



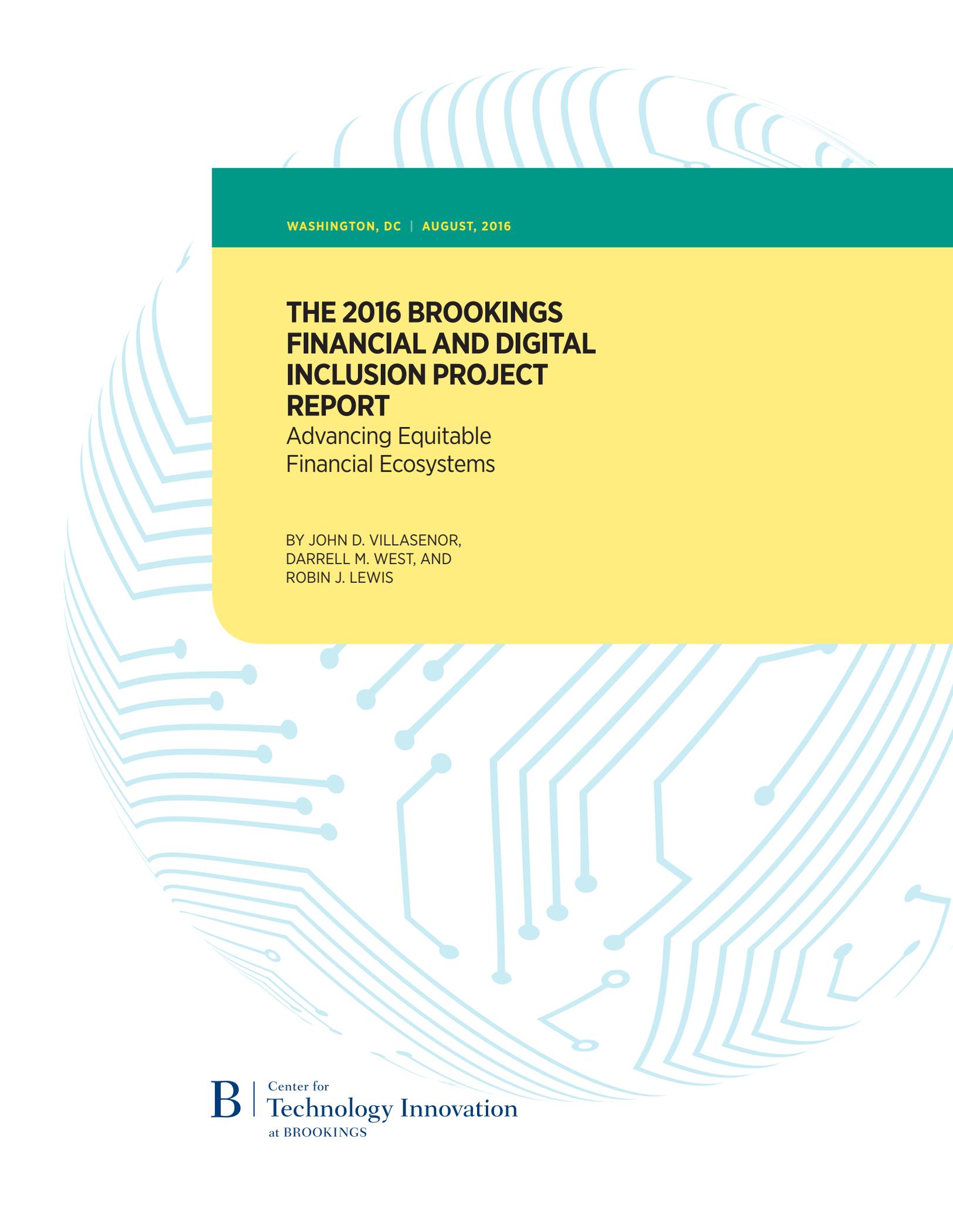
About the Center for Technology Innovation at Brookings

The Center for Technology Innovation (CTI) at Brookings focuses on delivering research that impacts public debate and policymaking in the arena of U.S. and global technology innovation. CTI's goals include: Identifying and analyzing key developments to increase innovation; developing and publicizing best practices to relevant stakeholders; briefing policymakers about actions needed to improve innovation; and enhancing the public and media's understanding of technology innovation.

BROOKINGS

About the Brookings Institution

The Brookings Institution is a nonprofit organization devoted to independent research and policy solutions. Its mission is to conduct high-quality, independent research and, based on that research, to provide innovative, practical recommendations for policymakers and the public. The conclusions and recommendations of any Brookings publication are solely those of its author(s), and do not reflect the views of the Institution, its management, or its other scholars.



WASHINGTON, DC | AUGUST, 2016

THE 2016 BROOKINGS FINANCIAL AND DIGITAL INCLUSION PROJECT REPORT

Advancing Equitable
Financial Ecosystems

BY JOHN D. VILLASENOR,
DARRELL M. WEST, AND
ROBIN J. LEWIS



Comments and feedback regarding the Financial and Digital Inclusion Project can be submitted to FDIPcomments@brookings.edu.

TABLE OF CONTENTS

EXECUTIVE SUMMARY	2
INTRODUCTION	3
Review of 2015 Findings.....	3
New in 2016: Enhancements to the report and scorecard	4
KEY FINDINGS	6
Country commitment.....	8
Mobile capacity.....	8
Regulatory environment.....	9
REACHING MARGINALIZED POPULATIONS	10
CALLS TO ACTION	15
Establishing measurable financial inclusion targets	15
Collecting and analyzing data	15
Advancing an inclusive regulatory environment.....	17
Enhancing financial capability.....	18
COUNTRY PROFILES	
Afghanistan	19
Bangladesh.....	22
Brazil	26
Chile.....	29
Colombia	32
Dominican Republic.....	36
Egypt.....	40
El Salvador	43
Ethiopia.....	47
Haiti	50
India.....	54
Indonesia	59
Kenya	63
Malawi.....	67
Mexico	70
Nigeria	74
Pakistan.....	77
Peru	80
Philippines.....	83
Rwanda	87
South Africa.....	91
Tanzania	94
Turkey.....	97
Uganda	100
Vietnam.....	103
Zambia.....	107
METHODOLOGY	110
Research process.....	110
Scoring descriptions ²	111
APPENDIX: SCORING CHANGES	118
ENDNOTES	119
ACKNOWLEDGMENTS	156
ABOUT THE AUTHORS	158

EXECUTIVE SUMMARY

The Brookings Financial and Digital Inclusion Project (FDIP), launched in summer 2014, examines access to and usage of secure, affordable formal financial services among underserved populations. The objective of FDIP is to provide policymakers, the private sector, representatives of non-governmental organizations, and the general public with information that can help improve financial inclusion in their respective countries and beyond. As part of this aim, the FDIP team produces an annual report and scorecard evaluating commitment to and progress toward financial inclusion across a set of geographically, economically, and diverse countries.

The first annual FDIP report, published in August 2015, considered 21 countries across four “dimensions” of financial inclusion: country commitment, mobile capacity, regulatory environment, and the adoption of traditional and digital financial services. The report’s findings highlighted the importance of developing formal commitments to financial inclusion; engaging both public and private sector stakeholders in a national financial inclusion dialogue; and promoting the availability and adoption of appropriate digital financial services among underserved groups through enabling regulation and innovative design.

The 2016 FDIP Report analyzes key changes in the global financial inclusion landscape over the previous year and broadens its scope by adding five new countries to the study: the Dominican Republic, El Salvador, Egypt,

Haiti, and Vietnam. The report’s findings show continuing progress across the global financial inclusion landscape. This assessment is driven in part by the recent launch of comprehensive financial inclusion strategies in several countries and, more broadly, by substantial progress in enhancing the digital financial services ecosystem. In the past year, for example, we have seen significant progress in advancing platform interoperability, as well as in the expansion of nontraditional financial access points, including banking agent outlets and mobile money agent outlets. These and other advancements in the digital financial services landscape have helped underserved populations in emerging economies gain access to formal financial services.

Moving forward, we identify four priority areas where action is needed to advance inclusive finance: 1) an increased focus on establishing (and then achieving) specific, measurable financial inclusion targets; 2) promoting more comprehensive data collection and analysis regarding financial access and usage, particularly among traditionally underserved groups such as women; 3) advancing regulatory efforts designed to facilitate financial inclusion; and 4) enhancing financial capability to promote sustainable financial inclusion. Taken together, progress on these action items would amplify opportunities for underserved populations to participate in the digital economy and leverage formal financial services to improve their well-being.

INTRODUCTION

Review of 2015 Findings

Evaluating progress toward adoption of affordable formal financial services matters because financial inclusion is a key ingredient in promoting household well-being and broader economic development.¹ The first annual FDIP report and scorecard, published in August 2015, addressed fundamental questions regarding ways to advance inclusive finance, including 1) Do country commitments make a difference in progress toward financial inclusion?; 2) To what extent do mobile and other digital technologies advance financial inclusion?; and 3) What legal, policy, and regulatory approaches promote financial inclusion?

To answer these questions, the 2015 FDIP Report examined the inclusion landscape across 21 economically, geographically, and politically diverse countries by examining country-specific legislation and news stories, reviewing multinational datasets, and corresponding with financial inclusion experts in the focus countries and beyond. This research and engagement process enabled the FDIP team to compile a picture of the global financial inclusion landscape, and yielded the following key takeaways:

- Country commitments to advancing financial inclusion matter.
- The movement toward digital financial services will accelerate financial inclusion.
- Geography generally matters less than policy, legal, and regulatory factors, although some regional trends in terms of financial services provision are evident.
- Central banks, ministries of finance, ministries of communications, banks, non-bank financial service providers, and mobile network operators have major roles in achieving greater financial inclusion

Financial inclusion intersects with a number of key Sustainable Development Goals (SDGs), adopted in September 2015 as part of the 2030 Agenda for Sustainable Development.² These goals “call for action by all countries, poor, rich and middle-income to promote prosperity while protecting the planet.”³ Among the SDGs closely connected to financial inclusion are objectives to: end poverty; achieve gender equality; “promote inclusive and sustainable economic growth, employment, and decent work for all” (a goal that is particularly germane to financial inclusion); and reduce inequality within and among countries.⁴ The FDIP team will monitor efforts to reach the key targets associated with these SDGs as countries implement the 2030 Agenda.

and should coordinate closely with respect to policy, regulatory, and technological advances.

- Full financial inclusion cannot be achieved without addressing the financial inclusion gender gap and accounting for diverse cultural contexts with respect to financial services.

These recommendations regarding digital financial services and digital financial service mechanisms (e.g., merchant payments and smartphones, respectively) are reflected in the 2016 FDIP metrics. As we note below, this year’s study added several new metrics designed to assess progress toward financial inclusion. We also

extended our analysis to several new countries in addition to the 21 studied last year. For details on the 2016 FDIP metrics, consult pages 110–119.

New in 2016: Enhancements to the report and scorecard

Following publication of the 2015 FDIP Report, our team solicited feedback from a diverse array of financial inclusion experts, including private and public sector representatives and experts at non-government entities. We also participated in and hosted a number of public and private convenings to engage with other financial inclusion experts. For example, a Brookings roundtable on gender disparities in access to and usage of financial services informed our recommendations regarding “Financial Inclusion for Women.” Additionally, we sought engagement with financial inclusion stakeholders by providing a dedicated comments portal regarding our work (FDIPcomments@brookings.edu).

The FDIP team broadened the 2016 country sample by adding the Dominican Republic, Egypt, El Salvador, Haiti, and Vietnam.

Input from diverse financial inclusion stakeholders improved our efforts to identify additional countries for the 2016 FDIP country sample, augment and enhance the 2016 FDIP Report metrics, capture updates on progress toward greater financial inclusion across our focus countries, develop policy recommendations (e.g., regarding financial capability and the gender gap in access to and usage of formal financial services), and focus on key demographics—specifically, women, migrants, refugees, and youth—that are disproportionately affected by barriers to financial services.

Based primarily on takeaways from conversations with key stakeholders, we have broadened our 2016 country sample by adding the Dominican Republic, Egypt, El Salvador, Haiti, and Vietnam. Adding these countries enabled us to enhance the geographic diversity

of the FDIP sample by including countries in the Caribbean, Central America and North Africa. As was the case during the consultation process for the 2015 report, we benefited from high levels of engagement with in-country experts, enabling us to supplement our analysis of publicly available primary and secondary sources with perspectives from financial inclusion stakeholders with long experience in these countries.

The 2016 FDIP Report features detailed summaries of the financial inclusion landscape across our focus countries. For each of the newly added nations, we assess that country’s financial infrastructure and mobile ecosystem, key regulatory and industry developments, and recommendations regarding next steps for enhancing financial inclusion. With respect to the 21 countries that were featured in the 2015 report, we highlight key updates in the financial inclusion sector since spring 2015 and identify action items to advance inclusive finance.

The 2016 FDIP research continues to examine a range of traditional and non-traditional financial services relevant to individuals at the margins of, or outside, the formal financial system. As in our 2015 report, the 2016 study focuses primarily on basic, formal financial services (e.g., payments and savings) since these services typically constitute the entry point and area of greatest immediate need for individuals whose previous engagement with the formal financial sector has been limited.^{16 17} While we do not look extensively at informal financial services, consumer engagement in informal or “semiformal” services such as informal savings clubs is quite common among underserved populations globally: According to Global Findex data, “[a]bout 9 percent of adults—or 17 percent of savers—in developing economies reported having saved [semiformally] in the past 12 months” as of 2014.¹⁸ Thus, formalizing certain financial services could provide a valuable pathway into the formal financial system for many underserved populations.

With respect to the 2016 scorecard, we have retained our approach of assessing access to and usage of financial services through four “dimensions”: country commitment, mobile capacity, regulatory environment, and adoption of traditional and digital financial services. Each dimension, in turn, comprises a set of indicators that capture data relating to that dimension. We have made several enhancements to the indicators within the 2016 scorecard, which are detailed in the Methodology section of the report, located on page 110.

Although the United States is not included among the FDIP countries due to our focus on emerging markets, countries such as the United States that boast robust economies and extensive banking infrastructure are not exempt from the need to advance financial inclusion among underserved populations. For example, the 2014 Global Financial Inclusion (Global Findex) database found that about 54 percent of adults age 15 and older in the United States had a savings account at a financial institution within the previous 12 months, and among adults in the bottom 40 percent of the income spectrum, about 13 percent did not have an account with a formal financial institution.⁵ Among the approximately 8 percent of American households without a bank account, using financial services often is quite expensive and burdensome due to minimum balance requirements, high fees (e.g., for cashing checks), and other such impediments to financial access.⁶

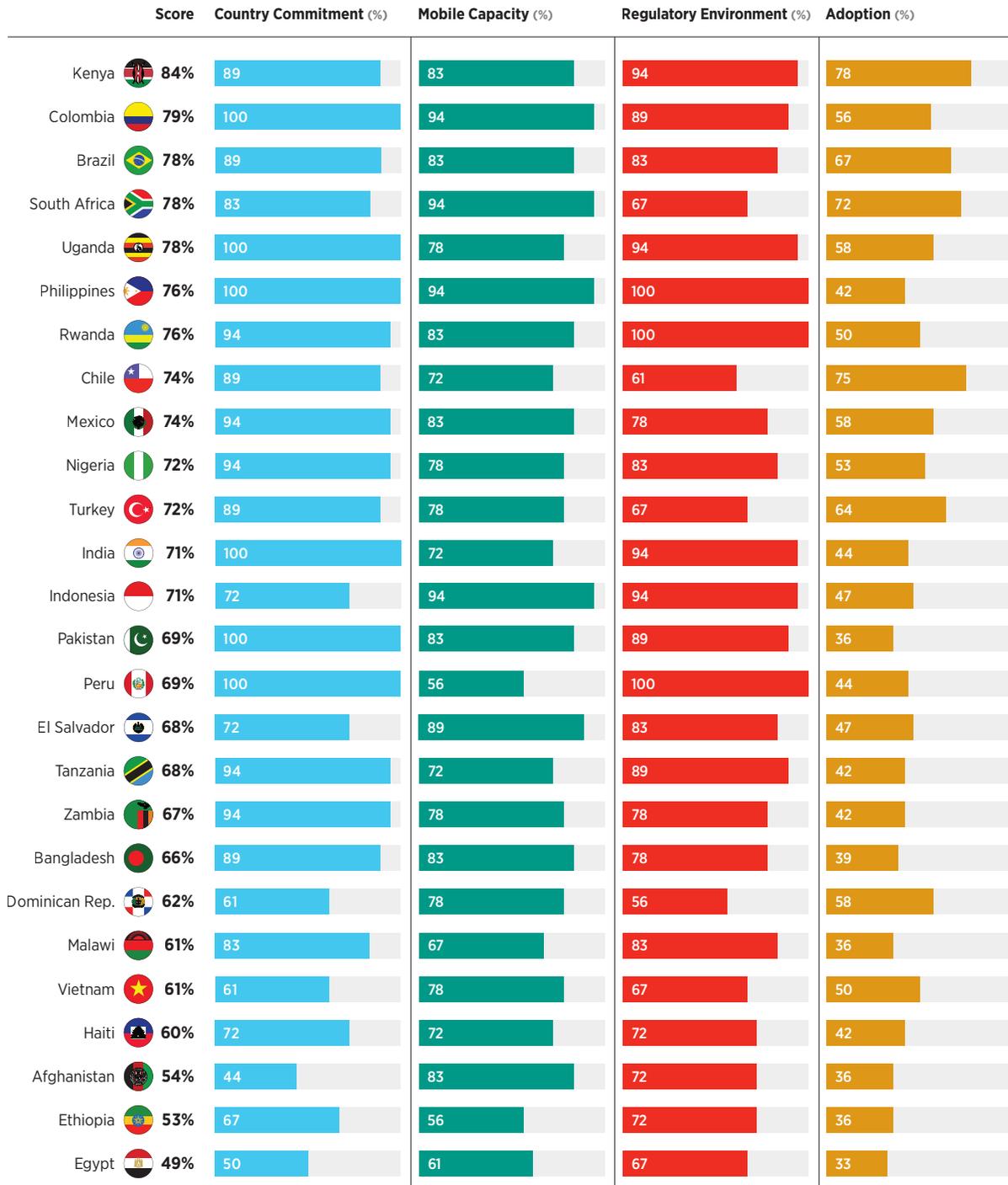
In recognition of these impediments to financial inclusion, there has been increasing consideration given to the role of U.S. government entities in promoting an inclusive financial ecosystem with sufficient consumer protection mechanisms. For example, there has been discussion regarding the development of regulations to limit the costs associated with access to credit among low-income populations in the U.S. (including via payday loans and other short-term borrowing options).⁷

