 'financial capability' of low-income customers. Consumer empowerment is an evolving area, however, and covers issues ranging from transparency and disclosure to redress mechanisms.



PLENARY SESSIONS

Distinguished speakers and panelists from AFI member institutions, the development community, academia, and the private sector, explored issues ranging from optimizing the linkages between financial goals to assessing the impact of financial inclusion on poverty alleviation and inclusive development.



BREAKOUT SESSIONS

These sessions focused on special areas of interest to AFI members, such as capacity building in the AFI Network, recent research, and regional cooperation initiatives on mobile financial services in Africa (AMPI) and Latin America and the Caribbean, and remittances in Asia.



GPF in Pictures



Governor Zeti Akhtar Aziz of Bank Negara Malaysia rings the AFI gong to open the 2013 Global Policy Forum



Njuguna Ndung'u, Governor, Central Bank of Kenya



Benno Ndulu, Governor, Bank of Tanzania



Her Majesty Queen Máxima of the Netherlands, the UN Secretary-General's Special Advocate for Inclusive Finance for Development and Honorary Patron of the G20 Global Partnership for Financial Inclusion, joins AFI leaders to deliver the GPF Keynote Address



Bill Gates, Co-Chair of the Bill & Melinda Gates Foundation, welcomes GPF participants in a personal video message



Amando Tetangco Jr., Governor of Bangko Sentral ng Pilipinas and Chair of the AFI Steering Committee



For more pictures and news from the 2013 GPF, see issues from GPF Connect—the AFI Global Policy Forum's daily newsletter, at: www.afi-global.org/library/publications

Driving Policies for Optimal Impact: Synergizing Financial Inclusion, Stability and Integrity, and Consumer Protection

In many developing and emerging countries, financial inclusion has become a policy objective as important as financial stability, integrity and consumer protection. This session highlighted the ways in which financial policymakers are optimizing the policy linkages between these four goals.

SESSION HIGHLIGHTS

AFI member institutions are challenging the notion that trade-offs between financial policy goals are inevitable.

Banco de México: Financial stability is the primary mandate of the central bank, but financial inclusion is recognized at the highest levels as important to a healthy financial system, and is the main focus of the National Council on Financial Inclusion – an interagency coordination mechanism.

BCEAO: A focus on financial inclusion has produced reforms initially intended to stabilize prices and manage loans, but have ultimately contributed to economic growth and social equity.

Bank Negara Malaysia: BNM is one of the first central banks in the world to have a dual mandate of financial stability and inclusion.

“Financial inclusion reinforces outcomes such as balanced growth that contribute to robust financial markets. Exclusion risks instability in the system.”

Governor Zeti Akhtar Aziz
Bank Negara Malaysia

NEXT STEPS

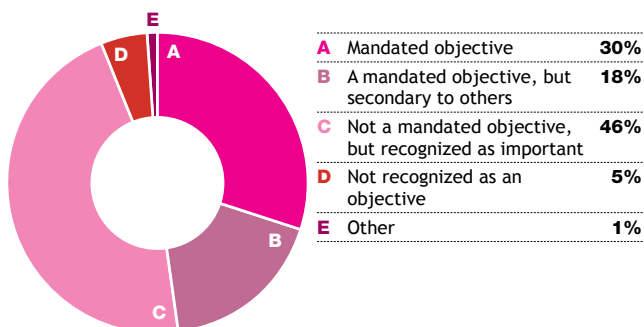
Panelists offered practical advice on implementing the four financial policy objectives:

- Facilitate information flow through national coordination mechanisms, interagency consultation and industry engagement.
- Leadership is key. An institutional leader or champion helps to keep policy objectives in balance and aligned with broader national development goals.
- Document the process and promote evidence-based policies. Data collection and research helps to identify and optimize policy linkages. AFI is uniquely positioned to build a repository of good practices for its members.



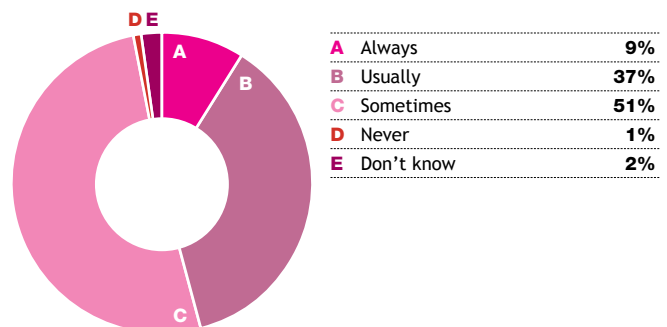
Governor Zeti Akhtar Aziz, Bank Negara Malaysia, and other experts discuss optimizing policy linkages between the four financial policy objectives

Is financial inclusion a mandated objective of your institution?



Source: Hand-held electronic voting, 321 total votes

Are trade-offs between financial inclusion and other policy objectives inevitable?



Source: Hand-held electronic voting, 321 total votes

The Impact of Financial Inclusion on Poverty Alleviation and Inclusive Development

It is generally accepted that financial inclusion has a positive impact on the poor by raising incomes, building assets and protecting against economic shocks, but how much evidence do we have? This talk show session discussed the value of timely, accurate and complete data for policymaking, the challenges of data collection and the need for research into the social dynamics of the poor.

SESSION HIGHLIGHTS

Impact data is limited. Many countries still have no reliable demand- or supply-side data. Data collection is improving, however, which includes the impact measurement of government policies. Impact data does exist at the micro (household) level. Rigorous randomized controlled trials (RCT) have been conducted and although there are some methodological issues, the results can be generalized.

Technology is improving data collection. For example, GIS data is being used to locate financial access points in relation to where people live. Matching this data helps to identify which segments of the population do not have access to financial services.

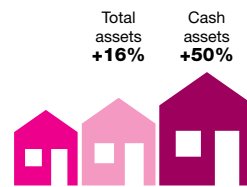
Impact data is a public good. Policymakers are realizing they need to invest in collecting data rather than waiting for someone else to produce it.

Innovation could provide answers. Innovative research methods and new research partnerships with academia, donors and the private sector might overcome some of the data challenges.

Shine light on the data. Existing research should be shared publicly and transparently in clear everyday language.

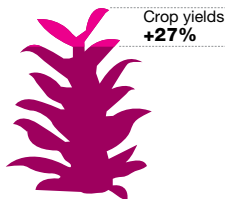
“If we solve these large problems of financial inclusion, it will be with new business models, technologies and innovations. Data allows us to know which innovations work and which don’t.”

Rodger Voorhies
Bill & Melinda Gates Foundation

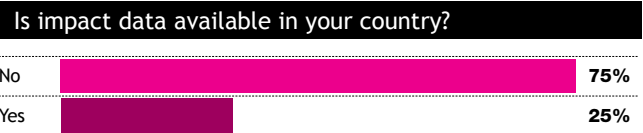


When households in Nepal opened a savings account, cash assets increased by more than 50% and total assets by 16%.

(Source: Innovations for Poverty Action)



When tobacco farmers in Malawi opened commitment savings accounts, they cultivated almost 10% more land, boosted crop yields by more than 27% and increased household spending by 17%.



Source: Hand-held electronic voting



Rodger Voorhies, Bill & Melinda Gates Foundation, and Beatriz Marulanda, AFI Associate



Aishwarya Ratan from Innovations for Poverty Action shares her experiences

Leaders' Roundtable on AFI's Engagement with the SSBs

Leaders of member institutions that implement innovative financial inclusion policies met in a closed session to discuss AFI's engagement with the global Standard-Setting Bodies (SSBs) and to review a joint G-24/AFI proposal to establish a peer learning initiative with the SSBs.

SESSION HIGHLIGHTS

Peer learning initiative: This initiative will provide a structured mechanism for AFI members to review and provide inputs to the ongoing work of the SSBs, such as the practical challenges of implementing the global standards on the ground. By bringing together diverse regional views, the initiative will promote peer learning at both the leadership and working group level.

Comprehensive risk framework: The AFI Network will develop a framework for assessing the risks of financial exclusion and overindebtedness to financial integrity and stability. The first step is to develop a methodology, and a high-level working group will be formed to oversee this process. Early results will be discussed at the sixth annual G24/AFI Policymakers' Roundtable at the IMF/World Bank Spring meetings in April 2014.

NEXT STEPS

Together with H.M. Queen Máxima of the Netherlands, the UN Secretary-General's Special Advocate for Inclusive Finance for Development, and Karl Cordewener of the BCBS, AFI leaders agreed to the following concrete actions:

- The AFI Network will develop an internal mechanism for sharing practical experiences implementing the global standards.
- Leaders welcomed the potential opportunity for AFI members to participate in a high-level meeting with the SSBs on financial inclusion, to be co-hosted by Queen Máxima and Stefan Ingves, Chair of the BCBS, in October 2014. This meeting will be an important opportunity to collaborate with the SSBs and make progress on the risk framework.
- The Basel Consultative Group of the BCBS now has a financial inclusion work stream that is conducting a "range of practice survey" to review its 2010 Guidance on the Supervision and Regulation of Microfinance. The BCBS welcomed feedback from AFI members, and AFI will help to coordinate inputs and explore the possibility of holding a technical workshop.

Transforming the Economics of Payments through Policy Innovation

This session highlighted the findings of a new six-country study by the Bill & Melinda Gates Foundation (BMGF) that examined how regulators and policymakers can make digital payment systems more efficient and lower transaction costs to meet the needs of much greater numbers of poor people.

SESSION HIGHLIGHTS

- Moving from cash to digital reduces costs for low-income households and connects the poor to formal financial services.
- Three major things need to be considered when promoting digital payments for low-income households: channel choice (the platform being used), scale and efficiency.
- Payment systems are complicated and challenging to explain. The BMGF has created a new framework, ACTA, to analyze the four aspects of payments: account activities, cash-in/cash-out (CICO) networks, transactions and adjacencies (activities that generate non-payments revenue for payment service providers (PSPs)).

NEXT STEPS

Creating the necessary reforms and regulation to lower transaction costs and drive growth in this sector is complex, which makes it especially important that the GPF and AFI working groups (particularly the MFSWG) continue to provide a platform for sharing technical knowledge of proven and successful policy and regulatory reforms. The new ACTA framework will help to stimulate these discussions.

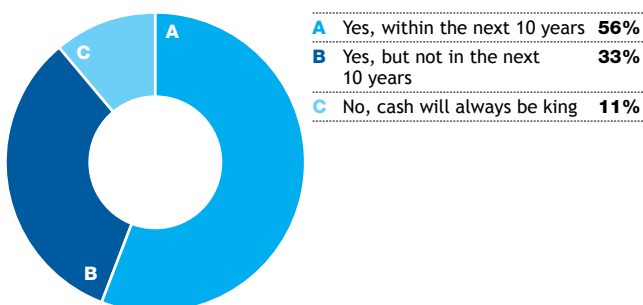
“Eighty-eight percent of adults have a mobile money account in Tanzania. Going forward, we have to move beyond payments and need to broaden and deepen services that can be accessed via mobile money.”

Kennedy Komba
Bank of Tanzania



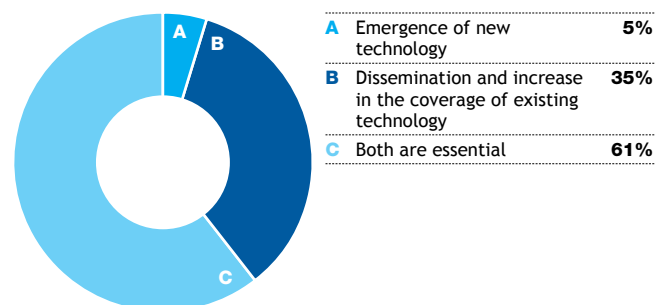
Jason Lamb, Bill & Melinda Gates Foundation

Do you think electronic payments will become more common than cash?



Source: Hand-held electronic voting

Which, in your opinion, is critical for the development of electronic payments in the next 10 years?



Source: Hand-held electronic voting

Can Biometrics Advance Financial Inclusion?

In many developing countries, the poor do not have any type of formal identification. These “missing millions” are completely absent from the formal economy, but biometrics—a bundle of technologies that uses physical/biological and behavioral traits to uniquely identify individuals—has the potential to provide a formal identity and an “access code” to financial services.

This session featured the experiences of three countries that have implemented biometric identification systems and how they have managed to balance financial access and customer privacy.

UGANDA’S FINANCIAL CARD SYSTEM (FCS)

The FCS is a banking ID system that uses biometrics to establish identities and build a national credit bureau. Nine hundred thousand cards have been issued to date and another 150,000 are issued every year. It is mandatory for banks to use the FCS for all loans.

NIGERIA’S PARTNERSHIP WITH A PAYMENT TECHNOLOGY PROVIDER

Nigeria is currently piloting a national ID card that uses MasterCard’s payment technology and stores data in the national identity database. With a National Identification Number (NIN) and three types of biometric data, the card can be used for e-ID, banking, voting and other applications. One of the goals is to reduce credit/debit card fraud by linking biometric identity to payment applications.

“In Nigeria, USD 2 billion is lost to identity theft every year. The biometric system will enable the country to deal with this problem.”

Chris Onyemenam
National Identity Management Commission Nigeria

INDIA’S AADHAAR SYSTEM

In India, the Aadhaar System issues a random 12-digit number to every resident, which can be used to open no-frills bank accounts and receive payments. A large-scale cash transfer program that uses the number as an “address” for transferring funds was launched in 2013, which will improve the efficiency and transparency of welfare payments and directly benefit the poor. Even those with low literacy skills can use the system. In all three countries, the public has expressed fears about privacy and surveillance, which panelists agreed makes public education campaigns especially important. Voting results:



Panelists discuss the need to balance financial access with customer privacy

Keeping Up with Evolving Consumer Risks: Practical Market Monitoring and Market Conduct Supervision Strategies

This session reviewed the current state of market conduct supervision, the prudential and market conduct functions of supervisors, the types of supervision tools and techniques in use and how these have changed over time.

Discussions focused on the consumer risks emerging from new business models like agent banking and mobile financial services, and how to strengthen market supervision, ensure consumer interests are sufficiently protected, and promote responsible finance through consumer, media and industry associations.