Initiatives like the U.S. Financial Diaries study (jointly created by Jonathan Morduch of the Financial Access Initiative at NYU Wagner, Rachel Schneider of The Center for Financial Services Innovation, and Daryl Collins of Bankable Frontier Associates) have helped shed light on consumer behavior and barriers to engagement with formal financial services.⁸ The U.S. Financial Diaries study collects detailed data from 235 low- and moderate-income households over the course of a year, and these data can be leveraged to generate insights regarding how to improve services for underserved consumers.⁹

Recently, notable government commitment to promoting financial inclusion was demonstrated in December 2015, when the U.S. Department of the Treasury and the U.S. Agency for International Development hosted a Financial Inclusion Forum to discuss how leaders from the U.S. and foreign governments, financial institutions and other corporations, and nonprofits could accelerate progress toward financial inclusion in the United States and globally.¹⁰ One effort highlighted during the conference was the Financial Empowerment Innovation Fund, in which the U.S. Department of the Treasury will invest in research projects “that are developing, testing, and evaluating new ways public, private, and non-profit entities can assist Americans with making financial decisions and obtaining safe and affordable financial services.”¹¹

Efforts emerging from these kinds of investments should help increase financial inclusion among marginalized populations, including Roma communities¹² in areas such as Texas,¹³ individuals living in colonias (defined in this context as “a residential area along the Texas–Mexico border that may lack some of the most basic living necessities such as potable water, septic or sewer systems, electricity, paved roads or safe and sanitary housing”),¹⁴ and areas such as Appalachia and the Mississippi Delta.¹⁵

KEY FINDINGS



The 2016 FDIP Report shows that substantial progress has been made toward advancing financial inclusion in many countries. Kenya retained its position as the highest-ranked country in the study by a 5 percentage point margin. The other top-scoring countries include Colombia (earning 79 percent of the total possible score), and South Africa, Brazil, and Uganda (tied at 78 percent each). Kenya, South Africa, Brazil, and Uganda held their places in the top five-ranked countries between 2015 and 2016, while Colombia moved up five percentage points and therefore joined the top performers. Colombia's progress was driven in part by the development of new financial inclusion targets and its strong mobile capacity as measured by our updated FDIP mobile capacity metrics.

In general, we found that the right blend of stakeholder buy-in among the public and private sectors and an enabling regulatory environment were crucial for amplifying access to formal financial services. That finding was true for a diverse range of nations. According to the World Bank, of the five countries that ranked at the top of the 2016 scorecard, one is a low-income economy, one is classified as a lower middle income economy, and three are characterized as upper middle income economies.¹⁹ As discussed in more detail below, this diversity demonstrates that while there is no single path to facilitating financial inclusion, engagement in multinational knowledge-sharing networks and investing in digital financial services can help countries develop successful and sustainable approaches to making progress toward inclusive finance.

The biggest improvement in scores between 2015 and 2016 was made by the Philippines, which increased its overall score by eight percentage points. The increase was driven in part by the launch of its national financial inclusion strategy, as well as its strong performance in terms of mobile capacity. For example, the Philippines boasts among the highest rates of smartphone penetration across our country sample. Along with Indonesia, it was the only lower middle income country to receive a top score for its level of smartphone adoption.

While the Philippines held the highest adoption rate of mobile money accounts across FDIP countries in Southeast Asia as of 2014,²⁰ there remains a significant untapped opportunity for increased takeup of digital

financial services. Moving forward, one factor that may promote increased adoption of digital financial services in the Philippines is a recent mobile money interoperability arrangement between PayMaya Philippines (formerly Smart eMoney, Inc.) and Globe Telecom's GCash service.²¹

The lowest income economy among the countries ranked at the top of the FDIP scorecard was Uganda. Uganda's high score was driven in part by its strong levels of mobile money adoption (the second-highest among the FDIP countries as of 2014)²² and the amendment of the 2004 Financial Institutions Act.²³ Among other provisions, the amendment provides a legal basis for the regulation of agent banking and empowers the central bank to establish more than one credit reference bureau.²⁴ These changes should facilitate greater competition within the financial services ecosystem and drive expansion of affordable financial services among low-income consumers.

[W]hile there is no single path to facilitating financial inclusion, engagement in multinational knowledge-sharing networks and investing in digital financial services can help countries develop successful and sustainable approaches to making progress toward inclusive finance.

The other low-income country that demonstrated a particularly strong performance on the FDIP scorecard was Rwanda, which ranked among the top 10 countries overall. Rwanda provides an effective example of how country commitment to advancing financial inclusion and the promotion of digital financial services can lead to a more inclusive financial ecosystem. Rwanda is tied for the highest regulatory environment score among the FDIP countries and earned a strong score of 94 percent on the country commitment dimension. Robust data collection initiatives have documented Rwanda's progress toward financial inclusion. For example, Rwanda's 2016 FinScope survey, which assesses access to and usage of financial

services in addition to financial capability, behavior, and trust in financial institutions, found that financial exclusion had dropped by 17 percentage points since 2012. This reduction was caused by a significant increase in the proportion of adults who have or use a product or service from a formal financial institution.²⁵ Mobile money has contributed to enhanced adoption of formal financial services in Rwanda, which ranks fourth among the FDIP countries in terms of mobile money account ownership.²⁶

Among the new countries that were added to the FDIP study in 2016, El Salvador demonstrated a particularly strong performance on the FDIP scorecard. It received the highest regulatory environment, mobile capacity, and country commitment scores among the new FDIP countries. While its adoption dimension score was lower than those for the Dominican Republic and Vietnam, El Salvador has made tremendous progress in advancing financial inclusion, more than doubling the percentage of adults with an account at a financial institution between 2011 and 2014.²⁷ As in Rwanda, mobile money has contributed to the expansion of financial inclusion in El Salvador: Indeed, El Salvador is among the top 15 mobile money markets in the world when measured by 90-day active accounts as a proportion of the adult population.²⁸ We expect that increasing smartphone penetration will further propel the adoption of mobile money services in El Salvador.

significant increase in its market penetration of unique subscribers, and implementing an interoperable digital payments platform.

Country commitment

Since June 2015, there have been several important developments in regard to country commitment. Among the key advances were the July 2015 launches of national financial inclusion strategies by the Bangko Sentral ng Pilipinas (BSP) in the Philippines³⁰ and by the Comisión Multisectorial de Inclusión Financiera in Peru.³¹ Both documents move beyond a focus on account adoption to building policy, regulatory, and supervisory strategies to ensure a robust financial ecosystem. Each strategy also includes financial education and consumer protection provisions designed to promote financial inclusion.

In addition, Colombia set new quantitative targets for 2016, which were captured in the Alliance for Financial Inclusion's "2015 Maya Declaration Progress Report." These goals included objectives relating to the percentage of adults with a financial product (76 percent) and the percentage of active savings accounts (56.6 percent).³² Colombia's focus on ensuring proper account usage, beyond simply expanding access, is commendable because it facilitates opportunities for individuals to reap the full benefits of financial services.

In Mexico, the Comisión Nacional Bancaria y de Valores released the seventh edition of its National Report on Financial Inclusion with the cooperation of the Consejo Nacional de Inclusión Financiera, the country's dedicated national financial inclusion body.³³ The report examines both demand and supply-side data, including adoption of savings and credit products and the prevalence of financial service providers across municipalities. The report also considers financial inclusion issues beyond access to and ownership of services, including consumer protection and financial education efforts. Among other updates, the report identified an increase in the number of financial access points per 10,000 adults, as well as in the percentage of municipalities with at least one financial access point.³⁴

Countries that experienced scoring improvements tended to demonstrate advances on more than one indicator.

Among the countries featured in both the 2015 and 2016 FDIP reports, scoring changes were generally positive.²⁹ For a comparison of countries' scores and rankings between 2015 and 2016, please consult the appendix on page 118. Countries that experienced scoring improvements tended to demonstrate advances on more than one indicator. For example, Peru increased its indicator scores within the country commitment, mobile capacity, and regulatory environment dimensions by launching a national financial inclusion strategy, demonstrating a

Mobile capacity

The top-scoring countries on mobile capacity were fairly evenly distributed across sub-Saharan Africa, Latin America, and Southeast Asia. South Africa, Indonesia, the Philippines, and Colombia all received 94 percent of the total possible score within the mobile capacity dimension, with El Salvador following closely behind at 89 percent. The top five scoring countries comprise lower middle income and upper middle income countries.

Interestingly, the top-scoring countries in terms of mobile money adoption—Kenya, Uganda, Tanzania, and Rwanda—are not among the top-scoring countries with respect to mobile capacity. This suggests that the increasingly thriving financial inclusion ecosystems present in Kenya, Uganda, Tanzania, and Rwanda can be made even stronger with increased build-outs of mobile capacity.

More generally, as the category implies, the mobile capacity dimension indicates the existence of opportunities for enhanced adoption of mobile money and other digital financial services that leverage mobile infrastructure. To be fully realized, this capacity must be supplemented with an enabling regulatory environment, appropriate product development, and awareness of and trust in products and services that accelerate utilization.

Regulatory environment

One of the most significant trends this year pertained to the regulatory environment dimension. In our 2016 research, we saw the emergence of innovative interoperable digital payment platforms that have significant potential to accelerate financial inclusion. For example, the interoperable payments platform “BIM” launched in Peru in February 2016. This interoperability initiative has been described by the Center for Financial Inclusion at Accion as a “historic collaborative effort between the country’s government, financial institutions, telcos, and other players.”³⁵ The platform promotes coordination across stakeholders to enable interoperable digital financial services across mobile networks and financial service providers. The collaborative model is designed to

[T]he mobile capacity dimension indicates the existence of opportunities for enhanced adoption of mobile money and other digital financial services that leverage mobile infrastructure.

first bring new customers into the system and then foster competition across providers to offer products targeted to various market segments.³⁶ While the platform is too new to fully evaluate its impact on financial inclusion, we view this approach to promoting collaboration and competition within an interoperable framework as an important model for other nations to consider in their efforts to promote inclusive finance.

As noted previously, another important development in terms of interoperability occurred in the Philippines, where a digital payments mobile app of PayMaya Philippines (the digital financial services branch of the Philippine Long Distance Telephone Company, or PLDT, and Smart Communications, Inc.), conducted interoperability trials with Globe Telecom’s mobile money service GCash.³⁷ By interconnecting these services, customers can send funds to one another without needing to own a credit card, have a bank account, or use the same mobile provider.³⁸ Moving forward, GCash and PayMaya aim to collaborate on other services beyond domestic transfers, including merchant payments and government-to-person payments.³⁹

In August 2015, the Reserve Bank of India gave in-principle approval to nearly a dozen entities to set up payments banks,⁴⁰ following the issuance of payments banks guidelines in November 2014.⁴¹ This arrangement is expected to broaden the financial services market and enable greater competition and innovation within the sector by opening up the market to providers that are well-positioned to target underserved customers. While implementation is ongoing, we look forward to following the activities of these entities over the coming year and evaluating the impact of these payments banks on financial inclusion in India.

REACHING MARGINALIZED POPULATIONS

While conducting research for our 2016 report, we were repeatedly struck by the challenges in obtaining financial services facing traditionally marginalized groups, including women, under-resourced migrants, and refugees. While we include available demand-side data pertaining to women in the adoption dimension of the FDIP scorecard, at present there is not yet enough sex-disaggregated data to perform a detailed, country-specific assessment of the financial inclusion landscape for women in each of the 26 countries considered in the 2016 FDIP Report. Data surrounding marginalized migrants and refugees are even more limited. In fact, that lack of data has led us in our conclusion to call for stronger country action on data gathering and analysis.

We firmly believe that the financial access challenges faced by women and other marginalized groups merit particular consideration, and we highlight those challenges below. In future years, we hope to have access to sufficient data to address these aspects of inclusion more fully in our country-specific evaluations.

Financial inclusion for women

Women in many countries face particular challenges in accessing and utilizing formal financial services. The 2014 Global Findex data demonstrated a positive trend regarding the increased adoption of formal financial services among women globally, but the database also revealed that the gap between account ownership of men and women has remained flat over the past few years.⁴²

From 2011 to 2014, for example, the percentage of women in developing economies with formal financial accounts increased by about 13 percentage points.⁴³ In relative terms, these gains were comparable to those among men in developing economies during the same time period; however, in absolute terms, about half of

women in developing economies are excluded from the formal financial system.⁴⁴ Globally, the financial inclusion gender gap remained at seven percentage points between 2011 and 2014,⁴⁵ and in developing economies the gap was at nine percentage points.⁴⁶

The FDIP focus countries generally reflect the existence of this global gender gap. Of the 26 focus countries examined within the 2016 FDIP Report, only six (the Dominican Republic, Indonesia, the Philippines, Mexico, South Africa, and Vietnam) exhibited either gender parity or a greater percentage of women than men who reported utilizing formal financial institution accounts, according to the 2014 Global Findex.⁴⁷

As noted in our 2015 report, there are various legal, regulatory, policy, and cultural barriers that impede women's participation in the financial ecosystem. Moreover, few countries have tracked sex-disaggregated data and established specific quantitative targets by gender.⁴⁸ Reasons for this data shortfall include the challenges of collecting consistent data across a diversity of institutions, clearly communicating the incentives for such collection and analysis to financial service providers (particularly given the circular issue in some countries of not having sufficient data to support the argument for gathering more data), and the interpretation of regulatory restrictions related to data privacy and gender discrimination, among other factors.⁴⁹

Addressing this gender gap would yield benefits not only for women, but also for their families, communities, and beyond. From a provider standpoint, the gender gap presents a market opportunity. Evidence has demonstrated that there is a clear business case for serving women, who tend to save more relative to their total income than men, repay loans at a higher rate, buy more products per capita, and be more loyal to their bank if they are satisfied with the customer service environment, according to the Global Banking Alliance for Women.⁵⁰

From a microeconomic standpoint, increasing access to financial services among women enables them to invest in themselves, in their families, and in their communities. From a macroeconomic perspective, facilitating broader access to and usage of quality financial services enables opportunities for “sustained inclusive and equitable economic growth, and sustainable development,” as noted in a recent study by the Global Banking Alliance for Women in partnership with Data2X and the Multilateral Investment Fund of the Inter-American Development Bank.⁵¹

Based on our research, we identify six action items for addressing the gender gap in financial inclusion. While many of these action items would benefit financially underserved men as well as women, women are often disproportionately affected by legal, cultural, and educational barriers to formal financial services that can be mitigated by the action items described below.

1. Promote data collection to identify usage of financial products among women and develop and market products accordingly.

Organizations such as the Alliance for Financial Inclusion, Women’s World Banking, the Global Banking Alliance for Women, the Inter-American Development Bank, and the Data2X partnership, among others, have noted the importance of gathering and deploying sex-disaggregated data and setting specific targets related to women’s financial inclusion. Given the specific focus on financial inclusion for women as part of the agenda at the Alliance for Financial Inclusion’s Global Policy Forum in September 2016, we anticipate that a number of gender-specific commitments will emerge during the data collection period for the 2017 FDIP Report.⁵²

Some FDIP countries have already been engaged in efforts on the data collection front—for example, Chile has been consistently tracking sex-disaggregated data

pertaining to its financial system for 14 years.⁵³ As of February 2016, Rwanda’s central bank was also working toward the development of a framework for bank reporting intended to identify product, channel, and distribution reach by sex.⁵⁴ The Central Bank of Nigeria has begun collecting sex-disaggregated data,⁵⁵ as has the government of Zambia.⁵⁶ In the coming years, it will be important for data collection efforts such as these to be adopted in a much wider range of countries in order to identify market gaps and opportunities with respect to advancing financial services among women.

A recent development related to data collection at the global scale occurred in May 2016, when the Bill & Melinda Gates Foundation announced a USD 80 million initiative to support efforts that fill critical gender data gaps, improve the accuracy of data collection regarding gender issues, equip key stakeholders with more timely and clearer evidence regarding the efficacy of existing interventions to advance gender equality, support civil society in holding leaders accountable for commitments regarding women and girls, and amplify platforms that emphasize gender equality.⁵⁷

2. Develop specific targets, initiatives, and strategies for advancing women’s financial inclusion.

There are some encouraging examples of countries working to address the financial inclusion gender gap. For example, a 2015 MasterCard study found that 58 percent of respondents in India who were surveyed reported difficulty accessing credit, savings, or jobs due to their gender.⁵⁸ Recognizing the existence of these gender-specific barriers, in 2015, the Committee on Medium-Term Path on Financial Inclusion recommended a number of measures to facilitate access to formal financial services among women and girls in India, including the promotion of deposit schemes for female children

and of government-to-person social cash transfers.⁵⁹ As discussed in the 2015 FDIP Report, digitized government-to-person payments can be powerful drivers of financial inclusion by providing a convenient and useful “on-ramp” to other formal financial services among marginalized populations, including women.⁶⁰

In Bangladesh, Bangladesh Bank has directed all banks and non-bank financial institutions to set up a “Women Entrepreneur’s Dedicated Help Desk” in all bank branches, and a directive from Bangladesh Bank indicated that each bank branch should identify at least three potential women entrepreneurs.⁶¹ Between 2014 and 2015, the share of women entrepreneurs (out of total SME entrepreneurs) increased from about 8 percent to 26 percent.⁶²

In Zambia, the Bank of Zambia has emphasized the need to develop financial products for women enterprises and to enhance women’s financial inclusion.⁶³ A 2015 FinScope survey in Zambia found that financial inclusion among women had increased to a greater degree than financial inclusion among men since the previous survey in 2009. However, a gap of about four percentage points remained, and about 43 percent of women were still financially excluded as of 2015.⁶⁴ The Bank of Zambia is collaborating with Financial Sector Deepening Zambia to develop initiatives pertaining to digital financial services, credit market monitoring, and research on women’s access to financial services.⁶⁵

3. Identify and cultivate “champions” to raise awareness among government entities and private sector representatives regarding the financial inclusion gender gap and the corresponding market opportunities.

Identifying and building relationships with key influencers in the public and private sectors that are well-positioned to advance efforts to promote women’s financial inclusion is a good investment of time. The willingness of financial inclusion leaders to help build these partnerships is a vital component of ensuring the level of coordination needed to promote women’s financial inclusion.⁶⁶ The case of Zambia illustrates the importance of identifying and

supporting “champions” to promote women’s financial inclusion. A policy brief from Making Finance Work for Africa, New Faces New Voices, the East African Community, and the German Development Cooperation noted that Dr. Tukiya Kankasa-Mabula, Deputy Governor of the Bank of Zambia, had served as an important advocate for advancing women’s financial inclusion.⁶⁷

4. Promote the development and implementation of digital identity programs.

Beyond data collection, advancing access to digital identification is often crucial for facilitating financial inclusion among women, as women are less likely than men to have the formal identification relevant to account opening processes.⁶⁸ Of course, any digital identity program should be developed and implemented with a focus on ensuring adequate privacy for users. In Nigeria, MasterCard and UN Women have partnered on an initiative that aims to provide women with information on the benefits of a formal identification program and to enroll half a million Nigerian women in the program.⁶⁹ In Pakistan, the government implemented a biometric ID system to ensure that certain government payments could only be collected by women beneficiaries. Women using the new ID cards “reported having higher status and more bargaining power in their families.”⁷⁰

5. Leverage digital channels to promote convenient access to financial services.

Given that half of the 160 million financially excluded adults who receive government wages or transfers in cash are women,⁷¹ government-to-person transfers and direct wage transfers can help smooth access to financial services among women, particularly when conducted through digital vehicles.⁷² There are ample opportunities to digitize financial services—for example, the 2014 Global Findex found that in developing economies, nearly a quarter of adults with a formal financial account paid school fees in cash.⁷³ Many social transfer programs in Latin America have successfully promoted digital platforms. For example, Brazil’s Bolsa Família program enables recipients

to receive funds through channels such as smart cards or direct deposits into “no-frills” bank accounts.⁷⁴

6. Ensure products are convenient for customers, and customers are comfortable accessing them.

Fostering utility and convenience with respect to financial services is crucial for closing the financial inclusion gender gap. Customizing products to meet women’s preferences and ensuring that banks and other formal financial service providers are open during times and in locations that are convenient for women will promote adoption of formal financial products.⁷⁵

Nonbank entities should be closely involved in the effort to expand women’s financial inclusion, particularly as these entities are often more convenient for women to access than banks. For example, data compiled by the World Bank and Gallup found that post offices are often more inclusive channels for women to conduct financial transactions at than formal financial institutions.⁷⁶ The breadth of many post office networks, the familiar setting they often provide, and the availability of cheaper services than at many traditional financial institutions render them particularly attractive options with respect to financial access points. For these reasons, a June 2015 report by UN Women and the Universal Postal Union recommended that postal operators be encouraged to offer basic financial services and conduct systematic outreach toward women.⁷⁷

Financial inclusion for refugees and under-resourced migrants

Under-resourced migrants and refugees often face particularly acute financial challenges, including not only poverty, but also a heightened set of barriers with respect to access to the local financial services infrastructure. Unsurprisingly, this can leave them reliant on informal services that can be costly, unreliable, and insecure.

While some of the steps needed to improve financial access and use among refugees and marginalized

migrants parallel those recommended for advancing financial inclusion among women, the issues raised by the cultural differences, language constraints, and legal status of migrant and refugee groups present unique challenges that warrant a targeted examination.⁷⁸

A 2015 report by the Office of the UN High Commissioner for Refugees (UNHCR) based on 2014 data provides insight into the staggering rate of global forced displacement, defined as being “forcibly displaced worldwide as a result of persecution, conflict, generalized violence, or human rights violations.”⁷⁹ At the time, the increase in forced displacement between 2013 and 2014 comprised the single biggest annual increase ever recorded.⁸⁰ According to the UNHCR, as of June 2015 one in every 122 individuals was a refugee, internally displaced, or seeking asylum.⁸¹

This trend continued through 2015, with record-high numbers of global forced displacement.⁸² As noted by the UNHCR, an “estimated 12.4 million people were newly displaced due to conflict or persecution in 2015.”⁸³ About 54 percent of all refugees globally in 2015 came from three countries: Syria (4.9 million), Afghanistan (2.7 million), and Somalia (1.1 million).⁸⁴ Three FDIP countries were among the six top hosts of refugees globally: Turkey (2.5 million), Pakistan (1.6 million), and Ethiopia (736,100).⁸⁵

According to Article I of the 1951 Refugee Convention, a refugee is “someone who is unable or unwilling to return to their country of origin owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group, or political opinion.”⁸⁶ In contrast, the UNHCR defines migrants as individuals who “choose to move not because of a direct threat of persecution or death, but mainly to improve their lives by finding work, or in some cases for education, family reunion, or other reasons.”⁸⁷

To date, research on the financial access challenges faced by these populations has been limited. Organizations such as the Digital Finance Institute have recognized the problem of limited literature and programming surrounding the intersection of financial inclusion and

refugees and are developing initiatives to contribute to the knowledge base surrounding these groups.⁸⁸

While there is a wide range of reasons underlying why people become refugees or migrants (including war, natural disasters, climate change, fear of violence, and economic factors), members of these populations can face similar financial access challenges. Many refugees and migrants are particularly prone to being underserved given that they are doubly jeopardized—once because of their limited economic resources, and twice because of their status as outsiders in the places where they transition through or settle. In addition, since women and children comprise the majority of refugees and the internally displaced, gender- and age-based barriers present yet another obstacle.⁸⁹

Below, we identify three action items with respect to promoting financial inclusion among refugees and marginalized migrants. We recognize that the decision of when and how to implement these items will of necessity be complex and context-specific given the nature of refugee and migrant flows. Nonetheless, we believe these action items reflect important principles to consider when developing pathways toward financial inclusion for these groups.

1. Ensure that the design and delivery of financial services is conducive to the needs of non-native consumers where possible.

Beyond the targeted approaches to advancing financial inclusion discussed in the breakout section on women, ensuring the availability of agents who speak a language familiar to the migrants and refugees living in a given community can help provide opportunities for individuals to seek information regarding financial services in an approachable and comfortable setting. In places where branchless banking services are in common use, hiring women as agents can also help female migrants and refugees to feel more comfortable engaging in financial transactions, particularly for those who are accustomed to gender-segregated settings.⁹⁰

2. Develop financial policies that consider the needs of young refugees and migrants.

With respect to advancing financial inclusion among young refugees and migrants, there are a few examples of initiatives to integrate children without guardians into the formal financial sector. For example, in 2014 Bangladesh Bank instituted a new policy enabling children living without guardians to open bank accounts if a nongovernmental organization signed on their behalf.⁹¹ While this policy is an important first step toward facilitating access to accounts that enable children to steward their finances more safely and efficiently, such initiatives should of course be coupled with careful oversight and financial capability training to protect consumers.

Programs that currently target underserved youth could be leveraged to serve young refugees and migrants specifically. For example, programs and entities such as Child and Youth Finance International, YouthSave, and UNCDF-YouthStart aim to promote access to and usage of innovative, quality financial services among youth.⁹²

3. Facilitate inclusive access to digital identity mechanisms.

More broadly, offering a digital ID scheme to residents that does not preclude individuals from eligibility based on citizenship is one important approach to fostering an inclusive financial system. Biometric technologies and other digital mechanisms can help with this effort, as these tools have demonstrated the capacity to enable governments to capture identifying information more efficiently and accurately. One example of a biometric identity initiative is the Aadhaar program in India, which was discussed in the 2015 FDIP Report. The program is available to all residents in India who satisfy the requisite verification process⁹³ and “relies on direct biometric authentication against the central database rather than an ID card.”⁹⁴ Although the program does not target migrants specifically, it provides an example of an identification mechanism that is not exclusive to citizens.

CALLS TO ACTION

Based on our research, we identify four priority areas that warrant additional action on the part of the international financial inclusion community: 1) establishing specific, measurable financial inclusion targets; 2) collecting and analyzing data relevant to financial access and usage, particularly among underserved groups; 3) advancing regulatory changes designed to facilitate financial inclusion; and 4) enhancing financial capability among consumers.

Establishing measurable financial inclusion targets

- National financial inclusion authorities should set specific, measurable targets with respect to financial inclusion. In doing so, financial inclusion leaders should be attentive to underserved demographics, including women.
 - **Why it matters:** Quantifiable goals can drive country commitments and policy changes with respect to financial inclusion. Initiatives such as the 2013 Sasana Accord reflect the international community’s recognition of the value of measurable goals in driving financial inclusion progress.⁹⁵ As an example, a report by the Global Banking Alliance for Women, Inter-American Development Bank, and Data2X found that “financial inclusion plans that had specific gender targets in addition to their gender strategies were most successful in ensuring that sex-disaggregated data was produced.”⁹⁶
 - **Next steps:** Scores across the country commitment dimension of the 2016 FDIP Scorecard demonstrate that while the majority of FDIP countries

have established a national financial inclusion strategy, there remains a need to hone in on specific quantifiable goals and to disaggregate those goals by target populations (e.g., women) in order to promote accelerated progress toward financial inclusion. For example, of the top five scoring countries across our FDIP scorecard, about 80 percent have established quantifiable goals relating to financial inclusion, indicating that there is still room for progress in terms of establishing concrete financial inclusion targets—even among countries that have demonstrated significant national-level interest in advancing financial inclusion.

Collecting and analyzing data

- Key financial inclusion stakeholders, including industry players, non-government organizations, international financial institutions, and government entities should coordinate with respect to data-sharing and harmonization.
 - **Why it matters:** For a number of key issues in financial inclusion (e.g., frequency of account usage with respect to formal—and particularly digital—financial services and trust in financial services), publicly available data are often limited to only a few countries, are not nationally representative, and/or subscribe to varying definitions of financial inclusion that inhibit comparability across countries. The lack of consistent, multinational data constrains the ability of researchers to identify what approaches to advancing financial inclusion are working, and why.

- **Emerging opportunities:** In recognition of the challenge posed by disparate or unavailable data, the new insight2impact (i2i) initiative, established by the FinMark Trust and the Centre for Financial Regulation and Inclusion (Cenfri) in 2015, aims to “drive collaboration to improve the sophistication, accuracy, and consistency of data used in the design of effective programmes, policies, and products.”⁹⁷
- **Next steps:** Policymakers, industry leaders, and other financial inclusion experts should participate in multinational knowledge-sharing networks and initiatives such as the i2i initiative and the AFI Financial Inclusion Data Working Group⁹⁸ to explore how best to collect, disaggregate, and harmonize data.
- Banks and other financial service providers should gather and report supply- and demand-side sex-disaggregated data. Public sector financial inclusion authorities should coordinate with financial service providers to collect and harmonize data in order to identify gaps and market opportunities.
 - **Why it matters:** Too few countries collect sex-disaggregated data, and this lack of data constrains the ability of financial inclusion authorities to identify market opportunities and make the business case to providers with respect to targeting women customers.⁹⁹
 - **Next steps:** National financial inclusion authorities should leverage this data to inform the development or revision of countries’ financial inclusion strategies, quantifiable targets, product design, and relevant financial and telecommunications sector policies. Data aggregators such as the International Monetary Fund’s Financial Access Survey, the “global supply-side source of data on access to, and use of, basic consumer financial services by resident households and nonfinancial corporations,” could possibly then incorporate this national sex-disaggregated data into their databases to facilitate comparisons across countries.¹⁰⁰
- Telecommunications industry representatives and government entities should collaborate to 1) identify

and analyze the cost barriers faced by individuals with respect to mobile phones; and 2) promote access to mobile phones and mobile financial services among women and other underserved groups by participating in international knowledge-sharing networks.

- **Why it matters:** Access to digital financial services has the potential to reduce the gender gap in financial inclusion, but the gender gap regarding access to and use of mobile phones constrains the utility of this channel for promoting women’s financial inclusion. A recent study from the GSMA found that women were 14 percent less likely than men to own a mobile phone,¹⁰¹ and in some regions the gap was much higher—for example, in South Asia, where women were 38 percent less likely to own a mobile phone.¹⁰² The study noted that cost remains the greatest barrier overall to women owning and using a mobile phone.¹⁰³ The study found that among women who had not used a mobile phone in the previous three months (including those who would have had to borrow a phone), the cost of handsets was a particularly significant barrier, in addition to other factors such as security concerns and lack of identification documents.¹⁰⁴
- **Next steps regarding data:** Organizations such as the GSMA have tracked the effect of mobile sector taxation on the cost of mobile ownership,¹⁰⁵ and organizations such as InterMedia have examined user perceptions of the costs associated with mobile money.¹⁰⁶ However, country-specific information on the total cost of mobile ownership (including handset costs, connection costs, and call, SMS, and data usage costs)¹⁰⁷ do not appear to be publicly available. The existence of comprehensive, global data surrounding these costs would provide greater insight into barriers with respect to mobile phone adoption. This data would also enable researchers to generate recommendations for helping ensure that mobile phones (and by extension, digital financial services) are available to consumers who need them most.

- **Next steps regarding international collaboration:** In February 2016, the GSMA announced the launch of the Connected Women Commitment Initiative. This initiative, which involves mobile operators representing over 75 million mobile internet and mobile money customers, aims to connect millions of women in low- and middle-income countries to these services by 2020. Among FDIP countries, operators in Indonesia, Bangladesh, Rwanda, and Turkey had committed to the initiative as of February 2016.¹⁰⁸ Joining such an initiative could help countries to engage in knowledge-sharing regarding mechanisms for facilitating affordable access to mobile phones and mobile financial services and promote enhanced progress toward an inclusive mobile ecosystem.
- Financial service providers should consider how best to leverage technology (either directly or through technology companies) to assess non-financial data that can advance access to credit among consumers who need it within the context of strong consumer protection frameworks.
 - **Why it matters:** As noted in the 2015 Omidyar Network report “Big Data, Small Credit,” in many emerging markets consumers face barriers to accessing formal credit services, particularly the absence of information about customers’ creditworthiness.¹⁰⁹ However, the rapid proliferation of digital technology among consumers has yielded an increasingly deep “digital footprint,” including social media activity and mobile phone usage patterns, that can offer financial service providers alternative modes of assessing creditworthiness. Thus, these digital mechanisms can provide customers with opportunities to access formal financial services by yielding information relevant to credit assessments.
 - **Next steps:** Governments should ensure that strong financial consumer protection frameworks are coupled with regulatory provisions that enable financial service providers to explore means of leveraging the proliferation of available consumer data to facilitate access to financial services among those who need them.

Advancing an inclusive regulatory environment

- Regulators should engage in sustained dialogue with private sector representatives and other financial inclusion stakeholders to develop and refine regulations that promote a level playing field for providers and ensure adequate consumer protection for customers. As noted by the Center for Global Development Financial Regulation Task Force’s 2016 Report,¹¹⁰ “[a] level playing field in financial services is enabled by regulations ensuring that functionally similar services are treated equally as long as they pose similar risks to the consumers of the service or to the financial system as a whole.”¹¹¹
 - **Why it matters:** Technological advancements have amplified opportunities for customers to access financial services through digital channels, but they have also increasingly blurred the traditional distinctions between financial and industry sectors for regulators, particularly with respect to the telecommunications field. New service providers often face regulatory barriers or uncertainties that make it difficult to bring financial services to disenfranchised individuals.
 - **Next steps:** Ensuring that private sector voices are represented in dedicated financial inclusion bodies will help facilitate coordination among public and private sector bodies with respect to developing new financial regulations or adapting existing regulations to fit emerging services. Both digital and traditional providers should be permitted to adapt know-your-customer requirements and other combating the financing of terrorism and anti-money laundering mechanisms to reflect the level of risk posed by underserved customers engaging in low-value transactions in order to scale adoption of these services among the target market.