SESSION HIGHLIGHTS

- Forty percent of policymakers in the session thought supervisors should do more consumer research and mystery shopping to protect vulnerable consumers.
- Poor consumer advice from financial service providers contributes to household debt and overindebtedness. Sixty percent of policymakers in the session were concerned about over indebtedness in their retail credit markets.
- Consumer protection is not receiving enough attention as new technologies and distribution channels generate new types of risks. Supervisors need to take on this challenge and work to strengthen existing consumer protection rules.
- The Consumer Empowerment and Market Conduct (CEMC) Working Group will investigate ways to strengthen or promote this thematic area. One suggestion was for the CEMC WG to develop toolkits or templates to help members put supervisory tools in place.

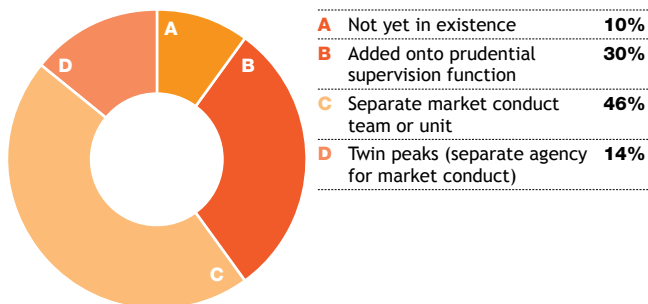
“The relationship between supervisors’ prudential and market conduct functions could best be described as a married couple—they can’t live without each other but it is also difficult for them to live together.”

Armenuhi Mkrtchyan
Central Bank of Armenia



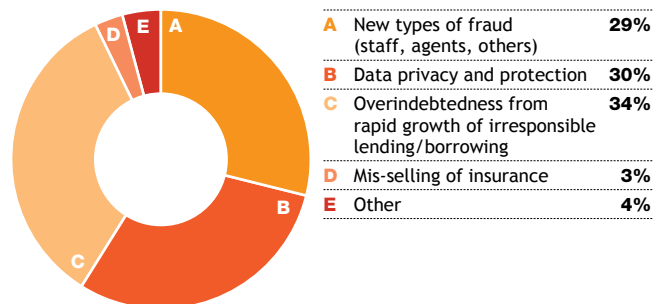
Experts discuss the state of market conduct supervision

“The phrase that best describes the market conduct function in my institution is...”



Source: Hand-held electronic voting

“Over the next three years, the risk that I think will be most important for typical consumers in my country is...”



Source: Hand-held electronic voting

Meet the Researchers and Discuss Recent Findings

New research has improved our understanding of how financial inclusion policies impact the lives of those in vulnerable households. This session discussed the results of three recent research projects.

INSEAD conducted a global study on payment innovations and data security that examined how mobile technologies are shaping payments and financial access. Focusing on Mexico, Russia, West Africa and India, the researchers revealed key research findings on mobile payments and the role of regulators in data security.¹ First, interoperable systems pave the way for permanent security and mass adoption of mobile payment and security technologies. Cooperation and consultation between central banks and industry stakeholders facilitate interoperability. Second, effective government builds security and increases consumer confidence. This is achieved through stakeholder cooperation and analyzing the system-wide effects of regulation.

Innovations for Poverty Action conducted a randomized control trial (RCT) on the impact of savings on farmers in Malawi. They found that commitment savings accounts substantially increased savings prior to the next planting season, which also increased agricultural inputs, crop yields and household expenditures.

The Institute for Money, Technology and Financial Inclusion (IMTFI) studied the effect of repaying microloans by cell phone on customer confidence in storing mobile value,² finding that mobile money usage did not improve customer experience or confidence in technology. Customers were likely to stick to old habits, perhaps combining formal and informal ways of storing money. Using mobile banking services had a weak effect on diversifying mobile money usage and inducing customers to save.

KEY MESSAGES

Technology is not enough. Human and organizational behavior, not devices, should be the main focus. The best device fits with one's savings practices.

Cooperation and consultation are key to interoperability. Payment councils, regular public-private meetings that set common agendas for payments, and financial sector cooperation all facilitate interoperability.

Smart government means choosing how and when to regulate. Regulations intended to enforce security can have negative effects, such as deterring consumer adoption. National policies need to consider how rules affect consumer and business behavior.



Anatoly Gusto, Institute for Money, Technology, and Financial Inclusion



Aishwarya Ratan, Innovations for Poverty Action

1 Quantitative data points from over 100 countries and qualitative data from structured interviews

2 The study examined clients of Green Bank in Mindanao, Philippines

The Regulators' Challenge: Microinsurance Sustainability, Scalability and Consumer Protection

Microinsurance is receiving growing attention as a way to improve access to affordable insurance for the poor. More products and models are becoming available, but they are still in the developmental stage. In this session, panelists identified customer loyalty and efficient product distribution as key to building a sustainable microinsurance sector and discussed various ways of reaching scale.

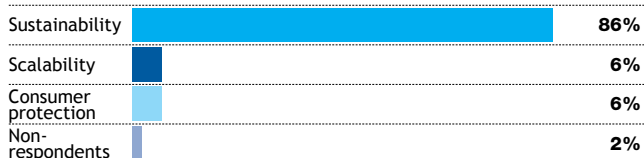
Government subsidies. Since microinsurance produces social and economic benefits—access to health care, agricultural productivity and protection from natural disasters—subsidies can achieve public policy objectives, but should be phased out once products are sustainable. Products should be market priced, transparent and based on insurance principles.

New technologies. By leveraging mobile service providers in Zimbabwe, one microinsurance product reached 20% of the population within seven months. However, new technologies can create new consumer protection risks and need to be monitored closely.

Leveraging existing institutions. Two possibilities: i) downscale existing insurance providers by creating a dedicated microinsurance subsidiary, or ii) formalize and scale up the practices of middle-tier institutions such as cooperatives.

Consumer protection. Microinsurance requires a different regulatory approach to consumer protection than conventional insurance products or those in developed markets. One option is introducing microinsurance products to the market through mandatory or automatic coverage (e.g. loyalty schemes that provide free basic protection) to accumulate positive claims experience and reputation before offering microinsurance products on a voluntary purchase basis.

In your view, which of the following aspects will present the biggest challenge to regulators regarding the microinsurance industry in their country?



Source: Hand-held electronic voting

NEXT STEPS

Discussions revealed broad interest in this area, and members proposed creating a new working group on microinsurance or incorporating this thematic area into existing working groups on a regular basis.

“Insurance is underutilized and underappreciated. If all policymakers saw its real potential we would witness its full incorporation into the financial inclusion context.”

Craig Churchill
Microinsurance Network



Loi Bakani, Governor, Bank of Papua New Guinea



Gerardo Butardo, Bangko Sentral ng Pilipinas

Innovations in Technology for Financial Inclusion and Managing Risks

New technologies are key to expanding the reach of financial services and new offerings. As technology companies join other market players, consumers are gaining access to more transaction points: mobile POS terminals, ATMs, payment networks, agents and electronic kiosks. This session examined the challenges, risks and promise of these new technologies.

SESSION HIGHLIGHTS

The business case. Developing a business case that makes sense for all parties in the value chain—financial institutions, third parties, businesses and clients—is not easy. Appropriate and proportionate risk-based approaches to regulating this sector can make a big difference.

Identification. Biometrics can help to address identification challenges, as will greater adoption of new FATF guidelines and tiered KYC and CDD regulations. New technologies can bring risks, but they are also helping to reduce them in the areas of fraud and identification.

Financial education. This is essential to driving uptake and usage of new technologies. It should not only promote services, but provide greater consumer protection.

New regulatory challenges. Russia has developed a huge customer-centric e-payment ecosystem that is bringing unbanked customers into the formal financial system. However, this new technology is introducing new challenges for regulators: hybridization (e-money and credit cards), crypto currencies, less time to roll out new technologies, and new regulatory risks.

Public-private partnerships and dialogue with regulators are essential. Wide-scale use of technologies cannot be accomplished by one party alone and needs the support of an enabling regulatory environment.

Scale is important, but the convergence of technologies and platforms is critical. Greater interconnectivity and interoperability provide clients with multiple options and make transactions easier.

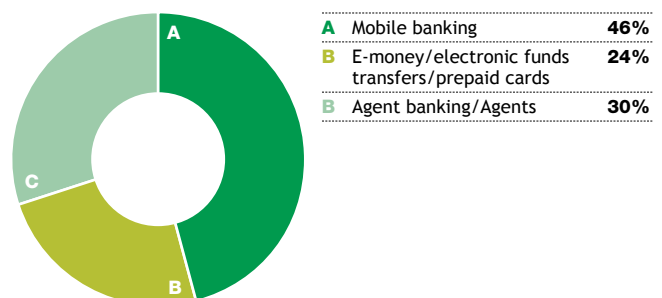
“The willingness of government to take an inclusive look at technology development was the reason for partnering with Rwanda.”

Stephen Kehoe,
Visa Inc.



Kennedy Komba, Bank of Tanzania

In your country, which of the various technology models holds the most potential to support financial inclusion?



Source: Hand-held electronic voting

The Importance of Financial Literacy in the Context of Financial Inclusion

In this session, panelists presented updates of financial literacy initiatives in their respective countries and discussed how new technology channels could be used to improve financial literacy. One key issue was that consumer understanding is diminishing as financial products grow in number and complexity.

SESSION HIGHLIGHTS

Regulators should play a leading role in financial literacy and education, but should partner with other stakeholders like financial institutions, Ministries of Education, donors and civil society.

Financial literacy continues to be a hot topic among regulators working in consumer protection, and demand for financial literacy programs is on the rise. However, more research is needed to determine the impact of financial literacy programs because there are not enough quality indicators.

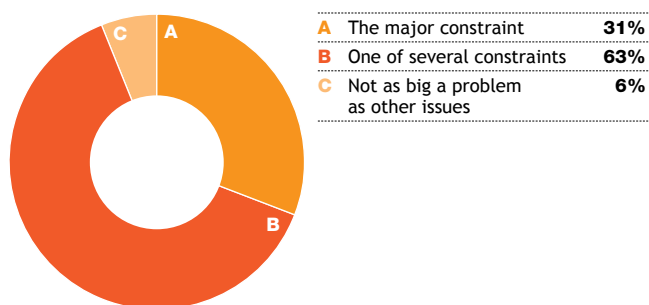
“Consumers tend to look more at the rewards that the financial institution has to offer than the risks that are involved.”

Koid Swee Lian
 Agensi Kaunseling PengurusanKredit (AKPK)

NEXT STEPS

AFI members called for more evidence of the impact of financial literacy and education programs. The Consumer Empowerment and Market Conduct (CEMC) Working Group has created a sub-group on financial literacy and education, which will first identify AFI members that have implemented national strategies for financial education and literacy, and then produce a report distilling the successes, challenges and lessons.

How big of a constraint is financial competency to increasing financial inclusion in your country?



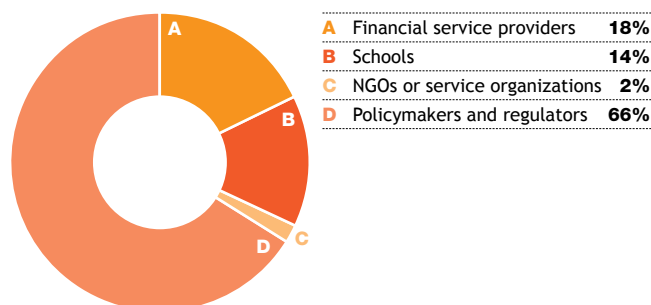
Source: Hand-held electronic voting

Do you think there is a sufficient return on investing in financial education for a financial service provider?



Source: Hand-held electronic voting

Who do you think has the primary responsibility for financial education?



Source: Hand-held electronic voting

Malaysian Experience in Financial Inclusion: Improving Lives and Reducing Poverty

This session detailed Malaysia's experience with financial inclusion, which began with a goal to eradicate absolute poverty and then make financial inclusion one of the nation's priorities. Bank Negara Malaysia and government agencies such as Amanah Ikhtiar Malaysia (AIM) and Economic Planning Unit (EPU) are among those driving the financial inclusion agenda in the country.

Amanah Ikhtiar Malaysia (AIM): The first microfinance institution in Malaysia, AIM is the largest replica of the Grameen model outside Bangladesh. It has successfully promoted microfinance in the country, having particular success with women borrowers, who number 330,000 and boast a 99% repayment rate. AIM has expanded its offerings beyond financial services to critical areas such as training and capacity building, which are contributing to the sustainability of women-owned businesses.

Economic Planning Unit (EPU): The EPU believes that in order for financial inclusion to be successful, it should be aligned with capacity building and education and communication initiatives. Early policy interventions took a sector-based approach since most poor people were in the agricultural sector, but its focus has since shifted to low-income segments of the population.

Bank Negara Malaysia (BNM): BNM has developed a Financial Sector Blueprint (FSB) that provides a clear framework for financial institutions to develop financial inclusion initiatives. Embedded in the FSB is a vision of convenient and affordable financial services accessible to all, as well as high uptake, responsible usage and high customer satisfaction. One way BNM has achieved this is by conducting research in remote areas of the country to better understand the financial needs of local communities. An important result was the introduction of agent banking, which expanded access and reduced costs for people living in rural areas.

BNM has avoided being overly prescriptive and stifling innovation. In reaching out to the underserved, particularly small and medium enterprises (SMEs), its policy approaches have evolved, including changing the mindset of financial industry players about the financial inclusion agenda. As Chuah Mei Lin of the Association of Banks in Malaysia explained, commercial banks have come on board with serving the unbanked through services such as agent banking and microfinance. Commercial banks and BNM are also working together to increase access to financial services for SMEs. One successful initiative is the SME matchmaking program, in which SMEs pitch their ideas to a group of bankers to obtain financing. This program has provided an avenue for banks and SMEs to understand each other better.

“The unique part of our efforts is the focus on women, particularly housewives. This has been very successful and significantly, the repayment rate of women to loans has been consistently around 99%.”