Enhancing financial capability

- Government representatives should work with financial service providers and non-government financial inclusion experts to improve financial capability among consumers.
 - **Why it matters:** To move beyond the objective of advancing access to financial services to facilitating effective usage of those services, consumers must understand what services are available, how those services will be helpful to them in their daily lives, and how to effectively leverage the given products or services. Consumers who fully understand the scope and impact of their financial options possess a greater ability to confidently access and effectively deploy formal financial services.
 - **Emerging opportunity:** While traditional, classroom-based financial education initiatives to promote financial literacy can provide individuals with a foundation to make healthy financial decisions, an increasing emphasis on translating financial knowledge into corresponding behavior has emerged, particularly given mixed evidence on the effectiveness of traditional financial literacy programs.¹¹² This is why financial capability, defined by the Center for Financial Inclusion at Accion as

“the combination of knowledge, skills, attitudes, and behaviors a person needs to make sound financial decisions that support well-being,”¹¹³ has “emerged as a strategic policy objective that complements the financial inclusion and financial consumer protection agendas.”¹¹⁴

- **Next steps:** Government leaders, non-government entities, and financial service providers should work together to implement policies that recognize the importance of financial capability through 1) targeted data collection and 2) capacity-building programs. Entities such as the World Bank have made important advances in gathering data on financial behavior and attitudes.^{115 116} Developing a framework at the national level for evaluating these topics would enable governments to collect and analyze financial capability data consistently. Moreover, public and private sector stakeholders should work together to develop and evaluate financial capability interventions. Programs that use innovative modes of information delivery (e.g., entertainment), provide helpful reminders, leverage social networks (e.g., family members), and introduce interventions at “teachable moments” (e.g., career transitions) have been shown to promote consumer education and skills that are conducive to financial health.¹¹⁷

AFGHANISTAN



OVERALL SCORE

54%

DIMENSION SCORES

Country commitment	44%
Mobile capacity	83%
Regulatory environment	72%
Adoption	36%



GDP
(billion USD)¹

\$20



Adult population
(millions)²

17



Unique mobile
subscribership³

44%



Financial account
ownership among
adults⁴

10%



Financial account
ownership among
women⁵

4%



Formal commitment
milestone

- Committed to the Alliance for Financial Inclusion in 2009



Selected financial
inclusion highlights

- Joined the Better Than Cash Alliance in 2013
- Issued Money Service Providers Regulation in 2008 and implemented electronic money institution-related amendments in 2011
- Participated in an electronic money summit in October 2015 and launched a public awareness campaign in February 2016 surrounding mobile financial services



Next steps

- Consider instituting agent banking regulations to increase regulatory clarity and amplify distribution of financial access points
- Develop a national financial inclusion strategy to enhance coordination across relevant stakeholders and identify specific financial inclusion objectives

Afghanistan

Overview of financial inclusion ecosystem

Low levels of confidence in the formal financial sector, limited financial infrastructure,⁶ and regulatory capacity constraints have inhibited access to and usage of formal financial services in Afghanistan.⁷ The level of account ownership with a formal financial institution or mobile money provider in Afghanistan—about 10 percent of the adult population age 15 and older as of 2014—is the lowest among the FDIP focus countries.⁸ However, national-level interest in advancing financial inclusion is evident from Afghanistan's participation in multinational financial inclusion-oriented networks such as the Better Than Cash Alliance⁹ and the Alliance for Financial Inclusion.¹⁰

Afghanistan's increasingly robust mobile ecosystem provides an enabling platform for the increased adoption of digital financial services in particular. For example, the country's levels of unique mobile subscribership and 3G mobile network coverage have continued to grow over the past year, contributing to Afghanistan's strong mobile capacity score on the 2016 FDIP scorecard, particularly relative to its national income level.¹¹ Moreover, Afghanistan's mobile money market offers a diverse array of services that include mobile-based bill payments and merchant payments.¹² Given that smartphone penetration levels in Afghanistan are below 25 percent, and smartphone-based mobile money services may render these services more accessible to users, we anticipate that adoption of mobile money services will increase in Afghanistan as smartphone penetration continues to rise.¹³ Moreover, recent awareness-building initiatives that leverage social media, radio, and other channels to increase consumer familiarity with mobile money services should contribute to enhanced adoption of these offerings in the future.¹⁴

With respect to the regulatory environment for digital financial services, Da Afghanistan Bank (Afghanistan's central bank) issued Money Service Providers Regulation¹⁵ addressing the operation of electronic money institutions (EMIs) in 2008.¹⁶ Da Afghanistan Bank, with the technical assistance of Financial Access for Investing in the Development of Afghanistan, or FAIDA, developed several amendments to the regulation that were approved for implementation in October 2011.¹⁷ Risk-based know-your-customer procedures are permitted within the Money Service Providers Regulation, with varying minimum and maximum transaction amounts and customer identification requirements associated with low, medium, and high levels of risk.¹⁸ Following implementation of the new regulation, Da Afghanistan Bank issued new EMI licenses to mobile network operators Roshan, Etisalat, and Afghan Wireless Communications Company.¹⁹

Regarding interoperability, the Money Service Providers Regulation noted that EMIs “must ensure that the mobile money system must use technological and other standards which will permit eventual interconnection and operation of other mobile money systems.”²⁰ In 2011, the Afghanistan Payments Systems (APS) was established in an effort to create an interoperable retail payments infrastructure and promote financial inclusion.²¹ Full implementation of this payments system was ongoing as of March 2016.²³

Financial inclusion updates

Over the past year, the government of Afghanistan has engaged in several initiatives aiming to promote adoption of digital financial services. In October 2015, representatives of the Ministries of Commerce and Industries, Communication and Information Technology, Finance, Education, Justice, Labor, Social Affairs, Martyrs and the Disabled, as well as the Governor of the Central Bank,

participated in an “Electronic Money Summit” that was sponsored by the United States Agency for International Development (USAID). During the summit, President Ghani directed government agencies to deploy electronic payments when feasible.²⁴

Additionally, in February 2016, USAID’s FAIDA team partnered with the government of Afghanistan, along with mobile network operators, financial institutions, and mobile money service providers to launch a public awareness campaign to promote the use of mobile financial services among consumers, businesses, government entities, and financial institutions.²⁵

In March 2016, BPC Banking Technologies partnered with Da Afghanistan Bank on an initiative to connect all banks in a unified payment network to facilitate increased transparency and efficiency across transaction flows.²⁶ As of March 2016, four banks had been integrated into the processing platform used for the initiative, SmartVista, and the platform is expected to facilitate e-wallet and mobile payments in the future.²⁷

Moving forward

The government of Afghanistan’s commitment to promoting formal (and particularly digital) financial services to advance financial inclusion, as demonstrated by its membership in multinational financial inclusion knowledge-sharing networks and involvement in high-level events focusing on electronic payments, is an important ingredient in advancing opportunities for more secure and accessible financial services among underserved populations.

In terms of next steps, public and private sector financial inclusion authorities should continue to look beyond electronic wage disbursements for those already included in the formal financial sector to expanding access to financial services among Afghanistan’s marginalized communities. The recent partnership between

public, private sector, and civil society representatives in Afghanistan to raise awareness of mobile money services among consumers should help advance this objective.²⁸

With respect to Afghanistan’s regulatory environment, ensuring regulatory clarity and enhancing institutional capacity are important preconditions for promoting inclusive finance. In terms of specific regulatory mechanisms for advancing financial inclusion, instituting agent banking regulations could facilitate a more cogent regulatory environment to promote the entry and expansion of branchless banking access points.

Additionally, drafting a national financial inclusion strategy and establishing “ownership” of the strategy through the designation of a dedicated financial inclusion authority could help accelerate financial inclusion in Afghanistan by clarifying the roles of diverse financial inclusion stakeholders, promoting collaboration among those entities, and identifying specific financial inclusion goals. Including measurable targets related to the adoption of formal financial services and enhanced financial capability in the strategy could advance the acceleration of sustainable financial inclusion. Particular focus should be directed toward underserved groups: For example, setting specific goals related to women’s financial inclusion could help Afghanistan move toward reducing the gap in formal account ownership between men and women, which was about 12 percentage points as of 2014.²⁹

Finally, initiatives to broaden financial access will not result in sustainable financial inclusion unless consumers have confidence in the sector. Thus, strengthening financial consumer protection provisions and expanding financial education initiatives could help enhance trust in formal financial services among underserved populations in Afghanistan.

See Afghanistan endnotes on page 123



BANGLADESH



OVERALL SCORE

66%

DIMENSION SCORES

Country commitment	89%
Mobile capacity	83%
Regulatory environment	78%
Adoption	39%



GDP (billion USD)¹

\$173



Adult population (millions)²

106



Unique mobile subscribership³

56%



Financial account ownership among adults⁴

31%



Financial account ownership among women⁵

26%



Formal commitment milestone

- Committed to the Maya Declaration in 2012



Selected financial inclusion highlights

- Joined the Better Than Cash Alliance in June 2015
- Established the Financial Inclusion Department within Bangladesh Bank in July 2015
- Supported efforts to advance financial literacy and capability among women entrepreneurs



Next steps

- Finalize and implement the national financial inclusion strategy
- Promote affordability of mobile phones to advance access to mobile financial services

Bangladesh

Overview of financial inclusion ecosystem

Bangladesh's robust mobile capacity levels have contributed to increasing takeup of mobile financial services (MFS) in the country, which as of 2014 boasted among the highest mobile account ownership levels among the FDIP countries in Asia.⁶ In fact, Bangladesh is one of the fastest-growing mobile money markets in the world when measured by the total number of accounts,⁷ in part due to the prevalence of mobile phones (as of March 2016, there were about 131 million mobile phone subscribers out of a total population of about 160 million)⁸ and fairly strong 3G network coverage levels.⁹ Still, in absolute terms adoption of MFS—particularly among women—presents opportunities for further growth,¹⁰ and high rates of over-the-counter transactions (OTC)¹¹ may limit individuals from reaping the full benefits of MFS.¹² Further efforts are needed to address the gender gap in account ownership between men and women, which as of 2014 was about nine percentage points with respect to accounts at formal financial institutions or with mobile money providers.^{13 14}

Key players within Bangladesh's financial inclusion landscape include Bangladesh Bank (Bangladesh's central bank), the Microcredit Regulatory Authority (the supervisor for the microfinance operations of NGO-MFIs),¹⁵ and the Ministry of Finance.¹⁶ In terms of national-level commitments, Bangladesh Bank is a principal member of the Alliance for Financial Inclusion,¹⁷ and in June 2015, Bangladesh joined the Better Than Cash Alliance.¹⁸

A major institutional shift in Bangladesh since the publication of the 2015 FDIP Report was the resignation of then-governor of Bangladesh Bank, Atiur Rahman, in March 2016, after hackers allegedly stole more than USD 81 million from Bangladesh Bank by providing transfer orders to the U.S. Federal Reserve Bank in New York, which were directed to the accounts of four men in the

Philippines.¹⁹ Fazle Kabir was appointed the new governor of Bangladesh Bank that same month.²⁰

Thus far, financial inclusion initiatives in Bangladesh do not appear to have been significantly disrupted by these events. For example, as of spring 2016, the drafting of a national financial inclusion strategy under a committee chaired by the governor of Bangladesh Bank was underway.²¹

In the interim, a number of government strategy documents highlight the importance of financial inclusion. For example, several references to inclusive finance (e.g., ensuring the expansion of post office savings banks and promoting economic growth through mobile channels) are included in the 7th Five Year Plan FY2016-2020²² and the Strategic Plan (2015-2019)²³ of Bangladesh Bank.

With respect to the digital financial ecosystem, Bangladesh was an early leader in MFS, and as of April 2016, more than 13 percent of adults had an active MFS account while around 35 percent of adults were registered MFS clients, according to Bangladesh Bank.²⁴ The agent network in Bangladesh has continued to expand, from fewer than 400,000 agents in May 2014 to 577,588 as of April 2016.²⁵

While MFS adoption is growing, barriers remain for many individuals in Bangladesh regarding access to mobile phones. According to a 2015 GSMA report, a few of these barriers include the "affordability of basic mobile and 3G services for all consumers, 3G availability and the quality of service for mobile customers"; the GSMA report noted that these challenges have been exacerbated by significant taxation on mobile services and an uncertain policy environment in the country.²⁶ As discussed below, the government of Bangladesh has recognized a number of these hurdles and is formulating policies to mitigate some of the existing barriers to mobile access.

In terms of Bangladesh's regulatory environment, in September 2011 Bangladesh Bank issued MFS guidelines (amendments followed in December 2011).²⁷ The 2011

regulations stated that only a bank-led MFS model would be permitted.²⁸ Under the regulations, mobile accounts are linked with a bank and accessible through the customer's mobile device. These accounts serve as non-checking accounts that are classified separately from standard banking accounts.²⁹ Approved MFS include activities such as cash-in/cash-out transactions at agent locations, bank branches, ATMs, and mobile operators' outlets; person-to-business payments; and government-to-person payments.³⁰ As of November 2015, Bangladesh Bank was drafting mobile financial guidelines that will establish how new providers can enter the market.³¹

On the banking side, agent banking regulations were issued in December 2013 and subsequently amended in June 2014.³² The regulations permit the collection of cash deposits and withdrawals and include transaction limits by volume and frequency.³³ In terms of consumer protection, there is a dedicated department titled the "Financial Integrity and Customer Services Department" in Bangladesh Bank to address customers' grievances.³⁴

Financial inclusion updates

In July 2015, a dedicated "Financial Inclusion Department" was established within Bangladesh Bank.³⁵ The aim of the department is to "further consolidate and better coordinate the financial inclusion initiatives in the central bank and of other public and private sector stakeholder [...]."³⁶ The department has highlighted a number of operational areas for engagement, including coordinating among the Alliance for Financial Inclusion member countries, conducting regular surveys to assess the scope of financial inclusion, and formulating the national financial inclusion strategy.³⁷

To help address gender disparities in terms of women's economic participation and financial inclusion, the government of Bangladesh has engaged in several initiatives dedicated to supporting women entrepreneurs.³⁸ Additional efforts to promote financial access and capability among women consumers more generally could further advance inclusive growth, particularly given that while many women are involved with microfinance institutions, gender disparities remain with respect to engagement with digital finance.³⁹ As of

February 2015, about 18 percent of digital finance users in Bangladesh were women, with even fewer holding registered accounts.⁴⁰

One initiative that might promote greater access to financial services among women is ongoing biometric mobile phone SIM registration, which is linked to Bangladesh's national ID. The initiative could provide better data surrounding mobile phone ownership among women and identify market opportunities for expanding MFS, including through salary payments.⁴¹

Moving forward

The forthcoming release of Bangladesh's national financial inclusion strategy and the institution of the Financial Inclusion Department should enhance coordination among key stakeholders with respect to financial inclusion. Implementation of the various activities identified by the Financial Inclusion Department, including data collection initiatives, will hopefully provide a better sense of market gaps and opportunities with respect to digital financial services.

In terms of mitigating the gender gap, hiring and training more women agents could promote adoption of MFS among women, given that less than 3 percent of agents were women as of 2015.⁴² Moreover, the forthcoming national financial inclusion strategy should carefully consider the issue of women's financial empowerment as a key component of the drive toward inclusive finance. Expanding salary disbursements through mobile channels, as some entities such as garment factories have already begun to do, would enhance opportunities for underserved populations such as women to access digital financial services.⁴³

The government of Bangladesh and representatives from the mobile industry should consider how to reduce access barriers with respect to MFS. Current efforts to mitigate barriers to mobile phone adoption and usage should help achieve this objective. For example, the government is working toward greater access to smartphones through low-cost payment installments,⁴⁴ considering reducing taxes on mobile handsets and accessories, and promoting the local assembly of smartphones to reduce costs.⁴⁵

Finally, while recent efforts by service providers to promote account registration appear to have had some effect, OTC remains by far the most common approach to using MFS.⁴⁶ Promoting greater registration of mobile accounts and helping advance account usage through capacity-building among agents could enable consumers to leverage the maximum benefits of MFS.

See Bangladesh endnotes on page 123



BRAZIL



OVERALL SCORE

78%

DIMENSION SCORES

Country commitment	89%
Mobile capacity	83%
Regulatory environment	83%
Adoption	67%



GDP (billion USD)¹

\$2,417



Adult population (millions)²

144



Unique mobile subscribership³

69%



Financial account ownership among adults⁴

68%



Financial account ownership among women⁵

65%



Formal commitment milestone

- Committed to the Maya Declaration in 2011



Selected financial inclusion highlights

- Launched the National Partnership for Financial Inclusion in November 2011
- Released the third report on financial inclusion in Brazil in 2015
- Held the first Forum on Financial Citizenship in November 2015 to examine key financial inclusion issues facing small businesses and consumers



Next steps

- Finalize and launch the Plan to Strengthen the Financial Citizenship
- Coordinate across stakeholders to implement the Plan to Strengthen the Financial Citizenship in order to enhance the quality component of financial inclusion

Brazil

Overview of financial inclusion ecosystem

Access to formal financial services in Brazil has increased steadily in recent years, although the current recession and political uncertainty in the country may constrain the acceleration of financial inclusion in the immediate future.^{6,7} According to the Banco Central do Brasil (BCB)'s latest "Relatório de Inclusão Financeira" study, released in fall 2015, about 73 percent of municipalities in Brazil had more than 15 financial access points (including bank branches, service centers, and electronic service stations) per 10,000 adults as of 2014, compared with only 14 percent in 2005.⁸ Moreover, the percentage of adults with an account at a formal financial institution reached nearly 85 percent in 2014.⁹

With respect to financial inclusion commitments at the national level, Brazil launched the National Partnership for Financial Inclusion in November 2011.¹⁰ Brazil is also actively involved with the international financial inclusion community. For example, the BCB committed to the Maya Declaration on Financial Inclusion in September 2011.¹¹

Moreover, in September 2012, the BCB created the Financial Education Department (Depef), which is responsible for coordinating the National Partnership for Financial Inclusion.¹² The same year, the BCB created the department of Institutional Relations and Citizenship to be "responsible for customer service, financial inclusion and education, and institutional communication."¹³ An "Action Plan to Strengthen the Institutional Environment" was issued by the BCB National Partnership for Financial Inclusion in May 2012.¹⁴ This action plan highlighted progress toward financial inclusion and identified next steps for advancing financial inclusion, including improving the regulatory environment for microcredit and diversifying financial services to meet the needs of different customer segments.