Datuk Hajah Zabidah Ismail
Amanah Ikhtiar Malaysia



Kamari Zaman Juhari, Bank Negara Malaysia

Goal

95%

of adults in Malaysia will have access to the formal banking system by 2014

Progress

92%

of adults in Malaysia already have access to the formal banking system

Banking Clients through Mobile Money

The mobile money industry has seen rapid global expansion in recent years, but the bulk of services in many countries remain money transfers. In this session, pioneers in mobile financial services (MFS) came together to discuss how advances in mobile technologies, especially mobile money, are allowing them to “bank” clients in an entirely new way. They examined second generation services—credit, insurance and savings—that meet the needs of poor people, bring down the costs of managing smaller accounts and expand access to those previously unserved by banks.

Commercial Bank of Africa and Safaricom: Together with Safaricom, the Commercial Bank of Africa launched M-Shwari, a new product that offers an interest-bearing savings account and access to short-term credit. By using a credit-scoring algorithm, customers never have to interact with a loan officer or bank branch. M-Shwari has seen unprecedented uptake, reaching several million users so far.

BPI Globe BankKO: BPI Globe BankKO Inc. (BankKO) is a partnership between Globe, the Bank of the Philippine Islands and Ayala Corp., which offers payments, savings, credit and insurance products to clients from low-income households, primarily over mobile phones. BankKO has reached over 350,000 customers to date.

Bangladesh Bank: Governor Atiur Rahman of Bangladesh Bank described the successful rollout of mobile banking in recent years. Government policies have actively promoted and facilitated the adoption of cost-saving financial services for clients in remote off-branch locations by utilizing new technologies such as mobile phone/smart card-based banking, and partnering with microfinance institutions (MFIs) and agent networks. In just over two years, the number of mobile banking agents has soared to more than 100,000 agents and quarterly mobile banking transactions exceed \$1 billion, making Bangladesh one of the fastest growing mobile banking markets in the world.

“We as banks and financial providers should be able to build and compete on differentiated products, but we should share channels and agent networks.”

Carlos López-Moctezuma
BBVA Retail Banking



Carlos López-Moctezuma, BBVA Retail Banking and Njuguna Ndung'u, Governor, Central Bank of Kenya



Eric Njagi, Commercial Bank of Africa

Driving Innovative Policies for the Financial Inclusion of Agricultural SMEs

Financing agricultural small and medium enterprises (SMEs) involves myriad challenges and risks. Commercial banks often avoid financing agricultural SMEs because the risks are high and the profit opportunities hard to identify. Governments often intervene with financing, for reasons ranging from poverty alleviation to food security, but risk distorting the market and stifling private investment. This session showcased promising innovations taking hold in AFI member countries, from infrastructure development and value chain financing to the direct provision of financial services through state-owned banks.

SESSION HIGHLIGHTS

- Reforming financial infrastructure such as credit bureaus and collateral registries could improve the quality of credit information, clarify risks and identify profit opportunities. Central banks and other AFI members have a critical role to play, and the Reserve Bank of Fiji and Royal Monetary Authority of Bhutan described how they are prioritizing these efforts.
- Developing innovative and effective value chains is also promising, and participants heard about a recent International Finance Corporation (IFC) pilot program that replaced a state subsidized lending program for cocoa farmers in Indonesia.
- Financing solutions for agricultural SMEs are coming from the commercial sector. Agrobank, a state-funded company that provides sustainable financial services to agricultural entrepreneurs and SMEs, is playing an important role in Malaysia. However, given the importance of agriculture to broader government objectives, the shift toward a greater private sector role will likely be gradual.

The major challenge in profitably expanding finance to agriculture is:



Source: Hand-held electronic voting

NEXT STEPS

Financing rural SMEs is one of the priority topics for AFI's new working group on SME finance (SMEFWG), which met for the first time at the 2013 GPF. The SMEFWG will begin investigating the challenges and potential policy solutions raised in this session.



Wan Mohd Fadzmi Wan Othman, Agro Bank Malaysia



Eden Dema, Deputy Governor, Royal Monetary Authority of Bhutan



Barry Whiteside, Governor, Reserve Bank of Fiji

Oversight of Non-Bank Financial Institutions

Opening the financial infrastructure to deposit-taking non-bank financial institutions (NBFIs), such as microfinance institutions (MFIs), financial cooperatives and postal banks, is a policy intervention at the nexus of financial stability and inclusion. This session highlighted the results of a recent AFI member survey on NBFIs and the challenges of supervision and oversight.

SURVEY HIGHLIGHTS:

- Forty-nine percent of members have a specialized NBF unit.
- Sixty-five percent of members are changing how they supervise deposit-taking NBFIs.
- Only 15% of postal banks, 26% of financial co-operatives and 50% of deposit-taking MFIs are prudentially supervised.

Better access in Rwanda: Following the civil war and failure of NGO-sponsored microfinance programs, National Bank of Rwanda (BNR) introduced legislation and oversight that divided MFIs into four categories: informal MFIs, small MFIs/Savings and Credit Co-operatives (SACCOs), larger MFIs/SACCOs and credit-only MFIs. SACCOs have been a major driver of access to financial services in Rwanda, which has increased from 46% in 2009 to 72% in 2012.

Oversight in Peru: NBFIs accepting public deposits are subject to supervision and covered by deposit insurance. Peru has 160 financial cooperatives, and a bill recently advanced through the Committee on the Economy in Peru may allow the Superintendencia de Banca, Seguros Y AFP (SBS) del Perú to oversee the largest of the cooperatives, which holds 60% of the sector's assets.

Prudential or non-prudential regulation? Most panelists agreed these are complementary. Prudential regulation aims to protect small depositors, but also to ensure financial stability, so a degree of prudential regulation could be applied to NBFIs proportionate to their risk profile. As for small informal lenders, if they do not accept deposits, prudential oversight may not be necessary and proportional consumer protection regulations could be applied instead.

Wide reach and impact. Deposit-taking NBFIs serve approximately 596 million people globally and are able to expand access and reduce poverty because of proximity to customers, offerings of savings and a full suite of products, and low entrance costs.³

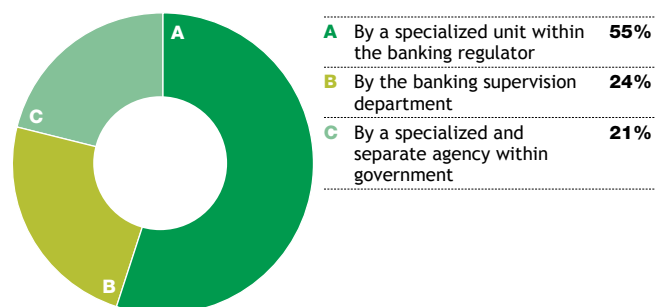
“Supervising non-bank financial institutions in Rwanda has a cost, but it’s the price we pay for financial inclusion.”

Kevin Kavugizo
National Bank of Rwanda



Polymakers address the challenges of oversight and supervision

How should NBFIs be prudentially supervised in your country?



Source: Hand-held electronic voting

³ Research by the Bill & Melinda Gates Foundation has identified these as key drivers for expanding access to financial services and reducing poverty.

Beyond Access and Usage: Measuring the Quality of Financial Inclusion

As financial inclusion policy evolves, measuring access and usage is no longer enough. Policymakers increasingly feel the need to measure the quality of financial services. In this session, the co-chairs of the Financial Inclusion Data Working Group (FIDWG) explained the rationale and methodology behind their new set of quality indicators.