The regulatory environment pertaining to branchless banking has evolved over time to incorporate a diverse array of providers and services. In particular, banking correspondents, or BCs (known more commonly outside Brazil as banking agents), have driven much of Brazil's progress toward greater financial inclusion. In 1999, Brazil developed initial legislation pertaining to BCs, and legislation in 2003 established simplified bank accounts to facilitate access to financial services among marginalized populations.¹⁵ The original functions of BCs were quite constrained, primarily limited to bill payment services and distributing social payments.¹⁶ In 2003, Resolutions 3.110/03 and 3.156/03 modified regulations for BCs, enabling nearly any retailer to become a BC and rendering authorization for each BC/bank relationship by the BCB no longer mandatory.¹⁷

Further, Resolution 3.110 permitted a broader range of financial institutions (e.g., credit cooperatives and microcredit institutions) to hire BCs, which could be any type of commercial entity or financial institution.¹⁸ Under Central Bank Resolution 3954 of 2011, correspondents were permitted to receive and forward deposit account opening applications, complete payment orders, and receive and forward loan and leasing requests and credit card applications, among other services.¹⁹

In May 2013, a legal framework on payment arrangements—including mobile payments—was created.²⁰ In October 2013, Brazil passed a law that instituted a "category of electronic payment institutions regulated by the Central Bank" and established the principles of non-exclusion and interoperability.^{21,22} These principles were intended to foster competition and facilitate greater access to financial services.

In November 2013, the BCB introduced additional regulations that broadened the digital financial landscape for nonbank entities, noting that nonbanks could issue e-money as "payment institutions."^{23,24} Resolutions 4282 and 4283 of November 2013 provided requirements for

companies to become payments institutions that could operate as a card issuer, the owner of a payment scheme, or a card processor.²⁵ Subsequently, Circular 3680, issued in November 2013, and Circulars 3704 and 3705 (amending Circulars 3681, 3682, and 3683), issued in May 2014, provided additional information regarding capital requirements and interoperability.^{26, 27}

Financial inclusion updates

Beyond releasing its third report on the state of financial inclusion in Brazil in fall 2015, the BCB has been active in hosting events pertaining to financial inclusion. For example, in November 2015, the BCB and Sebrae Nacional held the first Forum on Financial Citizenship in Brazil. The discussions centered around four topics: financial inclusion of small businesses, the relationship between citizens and the financial system, financial well-being, and citizenship and financial vulnerability.²⁸

Moreover, in December 2015, the BCB hosted a program to enable Alliance on Financial Inclusion members and other guests to engage in knowledge-sharing with respect to financial inclusion. Key topics discussed during the event included agent banking, consumer protection, and financial education.²⁹

Moving forward

Given that Brazil has made significant strides toward increasing financial access, conversations surrounding financial inclusion have recently focused upon the usage and quality dimensions of financial inclusion. For example, discussions at the first Forum on Financial Citizenship have informed the forthcoming Plan to Strengthen the Financial Citizenship, expected to be launched later in 2016; the purpose of the plan is to strengthen the quality dimension of financial inclusion in Brazil through efforts from both public and private sector stakeholders.³⁰

In the future, as part of its efforts to address the quality dimension of financial inclusion among consumers, government entities and financial service providers should coordinate closely on financial capability initiatives, including for youth, rural residents, and women, in order to enhance sustainable financial inclusion—particularly in the context of increasing household indebtedness.³¹

See Brazil endnotes on page 125

CHILE



OVERALL SCORE

74%

DIMENSION SCORES

Country commitment	89%
Mobile capacity	72%
Regulatory environment	61%
Adoption	75%



GDP
(billion USD)¹

\$258



Adult population
(millions)²

12



Unique mobile
subscribership³

93%



Financial account
ownership among
adults⁴

63%



Financial account
ownership among
women⁵

59%



Formal commitment
milestone

- Committed to the Maya Declaration in 2012



Selected financial
inclusion highlights

- Instituted a national financial inclusion council in 2014
- Ranked in the top-five with respect to formal financial institution account penetration among the FDIP countries as of 2014
- Recognized by Data2X, the Inter-American Development Bank, the Global Banking Alliance for Women, and the United Nations Economic Commission for Latin America and the Caribbean in 2016 as the only country that has consistently monitored sex-disaggregated data with respect to its financial system over a significant period of time



Next steps

- Diversify mobile money ecosystem by expanding the number of providers and offerings
- Leverage findings from national demand- and supply-side studies to identify interventions targeted at enhancing financial inclusion among women and other underserved groups

Chile

Overview of financial inclusion ecosystem

The macroeconomic landscape and extent of financial and digital infrastructure in Chile are among the most developed of the FDIP countries, and Chile features fairly robust rates of formal financial account adoption.⁶ Chile boasts one of the highest-income economies among the FDIP focus countries⁷ and ranks fourth in terms of the percentage of adults age 15 and older with an account at a formal financial institution or mobile money provider (about 63 percent as of 2014).⁸ Chile has demonstrated clear commitment to advancing financial inclusion and strong leadership in terms of addressing the gender gap in engagement with formal financial services, as discussed below. Diversifying its mobile money ecosystem and developing specific electronic money (e-money) regulations could help Chile further expand access to financial services.

The government of Chile has made a number of financial inclusion commitments at the national and international levels. For example, the Ministerio de Desarrollo Social de Chile (Ministry of Social Development) made a number of commitments under the Maya Declaration, including a proposal to offer electronic payments as the default option for most of the benefits delivered by the state.⁹ In 2011, the Ministry of Planning created the Financial Inclusion Unit to work with various government entities, including the Ministry of Finance, Superintendencia de Bancos e Instituciones Financieras, and Central Bank of Chile, as well as with members of the private sector, to advance Chile's financial inclusion agenda.^{10 11}

Chile's financial inclusion strategy defines financial inclusion as "a process that allows all Chileans, especially the ones that are more excluded, to access quality financial services that are adequate to their needs, providing protection to families and opportunities in order to improve their life conditions."¹² The strategy highlighted

several financial inclusion objectives, including pursuing mobile payment solutions, expanding other electronic payment systems, and increasing financial points of service in order to foster financial inclusion.¹³ One example of an initiative advancing these financial inclusion objectives is Banco Estado's CajaVecina agent banking network, which facilitates money withdrawals, deposits, and transfers for consumers in remote communities of Chile.¹⁴

In March 2014, Chile's government announced the establishment of the Consejo Nacional de la Inclusion Financiera (CNIF), which aims to coordinate with public institutions striving toward financial inclusion and greater financial literacy. The CNIF is responsible for designing and implementing initiatives pertaining to Chile's national financial inclusion strategy, such as advancing the development of financial services to meet the needs of marginalized groups, expanding financial access points, promoting enabling regulation, and fostering financial education initiatives.¹⁵

Chile has made a concerted effort to collect data regarding underserved populations across diverse government entities. For example, the Superintendencia de Bancos e Instituciones Financieras (SBIF) produces technical studies on indicators of access to and usage of financial services. A study published by the SBIF in November 2013 disaggregated its findings by the type of financial product deployed, as well as by geographical region and income level of consumers.¹⁶

Another relevant data collective initiative is the "Encuesta Financiera de Hogares," which is led by the central bank.¹⁷ The survey was initiated in 2007 and aims to collect information to better understand the financial situation of households in Chile and contribute to the design of corresponding policies. The most recent iteration of the survey (as of spring 2016) featured 2014 data.¹⁸ Survey findings include that only 26 percent of households reported having saved over the previous 12 months, and of that percentage, about 65 percent did so

on a monthly basis.¹⁹ Thus, there are clearly opportunities to advance formal savings products in Chile.

In addition to disaggregating data by financial products, location, and income, Chile has been recognized by members of the international financial inclusion community for its efforts to collect and analyze sex-disaggregated data. A January 2016 case study by Data2X, the Inter-American Development Bank, the Global Banking Alliance for Women, and the United Nations Economic Commission for Latin America and the Caribbean noted that Chile is the only country that has consistently monitored sex-disaggregated data regarding its financial system over a significant period of time. The case study found that high-level buy-in surrounding the initiative was crucial, as was cross-departmental collaboration among government agencies.²⁰ A recent example of Chile's sex-specific financial data is the "Género en el Sistema Financiero 2014" report, which presents the latest government findings regarding women's participation in the labor market, as well as access to financial services such as savings and credit products by sex.²¹

With respect to advancing digital financial services, a bill was introduced in 2013 to permit non-financial institutions to issue prepaid cards.^{22 23} Also in 2013, the Ministerio de Desarrollo Social de Chile set a goal to implement an electronic payment system by September 2014 that would target the country's financially disadvantaged population;²⁴ the system had been piloted in nine municipalities as of 2014.²⁵

Nonetheless, Chile remains a cash-intensive market: A 2015 article noted that cash remains crucial for about 57 percent of the population.²⁶ However, cashless mechanisms are becoming more prevalent in Chile. While cash transactions increased by 1 percent in 2014, card payments and electronic transactions increased by 3 percent and 14 percent, respectively.²⁷

Financial inclusion updates

Beyond the release of the surveys detailed previously, Chile has engaged in a number of regulatory and institutional financial inclusion efforts. For example, as of May 2016, Chile's congress was considering a new legal framework granting nonbank entities access to the country's retail payment system.²⁸ Additionally, the Technical Secretariat on Financial Inclusion has been created by the Chilean government and is expected to launch in summer 2016.²⁹ The development of this body should help promote implementation of the country's national financial inclusion strategy.

Moving forward

On the regulatory side, the current legislative initiative to promote access of nonbank entities to the retail payments system is expected to facilitate the expansion of mobile money and other digital payments in the future.³⁰ With respect to data collection and analysis, public and private sector entities in Chile should leverage the findings from national surveys surrounding household and individual financial behavior to enhance the design, marketing, and delivery of financial products for customers. Finally, diversifying mobile money offerings and developing targeted e-money regulations could augment adoption of digital financial services by enhancing regulatory clarity, promoting competition, and fostering innovation with respect to developing a breadth of services to meet consumer needs.

See Chile endnotes on page 126



COLOMBIA



OVERALL SCORE

79%

DIMENSION SCORES

Country commitment	100%
Mobile capacity	94%
Regulatory environment	89%
Adoption	56%



GDP (billion USD)¹

\$378



Adult population (millions)²

33



Unique mobile subscribership³

68%



Financial account ownership among adults⁴

39%



Financial account ownership among women⁵

34%



Formal commitment milestone

- Committed to the Maya Declaration in 2012



Selected financial inclusion highlights

- Launched Colombia's national financial inclusion strategy in March 2014
- Decree 2338 established Colombia's Intersectoral Financial Inclusion Commission in 2015
- Decree 1491, issued in July 2015, implemented Colombia's financial inclusion law (Law 1735 of 2014)



Next steps

- Monitor progress toward the quantifiable financial inclusion goals detailed in Colombia's National Development Plan 2014-2018
- Implement the work plan for the creation of the National Financial Education Strategy

Colombia

Overview of financial inclusion ecosystem

Colombia has demonstrated strong national-level commitment to financial inclusion, as reflected in its top-ranked score within the country commitment dimension of the FDIP scorecard. Public sector leaders in Colombia, including the Superintendencia Financiera de Colombia (SFC) and Banca de las Oportunidades (BDO), regularly produce financial inclusion-related data and analysis that have informed Colombia's national financial inclusion policy and related initiatives. These data demonstrate that Colombia has made significant progress toward expanding financial access. For example, as of 2015 all of Colombia's municipalities had at least one financial access point in place,⁶ and about 75 percent of Colombia's adult population had at least one financial product.⁷ Government leadership in promoting electronic payments in particular has contributed to the fact that about 69 percent of the value of money changing hands in Colombia each month was paid electronically as of 2012. However, given that this represented less than 10 percent of the payments made monthly as of 2012, opportunities for further takeup of digital financial services remain.⁸

The Ministerio de Hacienda y Crédito Público de Colombia serves as the country's Maya Declaration signatory.⁹ The government of Colombia is also a member of the Better Than Cash Alliance.¹⁰ The Ministerio de Hacienda y Crédito Público helps coordinate an array of stakeholders in national financial inclusion discussions, including the Banco de la República (Colombia's central bank), the Department for Social Prosperity, BDO, and representatives of the private sector.¹¹ In 2014, the Intersectoral Economic and Financial Education Committee was established under Decree 457,¹² and Colombia launched its national financial inclusion strategy.¹³

Colombia took a significant step toward opening up the digital financial services market in 2014, when its Financial Inclusion Law was approved by the Colombian Congress.¹⁴ Law 1735 instituted a new category of financial institutions (Sociedades Especializadas en Depósitos y Pagos Electrónicos, or SEDPEs) specializing in electronic deposits, payments, and money transfers.¹⁵ The new law enabled SEDPEs to offer electronic deposits covered under the Guarantee Fund for Financial Institutions; however, these entities are not permitted to intermediate funds and are required to hold 100 percent of the funds raised in overnight deposits with a commercial bank or the central bank.¹⁶

Regarding data collection, the SFC-BDO annual financial inclusion reports,¹⁷ BDO's quarterly financial inclusion reports,¹⁸ and the SFC-BDO financial inclusion demand study¹⁹ have helped quantify the extent of financial inclusion in Colombia. Analyses of these findings help drive the development of national financial inclusion priorities and activities.

Colombia has established a number of quantifiable financial inclusion targets as part of its national commitment to promoting inclusive finance. For example, Colombia's national development plan for 2014–2018 established specific goals regarding financial inclusion, including to increase financial inclusion from 71.5 percent to 84 percent in 2018; increase the number of SEDPEs in operation from zero to five; increase the percentage of active savings accounts from 52.9 percent to 65 percent; and reduce the usage of cash from 11.7 to 8.5 percent.²⁰ Shorter-term targets for 2016 are featured among the Ministerio de Hacienda y Crédito Público de Colombia's Maya Declaration commitments, including a goal of 76 percent of adults having a financial product by 2016.²¹

Looking to the financial ecosystem, banking correspondents, microfinance institutions, and private sector offerings have helped facilitate financial inclusion among underserved populations. Banking correspondents, which can be natural persons or corporate entities,²² were authorized through Decree 2233 in July 2006.²³ The number of services these correspondents are able to offer has increased over time: 2009's Decree 112 permitted correspondents to open savings accounts, while 2012's Decree 2672 enabled correspondents to provide services to "credit institutions, investment management companies, stock market brokerages, pension fund administrators, trust fund companies, and foreign exchange agents."²⁴

In 2009, External Circular 53 established identification requirements for simplified accounts and placed limits on the value of debit transactions and balances.²⁵ In 2013, Circular 013 "extended the maximum amount of debit operations of simplified savings accounts from 2 SMMLV²⁶ to 3 SMMLV" (approximately USD 628) and permitted authorized clients to have more than one of these accounts.²⁷ The emergence of these simplified accounts is considered one of the key enabling conditions for financial inclusion in Colombia.²⁸

With respect to the mobile ecosystem, as of December 2015 the mobile provider market share was distributed as follows:²⁹ COMCEL S.A. (52 percent), Colombia Telecomunicaciones S.A. E.S.P. (22 percent), Colombia Móvil S.A. E.S.P. (18 percent), Virgin Mobile S.A.S. (4 percent), Almacenes Éxito Inversiones S.A.S. (0.86 percent), and other mobile providers (2 percent).³⁰ About 96 percent of households in Colombia had at least one mobile phone as of December 2015, and as of September 2015, around 9 percent of the adult population had electronic deposits.³¹

SFC and BDO's 2015 demand-side study found that about 74 percent of Colombians were aware of the existence of mobile banking products, although only about 14 percent used them. In the case of businesses, the study found that 83 percent of respondents were familiar with mobile financial services, while 13 percent of them actually used these services.³² According

to the SFC, transactions completed through banking correspondents increased from 2.1 to 3.4 percent between 2012 and 2015, and through mobile banking from 1.1 to 3.1 percent during the same period.³³ Thus, while engagement with branchless banking services is increasing, opportunities to amplify usage of these services remain.

Financial inclusion updates

Two financial inclusion-oriented bodies provide examples of the government's drive toward enhancing financial inclusion. In 2015, Decree 2338 established Colombia's Intersectoral Financial Inclusion Commission, which is responsible for guiding, advising, and providing recommendations regarding the adoption and implementation of initiatives and policies that are aimed at advancing financial inclusion in the country.³⁴ Moreover, a work plan was created for the development of a National Financial Education Strategy. The work plan was developed under the auspices of the Intersectoral Economic and Financial Education Committee, chaired by the Ministry of Education since 2015.³⁵

Regarding regulatory and policy developments, Decree 1491 was issued in July 2015,³⁶ implementing the financial inclusion law and identifying the regulatory conditions for Colombia's mobile money market. Decree 1491 contains four components, including details regarding the client registration process for opening an electronic deposit, the use of correspondents, prudential regulation regarding capital requirements and liquidity management requirements, and a "fair access" clause for low-value payment systems. The decree provided further regulation surrounding SEDPEs, including with respect to account opening proceedings (e.g., a national ID number is needed to open the account, but account opening does not necessarily need to occur in person) and cash management (e.g., the maximum amount of money permitted per transaction was increased).³⁷

Moving forward

As demonstrated by demand- and supply-side data gathered by government entities, Colombia has made significant progress in expanding access to formal financial services. Further improvements regarding product design and financial capability should help promote usage of these services among underserved populations, particularly with respect to digital financial services. The implementation of the forthcoming national financial education work plan should help advance efforts to amplify usage of formal financial services by enhancing financial knowledge and promoting healthy financial behaviors.