The indicators were based on five guiding principles—conciseness, specificity, simplicity, improvement and client perspective—and grouped into eight categories:

- **Affordability:** It is not expensive to keep an account; consumers do not pay high interest rates.
- **Transparency:** Financial institutions inform customers truthfully about price; financial institutions use plain and local languages.
- **Convenience:** Queue time is short or most people can avoid queuing through Internet banking, mobile payment services and ATMs.
- **Fair treatment:** Clients rarely have problems with financial institutions and if they do, they can solve them quickly; it's easy to receive insurance compensation.
- **Protection:** Depositors are protected by deposit insurance.
- **Indebtedness:** Indebtedness is under control. A low percentage of borrowers have debts that have been outstanding for more than 30 days, and only a few borrowers have more than 30% of their income committed to debt expenditure.
- **Financial education:** People understand that taking out a loan costs money; a good proportion of the population saves.
- **Choice:** People can choose from at least three different financial service providers.



Fabiano Coelho, Banco Central do Brasil

NEXT STEPS

The FIDWG will publish the quality indicators. It also has a sub-group, which advises FIDWG members on implementing the quality indicators. It is important that all AFI members collect data based on the Core Set of Indicators and submit it to the FIDWG online platform. This will facilitate sharing and peer learning and allow members to benchmark their progress against others.

“The quality dimension is not only of interest to AFI members; in recent engagements with developed countries, it was found to be the main area of concern to them.”

Fabiano Coelho
Banco Central do Brasil



John Owens, AFI and Zarina Abd Rahman, Bank Negara Malaysia

Empowering a Policy-Driving Network: Capacity Building for Financial Inclusion

This session focused on identifying gaps in capacity building for financial inclusion policymakers and exploring the complementary role AFI can play in this area.

High demand. There seemed to be consensus that policymakers often do not have access to the training they require nor sufficient information about training options. Members called for more capacity building products and services, especially those focused on optimizing linkages between financial inclusion, financial integrity and consumer protection. Members are specifically interested in global leadership programs, training courses for policymakers and market conduct supervisors, online training, forums and technical advisory services.

Capacity and training needs. Members expressed interest in learning a variety of skills, including how to design a national financial inclusion strategy, conduct a demand-side survey, supervise financial institutions effectively and implement market conduct and consumer protection regulations.

Training packages. Participants suggested offering structured training packages, particularly for developing national financial inclusion strategies. Several supported the idea of conducting training of trainers (ToT) for policymakers, as well as modular training through distance learning and self-directed programs.

Training channels and partnerships. AFI's Knowledge Exchange and Secondment programs are important sources of peer learning, and the AFI Member Zone is another potential training channel or at least to publicize training opportunities. Making Access to Financial Services Possible (MAP), developed by the United Nations Capital Development Fund (UNCDF), Toronto Centre, the Consultative Group to Assist the Poor (CGAP) and the International Finance Corporation (IFC) all offer training, both online and in-house, and members proposed developing training partnerships with external partners. AFI members from Malaysia and Indonesia have expressed interest in providing training for the AFI Network, and Bank Negara Malaysia has already conducted training on SME finance, payment systems and consumer protection through a new pilot program.

A member-driven approach. The design and rollout of a comprehensive capacity building program is a huge strategic opportunity for AFI to meet the needs of its members. Members are particularly interested in a regional training approach that would allow them to acquire skills and experience from successful neighbors.

“To undertake policy changes, institutions need to have adequate structures and staff. Investments need to be made, but sometimes countries simply do not know where to start.”

Stephen Mwaurea
Central Bank of Kenya



Policymakers identify gaps in financial inclusion training, products and services and discuss options to build capacity

AMPI and Regional Cooperation in Africa

The Africa regional cooperation session brought together a mix of policymakers, regulators, private sector institutions and development partners, to review the progress of to review the progress of AMPI, the African Mobile Phone Financial Services Policy Initiative. Panelists discussed the priorities and key activities for 2014, and exchanged ideas on how AMPI could best support the advancement of mobile financial services in Africa through its regional virtual Help Desk.

As agreed by AMPI leaders at their meeting in Zanzibar in February 2013, the AMPI Help Desk has been staffed with representatives from the Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO), Central Bank of Nigeria, Banque Centrale du Congo, Bank of Zambia, Banque de la République du Burundi and the Central Bank of Kenya. A work plan developed with support from the AFI Management Unit was endorsed by the Chair and leaders of Help Desk member institutions in Washington, D.C. on April 18, 2013 during the G24/AFI meeting.

On July 9, 2013 the technical members of the Help Desk met in Nairobi to discuss AMPI's action plan for implementation, including the development of requisite guidelines and working rules for the Help Desk, Terms of Reference (TORs) for information-sharing among AMPI and stakeholders and setting priorities for the end of 2013 moving forward.

Since October 2013, the Help Desk engaged with AMPI members to build an overview of the status of their mobile financial services (MFS) policies. This information provides the basis for a member needs assessment and guides the development of an activity plan for AMPI. This plan will be presented at a meeting of AMPI leaders in Nairobi in February 2014.

The objective for Nairobi is to allow participants to appreciate the different MFS models and regulatory frameworks in the continent, as well as share lessons learned on creating enabling and conducive regulatory environment to enable the development and expansion of MFS.

The regional cooperation meeting helped to reinforce the commitments and willingness of AMPI members to identify and implement effective policy solutions to remove the barriers and obstacles to scaling up financial inclusion in Africa through mobile financial services.

“The Help Desk was one of the most innovative ideas in AMPI.”

Prof. Njuguna Ndung'u
Governor, Central Bank of Kenya



Jean-Baptiste Compaore, Vice-Governor, Banque Centrale des Etats de l'Afrique de l'Ouest (BCEAO)



Governor Njuguna Ndung'u, Central Bank of Kenya, Vice-Governor Jean-Baptiste Compaore, BCEAO and Abdoul Anziz Said Attoumane, AFI

Regional Cooperation in Latin America

In this session, regulators from Guatemala, Peru and El Salvador shared various approaches to regulating mobile financial services (MFS). Guatemala's regulation is based exclusively on a banking model, whereas Peru's model allows both bank and non-bank issuers to participate. El Salvador is currently still defining the model it will use.

SESSION HIGHLIGHTS

The session began with the introduction of a study on mobile financial services in Latin America that included an analysis of the regulatory approaches in six Latin American countries: Bolivia, Colombia, Guatemala, Mexico, Paraguay and Peru.

Guatemala: Guatemala has an MFS regulation that applies exclusively to banks. Regulatory approaches in the region differ depending on the model used, but there are important commonalities, such as agent banking and simplified know your customer (KYC) regulations. In 2010 the country issued a regulation on agent banking, with a thin line between what constitutes a deposit and what doesn't.

Peru: Here, the model is much more varied and complex, with both banks and non-banks participating on a level playing field. The law allows the market to evolve in a more competitive environment by promoting market-based solutions.

El Salvador: Mobile financial services are new to this market; Pago Listo was the first electronic money product launched in the country. The task at hand for the Salvadorean Superintendency is to regulate the service as e-money, which neither constitutes a deposit nor generates interest. In a country without a national customer service network or agent banking infrastructure, e-money is a good option.

“Banks want big volume transactions, telcos want lots of transactions and care less about volume. There is no real conflict between the players—everybody who enters the market can get what they want.”

Daniel Schydrowsky
Superintendent, SBS Peru



Participants discuss regulation of mobile financial services in Latin America

Remittances in Asia: An Opportunity for Financial Inclusion?

In 2013, the Asian continent represented 63% of global remittance flows to developing countries. In nine Asian countries, remittances exceed 10% of GDP and seven out of the top 10 remittance-receiving countries in the world are in Asia.⁴ This session discussed recent opportunities and challenges in the Asian remittance market, with an aim to guide policymakers in maximizing the financial inclusion potential of remittances in their countries.

Regional differences. Asia and the Pacific is such a large and diverse region that it cannot be described as a single remittance market; there are significant differences among sub-regions and even between urban and rural markets in the same country. Asian policymakers therefore need tailor-made policy interventions to enable and grow robust remittance markets.

The Philippines: With over four million people leaving the country to work abroad in 2010, the Philippines is the largest migrant outflow country in Southeast Asia and the fourth largest remittance recipient globally. Two main priorities guide the country's remittance policies: bringing down the cost of transactions and ensuring that remittance clients remain plugged into the financial system. To bring down costs, Bangko Sentral ng Pilipinas (BSP) has been promoting technology-enabled services and partnerships with service providers and financial institutions. Financial literacy programs also aim to raise awareness of financial services and cultivate a culture of saving among migrants.

Samoa: Samoa is one of the leading remittance-receiving countries in the Pacific, with inflows of nearly 20% of its gross domestic product (GDP). Given its tremendous impact on the Samoan economy, remittance policy is integrated into the national strategy for financial inclusion. While most people still use international money transfer agencies and international commercial banks, mobile technology is beginning to mitigate the geographical challenge and diversify the products and services available.

NEXT STEPS

More than half (52%) of participants thought AFI could help to advance work on remittances policy issues, such as starting a remittances discussion group in the Member Zone.

“Remittances must be part of a national financial inclusion strategy. They cannot be tackled in isolation.”

Atalina Ainuu Enari
Governor, Central Bank of Samoa



Atalina Ainuu Enari, Governor, Central Bank of Samoa



Participants engage during interactive segments of the discussion

⁴ Source: IFAD and the World Bank (2013), “Sending Money Home to Asia” <http://www.ifad.org/remittances/events/2013/globalforum/resources/sendingmoneyasia.pdf>

Driving Policies for Optimal Impact: Reflections and the Way Forward

This session returned to the central question set out at the opening of the 2013 GPF: How can policymakers and regulators not only avoid trade-offs between financial inclusion and other policy objectives of stability, integrity and protection, but also optimize the synergies between them?

SESSION HIGHLIGHTS

Driving policies for optimal impact requires policymakers and regulators to maximize opportunities for financial inclusion without compromising acceptable levels of system stability, integrity and protection. This is straightforward conceptually, but difficult to achieve in practice. The panel identified two key ingredients:

National leadership. Having a clearly identified champion at the central bank or other institution helps to frame policy choices within an overarching financial inclusion strategy. However, as Deputy Governor Naomi Ngwira of the Reserve Bank of Malawi pointed out, in setting minimum acceptable levels of stability, integrity and protection, central banks must avoid setting the bar too high and stifling innovation. It is also critical to establish a baseline and collect data: “If you want to optimize, you have to be able to measure.”

Open dialogue with the SSBs. How can a proportionate approach to global standards be implemented on the ground in a way that does not constrain opportunities for financial inclusion? Digital and communication technologies are making great strides in financial inclusion possible, but policymakers and regulators need to be able to maximize these opportunities without fear of falling foul of global standards.

The 2013 GPF helped to cement and offer new ideas for open, two-way dialogue between AFI members and the global Standard-Setting Bodies (SSBs), including advancing a new peer learning initiative and contributing input on the revisions of the BCBS 2010 Guidance on Microfinance, which will be updated and extended to cover broader financial inclusion activities.

NEXT STEPS

Synergies between financial inclusion, stability, integrity and consumer protection are achievable, but concrete examples are needed to show how they can be achieved at the country level. The AFI Network has an important role to play in collecting and showcasing these examples.

“We would like to develop an extended risk framework that is comprehensive and that looks at the most important risk of all, the risk of financial exclusion.”

Amar Bhattacharya
Director of Secretariat, Group of 24 (G-24)



Tarisa Watanagase, Former Governor of the Bank of Thailand, moderates the rich discussion



Panelists examine the synergies between stability, consumer protection, integrity and financial inclusion policy objectives

Raise your commitment to inclusive growth. 46 countries already have.

When it comes to boosting economic growth and jobs, you have to hand it to the 46 central banks, financial sector policymakers and regulators that have made commitments under the Maya Declaration.

Each of these members of the Alliance for Financial Inclusion has set itself measurable targets for increasing access to formal financial services for the world's 2.5 billion 'unbanked'. Soon, members from other developing and emerging countries will also make commitments.

So put your hands together and applaud them. And then ask yourself, "How can I lend a hand so we all win?"

Find out more at www.mayadeclaration.org

Central Bank of Armenia
Bangladesh Bank
Microcredit Regulatory Authority, Bangladesh
Banco Central do Brasil
National Bank of the Republic of Belarus
Banque de la République du Burundi
Ministerio de Desarrollo Social de Chile
Ministerio de Hacienda y Crédito Público de Colombia
Banque Centrale du Congo
Banco Central del Ecuador
Banco Central de Reserva de El Salvador
Superintendencia del Sistema Financiero de El Salvador
National Bank of Ethiopia
Reserve Bank of Fiji
Bank of Ghana
Superintendencia de Bancos de Guatemala
Banque Centrale de la République de Guinée
Banque de la République d'Haïti
Bank Indonesia
Central Bank of Kenya
Central Bank of Liberia
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), Mexico
Financial Regulatory Commission of Mongolia
Banco de Moçambique
Bank Al-Maghrib Morocco
Bank of Namibia
Nepal Rastra Bank
Central Bank of Nigeria
State Bank of Pakistan
Palestine Monetary Authority
Superintendencia de Bancos de Panamá
Bank of Papua New Guinea
Banco Central del Paraguay
Superintendencia de Banca, Seguros y AFP (SBS) del Perú
Bangko Sentral ng Pilipinas
National Bank of Rwanda
Central Bank of Samoa
Ministère de l'Economie et des Finances du Sénégal
Bank of Sierra Leone
Central Bank of Solomon Islands
Bank of Tanzania
Central Bank of Trinidad and Tobago
Bank of Uganda
Reserve Bank of Vanuatu
Bank of Zambia



**The Maya
Declaration**
Commitments
you can bank on



Maya Declaration: Raising Commitments and Measuring Progress

In this session, AFI members reported on their progress in meeting Maya Declaration Commitments and experiences setting quantifiable national targets. Representatives from AFI's key external partners also identified concrete opportunities to collaborate.

SESSION HIGHLIGHTS

Central Bank of Nigeria (CBN): In 2011, CBN committed to reduce the percentage of adult Nigerians excluded from financial services from 46.3% to 20% by 2020. In 2013, the exclusion rate dropped to 39%. CBN also met its commitment to launch a national financial inclusion strategy, which includes establishing a financial inclusion secretariat, an agent banking framework and a tiered approach to know your customer (KYC).