See Colombia endnotes on page 126



DOMINICAN REPUBLIC



OVERALL SCORE

62%

DIMENSION SCORES

Country commitment	61%
Mobile capacity	78%
Regulatory environment	56%
Adoption	58%



GDP
(billion USD)¹

\$64



Adult population
(millions)²

7



Unique mobile
subscribership³

53%



Financial account
ownership among
adults⁴

54%



Financial account
ownership among
women⁵

56%



Formal commitment
milestone

- Previously a member of the Alliance for Financial Inclusion



Selected financial
inclusion highlights

- Launched mobile money deployments in 2014
- Passed legislation permitting agent banking in 2014
- Conducted the National Survey of Economic and Financial Education in 2014



Next steps

- Develop a comprehensive electronic money regulatory framework
- Engage with multinational financial inclusion networks to foster knowledge-sharing

Dominican Republic

Overview

According to the World Bank's Global Financial Inclusion (Global Findex) database, about 54 percent of adults age 15 and older in the Dominican Republic had an account with a formal financial institution as of 2014.⁶ In terms of the gender distribution of accounts, about 56 percent of women in the Dominican Republic held accounts with a formal financial institution, compared with about 52 percent of men.⁷ These statistics place the Dominican Republic as the only new 2016 FDIP country in the Latin America & Caribbean (LAC) region in which women either exceeded or equaled men in terms of the percentage of individuals who held accounts with a formal financial institution. Moreover, the Dominican Republic was one of only a handful of the 2016 FDIP focus countries to receive that distinction. While the Dominican Republic has demonstrated significant momentum toward greater financial inclusion in recent years, enhancing regulatory clarity regarding electronic money and establishing explicit national financial inclusion priorities through the institution of a national financial inclusion strategy could help accelerate the emergence and adoption of branch-less banking services.

Access and usage

Banking landscape

In terms of banking infrastructure, according to the International Monetary Fund's 2015 Financial Access Survey, there were about 11 commercial bank branches per 100,000 adults in the Dominican Republic and 33.4 ATMs per 100,000 adults as of 2014.⁸ As a point of comparison, El Salvador, the country that was most comparable to the Dominican Republic in terms of GDP per capita (in USD) among the Latin American 2016 FDIP focus countries as of 2014,⁹ had similar density figures

with respect to both commercial bank branches (12 per 100,000 adults) and ATMs (33 per 100,000 adults).¹⁰ In contrast, the Dominican Republic's neighbor, Haiti, had far less prevalent traditional banking infrastructure, with about 3 commercial bank branches per 100,000 adults.¹¹

Account penetration rates with respect to banks and other financial institutions exceeded the average among other countries in the LAC region, which was about 51 percent of adults as of 2014.¹² The 2014 Global Findex data demonstrated considerable growth in account ownership in the Dominican Republic since the previous survey, as the level of adults with an account at a formal financial institution as of 2014 constituted a 16 percentage point increase from the 2011 Global Findex findings.¹³

In particular, the Dominican Republic merits recognition for its efforts to bring more women in the formal financial system. As of 2014, clear progress had been made in terms of account penetration among women, with about a 19 percentage point increase in the percentage of women with an account at a formal financial institution between 2011 and 2014.¹⁴ One program catering to female customers is being led by Banco BHD León of the Dominican Republic, a member of the Global Banking Alliance for Women, which launched its "Mujer Mujer" initiative in 2015 that offers guidance on products and services surrounding education, health, family well-being, and business.¹⁵

Ownership of debit and credit cards and usage of card-based financial services in the Dominican Republic were considerably below the LAC average as of 2014. The Global Findex found that about 23 percent of adults had a debit card, significantly below the LAC average of 40 percent, and about 11 percent of adults had used a debit card to make payments within the previous year, compared with an average of about 28 percent in the LAC region.¹⁶ The percentage of adults who had used a credit card to make payments in 2014 was about half the LAC average, at about 9 percent.¹⁷

One initiative relating to card-based payments was a partnership between the government of the Dominican Republic and Visa to distribute benefits via a reloadable Visa card. As noted by Visa, “in 2004, the Dominican Administradora de Subsidios Sociales partnered with Visa and four financial institutions to launch the Solidaridad prepaid card to beneficiaries of the Comer es Primero (“Eat First”) subsidy.”¹⁸ The partnership has since been expanded to include nine subsidies, and as of November 2011, nearly USD 850 million had been distributed to about 850,000 beneficiaries via these Visa cards.¹⁹

In terms of consumer behavior with respect to saving, as of 2014 about 27 percent of adults in the Dominican Republic had saved at a financial institution within the previous year — a significantly higher rate than in the LAC region generally (about 14 percent) but lower than the average for other upper middle income countries (32 percent). Given that about 57 percent of adults in the Dominican Republic saved any money within the previous year as of 2014 (a considerably higher rate than across the LAC region, which was about 41 percent), there remains considerable opportunity to facilitate greater rates of saving with formal financial institutions.²⁰

Rates of borrowing at financial institutions (18 percent of adults) within the previous year were lower than rates of formal saving within the past year but higher than the LAC regional average for borrowing at financial institutions (about 11 percent of adults). Overall, about 54 percent of adults borrowed any money within the previous year as of 2014, a considerably higher rate than either the LAC average (33 percent) or across other upper middle income countries (38 percent). The disparity between overall borrowing and borrowing from a financial institution can in part be ascribed to the prevalence of borrowing from family or friends (about 22 percent of adults) or from a private informal lender (about 21 percent of adults).²¹

Mobile ecosystem

As of 2014, there were about 79 mobile subscriptions per 100 people in the Dominican Republic.²² This figure constitutes the second-lowest penetration level among the new 2016 LAC FDIP countries (only Haiti had fewer subscriptions, at about 65 mobile subscriptions per 100 people).²³

In 2014, the Dominican Republic was one of six markets that launched mobile money deployments for the first time.²⁴ According to the GSMA Mobile Money Deployment Tracker, as of April 2016 the Dominican Republic’s mobile money market was limited to two deployments: Orange M-Peso and e-fectivoMóvil, which offered services such as domestic person-to-person transfers and bill payment.²⁵

Particularly considering how recently these mobile money services were deployed, mobile money usage in the Dominican Republic is quite robust compared with economically and geographically similar countries. According to the Global Findex, about 2.3 percent of adults in the Dominican Republic used mobile money as of 2014.²⁶ This rate was both above the LAC average of 1.7 percent and well above the average of upper middle income countries, at 0.7 percent.²⁷ Mobile money takeup among individuals in the lowest 40 percent of the income spectrum was comparable to the overall average, at about 2.1 percent. However, mobile account penetration as of 2014 was significantly lower among women, at about 0.8 percent.²⁸ Among adults who received wages, about 1.6 percent received wages via mobile phone as of 2014. Payment of utility bills via mobile phone among those who paid utility bills was lower, at about 0.5 percent.²⁹

Country commitment and regulatory environment

In terms of involvement with multinational financial inclusion-oriented organizations, la Superintendencia de Bancos de la República Dominicana joined the Alliance for Financial Inclusion (AFI) as a principal member in March 2013,³⁰ although as of 2016 it was no longer a member of AFI.³¹ While the Dominican Republic does not appear to have published a specific strategy regarding financial inclusion,³² it does have a national development strategy that identifies increasing access to financial services as a priority.³³

Further, at the end of 2013, the Banco Central de la República Dominicana, with the support of the Inter-American Development Bank and the U.S. Department of Treasury, asked other public and private

institutions in the country to form a working group in order to develop a National Strategy for Financial Education. As part of this strategy, in 2014 the group conducted the National Survey of Economic and Financial Education, which aimed to assess the financial attitudes, knowledge, and behavior of the Dominican population.³⁴

Moving forward, creating a national financial inclusion strategy could help the Dominican Republic better identify the roles of key stakeholders in promoting financial inclusion, locate any gaps in existing regulation, and facilitate coordination among the public and private sectors. This strategy should leverage the findings of the National Survey of Economic and Financial Education to help target financial inclusion and capability initiatives to underserved populations.

With respect to electronic money (e-money), according to the Banco Central de la República Dominicana, the Regulation of Payment Systems defines e-money as “the monetary value represented by a claim on the issuer, expressed in units of currency, with its corresponding registration and stored in electronic or magnetic media, which allows payment transactions.”³⁵ While the Dominican Republic does not have exclusive and extensive guidelines on e-money,³⁶ the Banco Central de la República Dominicana notes that electronic transfers have increased due to “reform and improvement of the Payment System and Settlement of Securities of the Dominican Republic (SIPARD) promoted by the Central Bank along with the banking sector, within which the implementation of a Real Time Gross Settlement System (RTGS) has played a decisive role.”³⁷ The Regulation of Payment Systems also establishes criteria for the issuing and recharging of both physical and virtual prepaid cards, which can be deployed by underserved populations at agent locations.³⁸

In terms of agent banking, legislation permitting agent banking was passed in 2014, although to date adoption of agent banking services has been limited.³⁹ Regulations permit banks and credit unions to have agents, and a wide array of non-financial institutions may serve as agents (including “mom and pop” stores)^{40,41} According to information from la Superintendencia de Bancos, between January and September 2015, the country’s agent banking system transferred DOP 779.3 million (about USD 17 million)⁴² through its more than 2,600 banking agents.⁴³

With respect to consumer protection, the Economist Intelligence Unit’s “2015 Global Microscope” report noted that recent revisions to financial consumer protection regulations in the Dominican Republic included provisions for disclosure of financial services costs and consumer rights.⁴⁴ Moreover, the Monetary and Financial Authority instituted a department in the Superintendencia de Bancos called “ProUsuario,” which provides customer service for queries, claims, and complaints related to financial products and services.⁴⁵

Finally, the Superintendencia de Bancos de la República Dominicana has clearly made an effort to disseminate financial education information to consumers, which should supplement the financial education survey initiative mentioned previously. For example, its website contains a dedicated section on financial education content, including responses to frequently asked questions concerning credit and other relevant topics.⁴⁶ Additionally, the Banco Central de la República Dominicana’s AulaCentral program aims to enhance financial education through workshops, conferences, and educational tools. For example, the Banco Central de la República Dominicana hosts an annual “Economic and Financial Week” that features involvement from various public and private institutions.⁴⁷

See Dominican Republic endnotes on page 128



EGYPT



OVERALL SCORE

49%

DIMENSION SCORES

Country commitment	50%
Mobile capacity	61%
Regulatory environment	67%
Adoption	33%



GDP
(billion USD)¹

\$301



Adult population
(millions)²

56



Unique mobile
subscribership³

60%



Financial account
ownership among
adults⁴

14%



Financial account
ownership among
women⁵

9%



Formal commitment
milestone

- Joined the Alliance for Financial Inclusion in 2013



Selected financial
inclusion highlights

- Agent banking is permitted under the 2003 Banking Law, and banks are permitted to issue electronic money under the 2010 regulations on mobile payments and transfers
- Law 141 of 2014 provided guidance regarding microfinance
- A field survey to identify barriers to financial inclusion was underway as of September 2015



Next steps

- Advance interoperability among mobile money providers
- Develop a national financial inclusion strategy

Egypt

Overview

With about 14 percent of all adults age 15 and older holding an account with a formal financial institution or mobile money provider, according to the World Bank's 2014 Global Financial Inclusion (Global Findex) database, Egypt's level of adoption of formal financial services is roughly comparable to other countries in the Middle East.⁶ However, this adoption level falls far below the average for other lower middle income countries, which was about 43 percent as of 2014.⁷ Ongoing political tensions in Egypt are expected to complicate the country's financial inclusion landscape for the foreseeable future, although recent efforts, including an initiative to assess the financial services landscape, suggest an increasingly cogent national commitment to bolstering financial inclusion.⁸

Access and usage

Banking landscape

On the supply-side of the financial services landscape, according to the 2015 International Monetary Fund Financial Access Survey, there were about five commercial bank branches per 100,000 adults in Egypt and about 13 ATMs per 100,000 adults in Egypt as of 2014.⁹ With respect to demand-side dynamics, the gender gap in Egypt echoes the 9 percentage point gap across developing countries in terms of account ownership:¹⁰ According to the 2014 Global Findex, about 9 percent of women had an account with a bank or other formal financial institution in Egypt, compared with about 18 percent of men.¹¹ Account penetration among low-income individuals was even lower, with about 5 percent of adults in the bottom 40 percent of the income spectrum holding an account with a formal financial institution as of 2014.¹²

Adoption of card-based financial services was well below that of other lower middle income countries as of 2014. About 10 percent of adults in Egypt had a debit card in 2014, and about 3.5 percent of adults had used a debit card to make payments within the previous year. Less than 2 percent of adults had used a credit card to make payments within the previous year.¹³

In terms of saving and borrowing behavior, borrowing from formal financial institutions slightly exceeded saving at formal financial institutions in Egypt as of 2014.¹⁴ Only about 4 percent of adults in Egypt saved at a financial institution within the past year as of 2014, while about 26 percent total saved any money.¹⁵ Informal borrowing mechanisms were prevalent, relative to borrowing from formal financial institutions: About 6 percent of adults had borrowed from a financial institution within the previous year as of 2014, while far more (22 percent) had borrowed from family or friends within the previous year.¹⁶

Mobile ecosystem

In 2014, there were about 114 mobile subscriptions per 100 people in Egypt,¹⁷ placing it among the top ten 2016 FDIP countries with respect to mobile penetration.¹⁸ Yet while mobile subscriptions are prevalent, and four mobile money deployments were active in Egypt as of January 2016, adoption of mobile money has been limited to date.¹⁹ About 1.1 percent of all adults in Egypt used mobile money as of 2014, and only 0.6 percent of low-income adults used mobile money. Among those who received wages, use of mobile money to receive wages was about 1.2 percent, while among those who paid utility bills, use of mobile money to pay those bills was negligible.²⁰ With respect to the quality of mobile money agents, consumers generally appear satisfied with agent performance: A 2015 GSMA report found that trust issues regarding agents were among the least-reported barriers to mobile money in Egypt.^{21 22}

A 2015 report from the GSMA noted that among its focus sample, Egypt was one of “two interesting exceptions to the correlation between wealth and mobile phone ownership”: Like Kenya, Egypt demonstrated “very small gender gaps in mobile ownership relative to [...] income levels.”²³ However, a significantly lower percentage of women used mobile money than men as of 2014—0.1 percent compared with 2.1 percent.²⁴

One reason for the disparity may be that some women in Egypt must receive permission to spend money.²⁵ Also, significantly more women surveyed in Egypt considered ID requirements for owning a mobile phone or using mobile services to be a barrier than did men (44 percent versus 26 percent, respectively).²⁶ A recent initiative (discussed below) may help advance access to these identification documents for underserved groups such as women.

Country commitment and regulatory environment

While Egypt is not a signatory of the Maya Declaration, the Central Bank of Egypt (CBE) has served as a principal member of the Alliance for Financial Inclusion since 2013.²⁷ Egypt has not yet published a specific national financial inclusion strategy,²⁸ but it does have a variety of legislation relating to microfinance, including Law No. 141 (2014), the first law in Egypt to regulate microfinance services.²⁹

With respect to digital financial services-related legislation, the 2010 CBE regulations on mobile payments and transfers designated banks as electronic money issuers.³⁰ An International Finance Corporation (IFC) survey conducted in 2011 noted that the involvement of two regulators in the mobile payments space generated some confusion within the mobile money market. As of 2011, the National Telecom Regulatory Authority initiated “conditional” approval for mobile financial services, including to mobile network operators (although non-banks were required to have a bank partner).³¹ The CBE indicated it aimed for interoperability between mobile money providers,³² but to date interoperability has not been instituted.³³

In terms of agent banking, while a 2003 Banking Law established that only banks and national post offices could accept deposits and offer financial services beyond loans,³⁴ banks are permitted to choose entities to be established as agents, and these agents are able to perform a wide variety of activities (including cash-in and cash-out).³⁵

The 2011 IFC report noted that since Egyptian citizens have a national ID, and agents can perform know-your-customer (KYC) checks, KYC requirements in Egypt did not constitute a significant barrier to financial access.³⁶ More recently, in March 2015 the Egyptian government and MasterCard collaborated on a project to roll out a digital ID program that links individuals’ national IDs to the national mobile money platform.³⁷ Further details of this program are expected to be forthcoming.

Another recent initiative is the implementation of a national financial inclusion survey intended to inform a national financial inclusion strategy: As of September 2015, the CBE was conducting a field survey to identify barriers to financial inclusion.³⁸ Moving forward, Egypt’s forthcoming national financial inclusion survey findings should contribute to a better understanding of financial inclusion pathways and barriers. Egypt also has a Financial Literacy National Committee within the CBE that includes regulators, academic institutions, banks, and other financial institutions that conduct financial education awareness and training.³⁹ The findings of this committee could contribute to a more holistic understanding of the issues raised in the forthcoming national financial inclusion survey results.