Superintendencia de Banca, Seguros y AFP (SBS) del Perú: SBS Peru has met all of its 2011 Maya Commitments and announced updated targets, including designing a national financial inclusion strategy, using a mapping tool to identify financial inclusion opportunities, and updating the regulatory framework for microinsurance.

COLLABORATION WITH EXTERNAL PARTNERS

The World Bank launched the Financial Inclusion Support Framework (FISF) in 2012 to support in-country implementation of Maya Commitments, and will share upcoming research on the impacts of financial capability and literacy programs. FI2020 will focus on highlighting consumer protection and financial capability, and the United Nations Capital Development Fund's (UNCDF) Making Access to Financial Services Possible (MAP) program will share data and facilitate new forms of multistakeholder cooperation and better donor coordination.

NEXT STEPS

At the 2013 GPF, the AFI Network reaffirmed its collective resolve to the Maya Declaration and ushered in its next phase with the adoption of the Sasana Accord, which focuses on setting measurable and quantifiable national targets and measuring progress using a structured framework based on the AFI Core Set of Indicators. The Financial Inclusion Data Working Group's (FIDWG) online data platform will assist in moving this work forward.

“What drives us to implement Maya Commitments is peer pressure. That's why it is important to share and review our progress. It provides an opportunity to interrogate and discuss amongst people who are doing similar things.”

Benno Ndulu
Governor, Bank of Tanzania



The Maya Declaration

Commitments
you can bank on



Habibur Rahman announces the updated joint commitment between Bangladesh Bank and the Microcredit Regulatory Authority of Bangladesh



Nicole Crooks announces the Central Bank of Trinidad and Tobago's Maya Declaration commitment

Maya Declaration: Highlights from New and Updated Commitments

NEW COMMITMENTS

BELARUS

National Bank of the Republic of Belarus
Increase the percentage of adults holding bank accounts from 70% to 85% by 2015.

EL SALVADOR

Banco Central de Reserva de El Salvador & Superintendencia del Sistema Financiero de El Salvador
Issue regulations related to MFS and develop a strategy to foster financial education.

HAITI

Banque de la République d'Haiti
Modernize our payment system, finalize an interconnected platform for all types of transactions and submit legislation to regulate and supervise microfinance institutions.

LIBERIA

Central Bank of Liberia
At least 50% of the rural population will have access to MFS by the end of 2014.

MOROCCO

Bank Al-Maghrib
Increase the rate of access to banking services to two thirds of the population by the end of 2014.

NEPAL

Nepal Rastra Bank
Develop a financial literacy strategy and introduce mobile money services by 2014.

PANAMA

Superintendencia de Bancos de Panamá
Develop regulation on agent banking and promote the use of mobile payments.

PAPUA NEW GUINEA

Bank of Papua New Guinea
Reach 1 million unbanked by 2015, 50% of whom will be women.

SAMOA

Central Bank of Samoa
Increase financial access to 50% of the population by 2016 through MFS and other initiatives.

SIERRA LEONE

Bank of Sierra Leone
Increase financial inclusion outreach by 30% by the end of 2014 through the establishment of additional financial services associations, community banks, and commercial bank branches.

TRINIDAD AND TOBAGO

Central Bank of Trinidad and Tobago
Develop a national financial inclusion strategy and establish the National Training Institute for Financial Inclusion.

UPDATED COMMITMENTS

BANGLADESH

Bangladesh Bank & the Microcredit Regulatory Authority of Bangladesh
Increase the percentage of the population 15+ years old holding bank accounts from 64% to at least 72% by 2014.

BURUNDI

Banque de la République du Burundi
Develop a national financial inclusion strategy to increase access from 12.5% to 25% by 2015.

PERU

Superintendencia de Banca, Seguros y AFP (SBS) del Perú
Conduct baseline studies to assess the current status of financial inclusion in the country and based on findings develop a national financial inclusion strategy.

Maya Declaration: The Sasana Accord

In September 2013, we, the members of Alliance for Financial Inclusion on the occasion of the AFI Global Policy Forum held at Sasana Kijang in Kuala Lumpur, following the wide-ranging impact and contributions to financial inclusion made in the Maya Declaration and the commitments it has inspired, hereby agree to strengthen the effectiveness of the members' commitments by undertaking the following actions:



We will strive to achieve our commitments to financial inclusion through a set of measurable national goals;



We will measure our progress in financial inclusion based on common indicators as identified and quantified in the core set of AFI financial inclusion data and will publicly release this information annually;



We will continue to work in a cooperative and cohesive manner toward integrating the financial inclusion agenda into our countries' policies and programs, and ensure that implementation of financial inclusion at the national level will contribute toward improvement of the unserved and the underserved population in the global community; and



We will reinforce our institutional capacity and talent for formulation and implementation of effective financial inclusion policies that will deliver the optimal impact.

Through the Sasana Accord, financial inclusion policymaking and strategies will see evidence and data-based results and contribute to accelerated progress and the measurement of its impact.

Financial inclusion for the purposes of the Maya Declaration refers not only to access but also to usage of financial services and products, as well as the quality dimension of financial inclusion.

We believe that financial inclusion policy is an essential tool for bringing 2.5 billion out of poverty. The AFI Network remains fully committed to promoting and expanding knowledge and understanding of the optimal impact of financial inclusion policy through a peer-to-peer approach to deliver our financial inclusion goals.

The Maya Declaration in Pictures



AFI members share progress made on Maya Declaration commitments



Kingsley Chiedu Moghalu, Deputy Governor of the Central Bank of Nigeria and Marc Bichler, Executive Secretary of UNCDF raise discussion points during the Maya Declaration session on the final day of GPF



Muhammad Ibrahim, Deputy Governor of Bank Negara Malaysia, participates as a Maya Declaration session panelist



For more pictures and news about the Maya Declaration visit: www.afi-global.org/maya-declaration



GPF in Pictures Continued



Poken use skyrockets during GPF 2013, bringing a new high tech dimension to networking, GPF materials and displays



Nicole Crooks from the Central Bank of Trinidad and Tobago, host of GPF 2014, accepts the gong from the Honorable Dato' Sri Mohd. Najib bin Tun Haji Abdul Razak, Prime Minister of Malaysia, as GPF 2013 officially comes to a close



The Honorable Dato' Sri Mohd. Najib bin Tun Haji Abdul Razak, Prime Minister of Malaysia, delivers the closing keynote address for GPF 2013



AFI members share experiences and insights on financial inclusion during GPF breakout sessions



Nestor Espenilla Jr., Deputy Governor of Bangko Sentral ng Pilipinas and Chair of the AFI Steering Committee announces the Sasana Accord



GPF 2013 featured a colorful timeline of AFI's vision, history and development



For more pictures and news about the GPF visit: www.afi-global.org/global-policy-forum/gpf-2013-kuala-lumpur



Alliance for Financial Inclusion

AFI, 399 Interchange Building, 24th floor, Sukhumvit Road, Klongtoey - Nua, Wattana, Bangkok 10110, Thailand
t +66 (0)2 401 9370 f +66 (0)2 402 1122 e info@afi-global.org www.afi-global.org

www.facebook.com/AFI.History  @NewsAFI