See Egypt endnotes on page 129

EL SALVADOR



OVERALL SCORE

68%

DIMENSION SCORES

Country commitment	72%
Mobile capacity	89%
Regulatory environment	83%
Adoption	47%



GDP
(billion USD)¹

\$25



Adult population
(millions)²

4



Unique mobile
subscribership³

81%



Financial account
ownership among
adults⁴

37%



Financial account
ownership among
women⁵

32%



Formal commitment
milestone

- Committed to the Maya Declaration in 2013



Selected financial
inclusion highlights

- As of 2015, El Salvador was among the top 15 mobile money markets in the world as measured by the proportion of active accounts relative to the total adult population
- Approved a financial inclusion law in August 2015
- Initiated a survey in September 2015 to assess access to and usage of financial services among underserved populations



Next steps

- Augment digitization of government-to-person and person-to-business transfers
- Implement initiatives to foster financial education among underserved populations and define indicators to measure the progress of financial inclusion

El Salvador

Overview

According to the World Bank's 2014 Global Financial Inclusion (Global Findex) database, between 2011 and 2014 El Salvador experienced one of the highest rates of growth in terms of adoption of formal financial services of any country in the Latin America & Caribbean (LAC) region.^{6 7} Mobile money has contributed to financial inclusion growth, with El Salvador among the top 15 mobile money markets in the world as measured by the proportion of active accounts⁸ relative to the total adult population.⁹ The recent emergence of specific regulations pertaining to financial inclusion, including provisions contained within El Salvador's 2015 financial inclusion law, should bolster the country's ongoing efforts to promote access to and usage of formal financial services among underserved populations.¹⁰

Access and usage

Banking landscape

According to the 2014 Global Findex, about 35 percent of adults age 15 and older in El Salvador had an account at a bank or other formal financial institution, up from about 14 percent in 2011.¹¹ While El Salvador has undoubtedly made significant strides in increasing access to and usage of formal financial services, room for growth remains. For example, financial institution account penetration among adults in El Salvador was about 16 percentage points below the LAC average as of 2014.¹²

Moreover, as with the vast majority of FDIP countries, a noticeable gap in terms of account ownership among men and women is present in El Salvador. As of 2014, about 29 percent of women in El Salvador had an account with a formal financial institution; in contrast, men's account ownership was about 10 percentage points higher, at around 40 percent.¹³ Adults whose income was

within the bottom 40 percent of the income spectrum had even lower levels of account ownership than women, at about 22 percent as of 2014.¹⁴ As a point of comparison, low-income individuals in the Dominican Republic, the other 2016 FDIP LAC country closest to El Salvador in terms of GDP per capita (in USD) as of 2014,¹⁵ were banked in much greater proportion than in El Salvador: about 42 percent of adults in the bottom 40 percent of the income spectrum in the Dominican Republic had an account with a formal financial institution.¹⁶

Use of card-based digital payment instruments in El Salvador was generally lower than in other LAC countries. As of 2014, about 13 percent of adults in El Salvador had used a debit card to make payments within the previous year, significantly below the LAC regional average of about 28 percent.¹⁷ Credit card penetration was even lower—7 percent of adults had used a credit card to make payments within the previous year, compared with a LAC regional average of 18 percent.¹⁸

In terms of savings behavior, rates of savings at a financial institution within the previous year in El Salvador were comparable to the LAC region, at about 14 percent of adults in El Salvador versus about 13.5 percent of adults across the LAC region.¹⁹ The overall percentage of adults in El Salvador who saved any money within the previous year as of 2014 was significantly higher, at about 58 percent—a considerably larger percentage than either the LAC average (41 percent) or the average among lower middle income countries (46 percent).²⁰

With respect to credit, about 17 percent of adults in El Salvador borrowed from a financial institution within the previous year as of 2014, more than quadruple the percentage who reported doing so during the 2011 Global Findex and slightly higher than the 11 percent of adults who reported doing so across the LAC region as of 2014. Interestingly, the percentage of adults who borrowed from a financial institution in El Salvador within the

previous year was about five percentage points higher than those who borrowed from family or friends.²¹

On the supply-side, according to the International Monetary Fund (IMF)'s 2015 Financial Access Survey, there were about 12 commercial bank branches per 100,000 adults in El Salvador in 2014, the highest rate among the five new 2016 FDIP countries (the Dominican Republic, Egypt, El Salvador, Haiti, and Vietnam).²² El Salvador and the Dominican Republic held the highest number of ATMs per 100,000 adults among the five new FDIP countries, with about 33.1 and 33.4 ATMs per 100,000 adults, respectively.²³ However, access to financial services among rural customers remains a concern: The World Bank noted in October 2014 that while “financial access has expanded, most credit and deposit-taking activities still occur in the capital of San Salvador. Often, banks do not open branches elsewhere, because the volume of transactions is too low to be cost effective.”²⁴ Thus, digital financial services such as mobile money play an important role in providing cost-effective access to finance among underserved groups.

Mobile ecosystem

While the IMF's 2015 Financial Access Survey did not contain information on registered or active mobile money agent outlets in El Salvador, the Global Findex revealed high mobile money usage in the country as of 2014, compared with the average for the LAC region and other lower middle income countries. About 4.6 percent of adults in El Salvador had a mobile money account as of 2014, compared with 1.7 percent in the LAC region and 2.5 percent across lower middle income countries.²⁵ About 4.1 percent of the poorest 40 percent of adults in El Salvador had a mobile account as of 2014, as did about 4.4 percent of women.²⁶

Opportunities for further growth with respect to mobile money in El Salvador include greater digitization of government-to-person and person-to-business transfers—according to the 2014 Global Findex, among individuals who received wages and paid utility bills, the percentages who did so via mobile phone were 1.1 percent and 1.7 percent, respectively.²⁷ Given that mobile penetration levels in El Salvador are high (about 144 mobile cellular subscriptions per 100 people in 2014²⁸),²⁹ and usage of mobile money is also quite well-developed,

digitization of transfers could serve as a cost-saving mechanism for companies and individuals alike.³⁰

In terms of mobile money offerings, as of May 2016 there were three active mobile money deployments in El Salvador: MoMo Mobile Money,³¹ Tigo Money,³² and PAGOS724.^{33,34} Having a robust digital remittance offering is particularly important in El Salvador since a 2015 GSMA article noted that as of 2013 “remittance flows from abroad constitute[d] more than 10% of the gross domestic product of most Central American economies, including 18% of El Salvador's GDP.”³⁵ The GSMA article also noted that “[s]ince its launch in 2011, Tigo Money has substantially expanded the access footprint with over 2,000 agents across the country. Having achieved over 20% penetration of Tigo's mobile subscriber base to date, Tigo Money in El Salvador ranks amongst Millicom's strongest deployments globally.”³⁶ As of April 2016, MoMo had over 500 agents in the country, while PAGOS724 had over 100 agents.³⁷

Country commitment and regulatory environment

The Banco Central de Reserva de El Salvador joined the Alliance for Financial Inclusion as a principal member in 2012.³⁸ Additionally, the Banco Central de Reserva de El Salvador and Superintendencia Del Sistema Financiero de El Salvador made a joint commitment under the Maya Declaration.³⁹ One of their commitments with respect to digital financial services was to issue regulations related to mobile financial services.⁴⁰ Other commitments included developing a strategy to foster financial education among underserved populations and defining indicators to measure the progress of financial inclusion.⁴¹ Updates on these commitments are expected to be provided in future iterations of the Maya Declaration Progress Report.

Gathering and analyzing publicly available demand-side data on financial services (particularly among low-income populations) will help enable the assessment of the forthcoming financial inclusion indicators.⁴² El Salvador has made progress on this front: The Banco Central de Reserva de El Salvador initiated

a survey project in September 2015 regarding access to and usage of financial services among underserved populations;⁴³ the results are expected to be finalized by the third quarter of 2016.⁴⁴ This effort should enhance understanding of the preferences of and barriers facing underserved individuals.⁴⁵

In terms of branchless banking initiatives, the World Bank supported the development of 2013 regulations in El Salvador establishing a framework for the use of financial correspondents, defined as “third parties such as grocery stores, pharmacies and gas stations authorized to provide basic financial services for banks.”⁴⁶ A 2014 update by the World Bank noted that two banks had since received approval under the new framework.⁴⁷ As noted by the Alliance for Financial Inclusion, the regulations were revised in March 2015 to enable the provision of financial services “by both correspondent agents and correspondent managers with the goal of increasing access and usage by low income populations.”⁴⁸

Another positive development in El Salvador’s financial inclusion landscape is the passage of a decree and associated regulations surrounding e-money, e-money providers, and deposits in savings accounts with simplified requirements.⁴⁹ In June 2014, a national financial inclusion decree was submitted to the Legislative Assembly for approval,⁵⁰ and in August 2015 the Legislative Assembly of El Salvador approved Legislative Decree 72 (the “Ley para Facilitar la Inclusión Financiera”).⁵¹ Additional guidance surrounding e-money has been developed by the Banco Central de Reserva de El Salvador, and e-money providers were expected to begin operating under the new legal framework around June 2016.⁵² These efforts by policymakers and regulators are likely to augment adoption of digital financial services in El Salvador moving forward.⁵³

See El Salvador endnotes on page 130

ETHIOPIA



OVERALL SCORE

53%

DIMENSION SCORES

Country commitment	67%
Mobile capacity	56%
Regulatory environment	72%
Adoption	36%



GDP
(billion USD)¹

\$56



Adult population
(millions)²

55



Unique mobile
subscribership³

32%



Financial account
ownership among
adults⁴

22%



Financial account
ownership among
women⁵

21%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Established several financial inclusion goals in areas such as digital financial services, financial literacy, and payment systems as part of the country's Maya Declaration commitments
- Initiated the creation of a Financial Inclusion Council in 2014
- Coordinated with the World Bank Group to develop a national financial inclusion strategy



Next steps

- Strengthen mobile and other digital infrastructure to enhance adoption of digital financial services
- Disseminate and implement national financial inclusion strategy

Ethiopia

Overview of financial inclusion ecosystem

As one of the lowest-income FDIP countries, Ethiopia faces economic and infrastructural constraints pertaining to financial inclusion.⁶ However, while Ethiopia's mobile capacity and adoption levels are among the lowest of the FDIP countries—according to the 2014 World Bank Global Financial Inclusion (Global Findex) database, about 22 percent of adults in Ethiopia had an account with a formal financial institution or mobile money provider⁷—the government of Ethiopia has engaged in a number of activities to promote financial inclusion.

For example, in 2011 the National Bank of Ethiopia made commitments under the Maya Declaration.⁸ The National Bank of Ethiopia has established several financial inclusion goals in areas such as digital financial services, financial literacy, and payment systems.⁹ Moreover, Ethiopia's Growth and Transformation Plan (GTP)¹⁰ identifies promoting equitable economic growth as one of its goals.¹¹ The GTP noted that Ethiopia should improve access to finance levels significantly by 2015.¹²

In 2014, the National Bank of Ethiopia established a Financial Inclusion Council (FIC) to advance inclusive finance and centralize the services offered by various different bodies. The FIC comprises five members selected from NGOs, the public sector, and banks.¹³

Regarding the financial regulatory environment, Proclamation 657/2009 provided guidance on the prevention of money laundering and terrorist financing.¹⁴ Ethiopia's National Payment System No. 718/2011 established rules surrounding the regulation and operation of Ethiopia's national payment system.¹⁵ In 2013, the government of Ethiopia approved a mobile and agent banking regulatory framework to enable banks and microfinance institutions to offer financial services through mobile phones and agents.¹⁶ The directive established parameters on the geographic and financial channels pertaining

to these services, stating that “mobile and agent banking service shall be carried out only within the geographical boundary of Ethiopia and with only Ethiopian Birr.”¹⁷ The directive specified maximum balances (ETB 25,000) and limits on daily mobile banking transactions (ETB 6,000).¹⁸

Financial inclusion updates

In October 2015, two regional banks announced their entry into Ethiopia's financial market. Kenya's KCB Group and South Africa's Standard Bank, two of the largest banks in their respective countries, were permitted to set up representative offices in Ethiopia by the Ethiopian government.¹⁹ This development should help promote greater competition and service provision within Ethiopia's financial market.

A November 2015 World Bank article noted that the World Bank Group was actively coordinating with the National Bank of Ethiopia to develop and launch a national financial inclusion strategy,²⁰ and an April 2016 article indicated that this financial inclusion framework had been finalized.²¹ The National Bank of Ethiopia also provides select data surrounding the financial services ecosystem. For example, a quarterly bulletin published in April 2016 highlighted the growth of bank branches. The report noted that “[d]uring the review quarter, a total of 185 new bank branches were opened, raising the total number of bank branches to 2,972. As a result, one branch is serving 31,024 people on average. About 35.4 percent of the total bank branches were located in Addis Ababa.”²² Thus, considerable opportunity remains to extend financial services into rural communities.

In terms of digital financial services, the M-Birr mobile money service has continued to grow. A January 2016 article indicated that “in 2015, M-Birr has been able to facilitate 273,620 transactions and has served almost 50,000 account holders.”²³ Additionally, a May

2016 article noted that BPC Banking Technologies, a provider of payment solutions, and EthSwitch S.C. had announced the launch of Ethiopia's national payment system, using SmartVista technology. This system will enable Ethiopia's 17 retail (i.e., commercial) banks to link to a unified payment system, which will enable account holders to withdraw cash from any ATM in the country. The EthSwitch was formed by Ethiopian Banks with the support of the Ethiopian Bankers' Association and the National Bank of Ethiopia.²⁴

Moving forward

The entry of regional banks into Ethiopia's financial ecosystem and the movement to promote interoperability across banks through the national payment system may help improve competition among formal financial service

providers, reduce certain access barriers for customers, and enhance the utility of formal financial services for customers.

Establishing clear electronic money guidelines and opening up the digital financial services market to a diverse array of nonbank providers could help increase the proliferation of electronic money offerings. Expanding access points to financial services is important, as the distribution and availability of physical financial service locations is limited and concentrated primarily in urban areas.²⁵

Finally, implementation of the new national financial inclusion strategy and efforts to strengthen mobile capacity, including 3G network coverage and mobile phone penetration, are also needed to help drive greater financial inclusion.

See Ethiopia endnotes on page 131



HAITI



OVERALL SCORE

60%

DIMENSION SCORES

Country commitment	72%
Mobile capacity	72%
Regulatory environment	72%
Adoption	42%



GDP
(billion USD)¹

\$9



Adult population
(millions)²

7



Unique mobile
subscribership³

55%



Financial account
ownership among
adults⁴

19%



Financial account
ownership among
women⁵

16%



Formal commitment
milestone

- Committed to the Maya Declaration in 2013



Selected financial
inclusion highlights

- Permitted customers to use electronic wallet accounts under 2010 guidelines on electronic money
- Developed a national financial inclusion strategy with the support of the World Bank in 2015
- Haiti's central bank is working on the development of a comprehensive consumer protection framework



Next steps

- Move forward with implementation of the new financial inclusion strategy
- Launch a national financial inclusion council

Haiti

Overview

Widespread poverty, exacerbated by a devastating earthquake in 2010,⁶ and a history of political instability have complicated Haiti's financial inclusion landscape.⁷ As of 2014, Haiti had the lowest GDP per capita (in USD) of any of the 2016 FDIP countries in the Latin America & Caribbean (LAC) region and was within the bottom six FDIP countries overall in terms of GDP per capita (in USD).⁸ A 2015 GSMA report noted that Haiti tied with Nicaragua for the highest rate of "unbanked" adults in the LAC region.⁹ However, the recent development of a national financial inclusion strategy should crystallize Haiti's approach to advancing access to and usage of quality financial services. Moreover, mobile financial services have offered opportunities for facilitating greater engagement with formal financial services in Haiti, which could enable pathways for underserved individuals to leverage their resources more efficiently and safely to improve their families' welfare.

Access and usage

Banking landscape

Haiti's traditional banking infrastructure is limited. For example, according to the International Monetary Fund (IMF)'s 2015 Financial Access Survey, as of 2013¹⁰ there were about 3 commercial bank branches per 100,000 adults in Haiti.¹¹ As a point of comparison, in the neighboring Dominican Republic, there were about 11 commercial bank branches per 100,000 adults.¹²

On the demand side, according to the World Bank's Global Financial Inclusion (Global Findex) database, about 17 percent of adults age 15 and older in Haiti had an account with a bank or other financial institution as of 2014.^{13 14} In terms of account ownership disaggregated by gender, there was about a 7 percentage point gap

between men and women: 14 percent of women in Haiti had an account with a bank or other formal financial institution in 2014, compared with about 21 percent of men.¹⁵ An even lower percentage of low-income individuals had access to formal financial accounts, with only 13 percent of adults within the bottom 40 percent of the income spectrum holding accounts with a bank or other formal financial institution.¹⁶

Debit card ownership and usage are significantly lower in Haiti than in other parts of the LAC region. Only about 4 percent of adults in Haiti had a debit card in 2014, compared with an average of about 40 percent in the LAC region.¹⁷ The percentage of adults who used a debit card to make payments within the previous year was even lower, at 1.8 percent (compared with about 28 percent across LAC countries).¹⁸ Use of credit cards to make payments within the previous year was comparable to use of debit cards, at about 1.6 percent.¹⁹ However, according to a representative of Haiti's central bank, the launch of simplified bank accounts with corresponding debit cards by two of the largest banks in Haiti, Unibank and Sogebank, is expected to promote adoption of card-based transactions in the future, particularly as these cards may be used across a network of agents using biometric mechanisms.²⁰

Rates of saving and borrowing with formal financial institutions are also low. About 9 percent of adults in Haiti reported having saved at a financial institution within the previous year as of 2014, below the LAC average of 14 percent and about half of Haiti's 2011 Global Findex rate.²¹ In contrast, about 45 percent of adults reported that they had saved any money within the previous year, indicating a substantial opportunity for greater adoption of formalized savings. About 5 percent of adults had borrowed from a financial institution within the previous year, below the LAC average of 11 percent. Informal methods of borrowing were significantly more prevalent: About 27 percent of adults had borrowed from family and friends, higher than the LAC average of 14 percent.²²

Mobile ecosystem

With respect to mobile penetration, as of 2014 there were about 65 mobile subscriptions per 100 people in Haiti.²³ This mobile penetration rate was the lowest among the 2016 FDIP LAC countries. However, takeup of mobile money in Haiti as of 2014 was the third-highest among the FDIP LAC countries. About 3.8 percent of all adults in Haiti used mobile money as of 2014, compared with about 2.9 percent of low-income individuals.²⁴ Haiti's prevalence of mobile account ownership was fairly strong compared with the average mobile financial account penetration in the LAC region, which was 1.7 percent of adults in 2014.²⁵

As noted by the Consultative Group to Assist the Poor, “[i]n Haiti, mobile money has received enormous attention and donor support.”²⁶ As of January 2016, the GSMA Mobile Money Deployment Tracker identified two mobile money services in Haiti, Lajancash and Mon Cash (formerly Tcho Tcho)^{27,28} Both deployments offered services such as domestic person-to-person transfer, merchant payment, and bill payment, although neither was listed as offering international remittance services.²⁹ According to the IMF's 2015 Financial Access Survey, there were about 15 registered mobile money outlets per 100,000 adults in Haiti as of 2013.³⁰

A government initiative concerning government-to-person transfers highlights valuable insights for the digital financial services landscape in Haiti. A 2014 focus note by the Consultative Group to Assist the Poor examined Haiti's conditional cash transfer program *Ti Manman Cheri* (TMC),³¹ begun in May 2012.³² Target recipients of the program were mothers of school-age children, and transfers were made via mobile money and cash.³³ As of May 2013, recipients of the transfers could only withdraw and deposit money at TchoTcho mobile agents and specific partners.³⁴

The study found that the mobile money agent network was not robust enough outside the capital to scale rapidly;³⁵ agents were inundated with registrants, and at least 15 to 25 percent of payments in each payment cycle had to be rejected due to data errors.³⁶ Many customers also experienced difficulty remembering their PIN, which contributed to an overload of customer service demands on agents,³⁷ although a TMC-only call center helped to alleviate some of these challenges.³⁸ The program demonstrates the value of proactively building out

the payments infrastructure for mobile money services and educating consumers about these services.

Country commitment and regulatory environment

Haiti has made strides toward facilitating greater financial inclusion, although implementation of certain enabling initiatives is still underway. The Banque de la République d'Haiti (BRH) serves as the country's Maya Declaration signatory.³⁹ Haiti developed a national financial inclusion strategy, the “Stratégie Nationale d'Inclusion Financière,”⁴⁰ with the assistance of the World Bank; according to the Economist Intelligence Unit's “2015 Global Microscope” report, this strategy had not yet been fully implemented.⁴¹ However, the central bank is moving forward with a number of initiatives related to consumer protection, financial literacy, payments systems, remittances, and the regulation and supervision of microfinance institutions and financial cooperatives.⁴²

A climate of political transition may delay the formation of a formal financial inclusion council.⁴³ Instituting such a council should remain a priority for financial inclusion leaders in Haiti, as such a council could facilitate more effective implementation of the national financial inclusion strategy by establishing an accountable entity with a mandate to coordinate across relevant stakeholders.

While specific legislation for agent banking has not been developed,⁴⁴ agent banking by a wide array of entities is permitted under the “Lignes Directrices Relatives À La Banque À Distance” guidelines that govern mobile money use.⁴⁵ Agent relationships are approved on a case-by case basis by the BRH.⁴⁶

In terms of electronic money (e-money) regulations, 2010 guidelines on e-money permit customers to use e-wallet accounts or money through their phones. While regulations have facilitated access to these services, parameters on account usage have been identified by some financial inclusion experts as problematic. For example, experts have expressed concerns that maximum balance and maximum daily transfer limits on basic accounts may have constrained mobile money initiatives

in Haiti.⁴⁷ A 2012 article illustrates this dynamic, noting that authorities in Haiti aimed to facilitate easy account opening by enabling the two active mobile money services to offer entry-level accounts without requiring face-to-face registration and identification requirements, but balances for these accounts were capped at about USD 62.⁴⁸

With respect to consumer protection, the Center for Financial Inclusion at Accion (CFI) has stated that “consumer protection law as a separate legal framework for users of financial services is relatively non-existent” in Haiti.⁴⁹ The CFI has cautioned that a lack of formal regulation pertaining to non-cooperative microfinance institutions has constituted an obstacle to strengthening protections for users of financial services.⁵⁰ However, specific regulations in Haiti contain consumer protection provisions. For example, a 1980 decree limited consumer over-indebtedness by prohibiting banks from

granting mortgages to members of the general public for amounts exceeding 70 percent of the value of the guarantee.⁵¹ Moreover, the central bank is working on the development of a comprehensive financial consumer protection framework.⁵²

While Haiti’s political, economic, and infrastructural environment present challenges for the financial inclusion community, commitment at the national level to advancing adoption of formal financial services indicates opportunities for inclusive growth moving forward. Moving forward, efforts to enhance coordination among key stakeholders and ensure that regulations surrounding digital financial services promote the utility and safety of these services are needed to accelerate financial inclusion in Haiti.

See Haiti endnotes on page 132



INDIA



OVERALL SCORE

71%

DIMENSION SCORES

Country commitment	100%
Mobile capacity	72%
Regulatory environment	94%
Adoption	44%



GDP (billion USD)¹

\$2,049



Adult population (millions)²

860



Unique mobile subscribership³

48%



Financial account ownership among adults⁴

53%



Financial account ownership among women⁵

43%



Formal commitment milestone

- Committed to the Alliance for Financial Inclusion in 2012



Selected financial inclusion highlights

- Launched the Pradhan Mantri Jan Dhan Yojana program in 2014
- Joined the Better Than Cash Alliance in September 2015
- Issued provisional payments bank licenses to diverse entities, including nonbank institutions such as India Post, in August 2015



Next steps

- Amplify financial capability initiatives to reduce account dormancy rates and incentivize adoption of digital payments at merchant locations to enhance the digital financial services ecosystem
- Move forward with implementation of recommendations contained in the December 2015 "Report of the Committee on Medium-term Path on Financial Inclusion," as appropriate

India

Overview of financial inclusion ecosystem

India has accelerated its efforts to promote financial inclusion through implementation of the historic Pradhan Mantri Jan Dhan Yojana (PMJDY) program, launched in 2014.⁶ The program has demonstrated considerable impact with respect to expanding financial access, although dormancy rates indicate that efforts to promote financial capability and enhance the utility of financial products and services are still needed.⁷ Government efforts to advance shared public infrastructure have contributed to the success of the PMJDY program.

As of 2014, India contained about 21 percent of the world's unbanked population.⁸ Recognizing the opportunity to envelop underserved individuals into the formal financial sector, India has amplified its commitment to financial inclusion through a number of policy and regulatory initiatives. One of the key objectives of the PMJDY initiative was to provide all households in the country with banking facilities by January 26, 2015.⁹ As of January 2015, approximately 100 percent of households were considered financially included, according to the government of India.¹⁰ By May 2016, a PMJDY progress report noted that about 200 million¹¹ bank accounts had been opened under the PMJDY program.¹²

Other assessments have found less widespread account penetration—for example, an InterMedia survey of adults age 15 and older conducted from June to October 2015 found that 63 percent of adults had a “full-service” account¹³ at a bank.¹⁴ While the exact account adoption figures vary, the PMJDY program has certainly helped drive access to formal financial services across India and amplify the discourse surrounding financial inclusion among public and private sector stakeholders.

The PMJDY program features a number of key pillars that build upon its aim of fostering universal access to banking facilities, including providing basic bank

accounts with overdraft facilities and a debit card (called an RuPay card) to all households, promoting financial literacy, advancing the development of a credit guarantee fund to mitigate risks from overdraft facilities, and offering opportunities for microinsurance and pensions.¹⁵

In terms of international financial inclusion commitments, while India has not made commitments under the Maya Declaration, it is a member of the Alliance for Financial Inclusion.¹⁶ The Reserve Bank of India (RBI) has served as a principal member of the Alliance for Financial Inclusion since 2012.¹⁷ Moreover, in September 2015, the government of India joined the Better Than Cash Alliance.¹⁸

Digital mechanisms are key components of India's financial inclusion drive. For example, the PMJDY program seeks to channel all government benefits to beneficiaries' accounts and promote its Direct Benefits Transfer (DBT) scheme.¹⁹ The program explicitly notes a desire to reach out to youth and to leverage nontraditional mechanisms, such as mobile devices and telecommunications companies' cash-out-points.²⁰ In this vein, the Jan Dhan Yojana, Aadhaar and Mobile numbers initiative (also known as the “JAM trinity”) was developed to combine biometric identification initiatives with mobile access to financial services in order to directly transfer subsidies to beneficiaries and consequently advance efficiency and reduce leakages.²¹

On the regulatory side, both mobile wallets and mobile banking are offered in India.²² The 2007 Payments Act served as the relevant regulation for electronic wallets.²³ More recently, in 2014, the government of India issued guidelines regarding specialized “payments banks.”²⁴ Although payments banks are not permitted to extend loans, these entities can accept deposits and sell third party products.²⁵ The payments banks guidelines opened up the market to nonbank providers by permitting entities such as mobile operators, retail chains, and current agent managers to apply for licenses to provide

payments and deposit accounts, which will be eligible for risk-proportionate know-your-customer (KYC) processes.²⁶ The RBI also undertook other enabling regulation in 2014, such as removing a requirement for any banking correspondent²⁷ to be within a 30 km range of a bank branch.²⁸

While efforts to improve financial access and promote usage have brought a staggering number of individuals into the formal financial services sector within a relatively brief period of time, as of May 2016 the percentage of accounts with no balance was at 26 percent across public sector, regional, and private banks.²⁹ Thus, concerted efforts to reduce dormancy rates are needed in order for individuals to reap the full benefits of financial inclusion.

With respect to nonbank financial access points, the Helix Institute's 2015 "Agent Network Accelerator Survey" found that agent networks³⁰ in India were still quite nascent.³¹ Still, India features a considerable number of agent outlets overall, with annual growth of urban and rural agent outlets in the range of 50-60 percent as of 2015.³² While agent locations are relatively prolific, sustainability is a challenge: Key issues for agents include constraints regarding profitability, agent capacity, and dormancy rates.³³ Moreover, the prevalence of agent exclusivity (i.e., agents who only work for one service provider) and dedication (i.e., agents whose only income source is through digital financial services) are high compared with most other countries, which render it challenging for agent outlets to maintain a viable business model.³⁴ Agents are also often inexperienced, with more than half of agents in India having operated for less than two years as of 2015.³⁵

The transition to digital financial channels has proved an often challenging one within India's cash-centric culture.³⁶ A recent United States Agency for International Development (USAID) study found that about 97 percent of retail transactions in India were conducted in cash or check.³⁷ Part of the challenge is the lack of a digital ecosystem—for example, the USAID study found that less than 10 percent of merchants accepted digital payments, and only about 10 percent of consumers in India had used a debit card for payments within the previous year.³⁸

Financial inclusion updates

In August 2015, the RBI issued provisional payments bank licenses to eleven different entities, including select mobile network operators and other nonbank entities such as India Post.³⁹ Involving mobile network operators and postal centers more directly in the financial services market should help enhance financial inclusion by facilitating greater convenience for, and confidence among, customers. For example, India Post boasts about 155,000 branches, with about 90 percent of those branches located in rural areas; moreover, given that the Post has offered services such as basic accounts, remittance services, and even life insurance in the past, the brand has already built awareness and trust among many customers.⁴⁰ As of January 2016, India Post was expected to begin its operations as a payments bank around December 2016.⁴¹

Findings from a November 2015 USAID publication regarding digital payments in India highlighted low levels of awareness and adoption of digital financial services. For example, only about 30 percent of individuals who did not hold debit cards were aware of debit cards,⁴² and among those who did not use mobile money, only about 20 percent were aware of mobile money or e-wallets.⁴³

However, the survey also found that those who did use digital payments were generally satisfied with these services.⁴⁴ Among merchants, the top-ranked reasons for not accepting payments via mobile phones were "not knowing anyone who had one" and security concerns.⁴⁵ (Interestingly, the top-ranked reason for interest in accepting payments through mobile phones was that it was perceived as safer to handle than cash.⁴⁶)

While digital merchant payments are limited, there has been a trend of increased adoption of debit cards, spurred by the government's financial inclusion drive. For example, as of January 2016 about 75 percent of RUPay card holders were first-time users.⁴⁷ Additionally, a November 2015 article noted that the value of electronic payments in India had continued a trend of surpassing the value of cash-based transactions.⁴⁸

In December 2015, the "Report of the Committee on Medium-term Path on Financial Inclusion" was released by the RBI.⁴⁹ The report included a series of recommendations for improving financial inclusion, including

enhancing utilization of digital government-to-person payments, creating a geographical information system to map all banking access points, and accelerating development of a multi-lingual mobile application for customers using non-smartphones.⁵⁰

Finally, a significant development in terms of strengthening the digital ecosystem occurred in April 2016, when the National Payments Corporation of India (NPCI) launched the unified payments interface (UPI), a common platform through which consumers can transfer money from one bank account to any other bank account instantly. The UPI is based on India's Immediate Payment Service platform.⁵¹ This platform is expected to enhance convenience and utility for consumers by promoting efficiency and interoperability of digital payments.⁵²

The UPI interface is a component of India's increasingly complex and interconnected digital ecosystem, which features an identity and payments infrastructure referred to as the "India Stack."⁵³ ⁵⁴ The four layers of the "stack" include a presence-less layer, paperless layer, cashless layer, and consent layer.⁵⁵ The first layer comprises Aadhaar authentication, a process in which a 12-digit identification number (Aadhaar number) is issued based on biometric data⁵⁶ and e-KYC (in which customers can enter their Aadhaar number and biometric information to identify themselves at banking agents).⁵⁷ Another layer features e-sign (in which customers can request a secure digital signature from a central government server to sign documents remotely) and DigiLocker (a "digital locker" that permits customers to store and retrieve legal and other official documents) capabilities.⁵⁸ ⁵⁹

The third layer, of which the UPI is a part, comprises interoperable payments infrastructure, including the Immediate Payment Service (which enables mobile account holders to transfer funds to/from any domestic account), the Aadhaar Payments Bridge (which links an individual's Aadhaar number to his/her bank's routing code and thus enables payments to a recipient's Aadhaar number to be routed to his/her bank), the National Unified USSD Platform (which enables customers to enter a USSD short-code on any handset with any mobile network to launch their bank's mobile banking menu), and the UPI.⁶⁰ The final layer permits customers to authorize sharing of their personal information with service providers digitally.⁶¹

Moving forward

The Helix Institute survey highlighted that the largest barrier perceived by agents with respect to conducting more business was a lack of awareness of the service among customers.⁶² Thus, coordination among government entities and financial service providers to increase awareness of financial access points and services could help improve adoption of formal financial services.

The RBI has recognized the need for improved financial literacy, dedicating a portion of the PMJDY initiative to this objective.⁶³ A number of financial literacy initiatives are in development or underway. For example, in January 2016, NABARD Bank and J&K Bank agreed to launch a financial literacy campaign affecting an estimated 50,000 households in India.⁶⁴

While advancing access to formal financial services is a key priority of the government, financial inclusion authorities recognize that the quality of these services is critical to promoting financial health. The RBI recognized systemic concerns regarding over-indebtedness in its "Report of the Committee on Medium-Term Path on Financial Inclusion,"⁶⁵ which underscores the fact that ongoing efforts to promote financial access must be complemented with due attention to consumer protection.

Over the coming months, payments banks must surmount logistical challenges involving the setup of subsidiaries and hiring staff, as well as determining a viable business model, in order to expand access to financial products and services among marginalized communities.⁶⁶ Mobile-enabled payments bank accounts are expected to be included in the UPI, which should facilitate account interoperability.

Additionally, government and private sector stakeholders must work together to address barriers to financial inclusion among women,⁶⁷ migrants, and other underserved populations.⁶⁸ Ensuring that risk-based KYC requirements are implemented effectively is one necessary step to reducing barriers surrounding financial access and usage.⁶⁹ Increasing adoption of digital financial services in particular could help drive financial inclusion among these groups.⁷⁰ USAID has provided several recommendations for increasing takeup of digital financial services among non-users in India, including better training of agents and more clearly communicating

specific use cases to prospective customers.^{71 72} Additionally, accelerating interoperability of electronic wallets could advance usage of these services by promoting convenience for customers.

See India endnotes on page 133

INDONESIA



OVERALL SCORE

71%

DIMENSION SCORES

Country commitment	72%
Mobile capacity	94%
Regulatory environment	94%
Adoption	47%



GDP
(billion USD)¹

\$889



Adult population
(millions)²

173



Unique mobile
subscribership³

67%



Financial account
ownership among
adults⁴

36%



Financial account
ownership among
women⁵

37%



Formal commitment
milestone

- Committed to the Maya Declaration in 2012



Selected financial
inclusion highlights

- Developed a national financial inclusion strategy in 2012
- Implemented mobile money platform interoperability in 2013
- Tied for first place on the mobile capacity dimension of the 2016 FDIP scorecard



Next steps

- Harmonize electronic money and branchless banking guidelines to enhance regulatory clarity and advance a level playing field for financial service providers
- Identify dedicated financial inclusion staff to assist with implementation of the national financial inclusion strategy and facilitate coordination across key stakeholders

Indonesia

Overview of financial inclusion ecosystem

Indonesia's government has clearly expressed its commitment to promoting the adoption of digital financial services, and the country's strong mobile capacity levels are conducive to this effort: As of 2014, Indonesia was the fourth largest mobile market in the world⁶ and held the distinction of being among the first countries to achieve mobile money platform interoperability.⁷ However, opportunities for improving the regulatory environment for digital financial services remain, particularly in terms of harmonizing regulations regarding branchless banking and electronic money (e-money) and ensuring an even playing field for financial service providers.

In terms of country commitment, Indonesia's National Strategy for Financial Inclusion was solidified in 2010⁸ and later revised to include a financial education component for mobile banking.⁹ The program was launched by the government in June 2012.¹⁰ At the international level, Bank Indonesia (BI) made commitments under the Maya Declaration in 2012.¹¹

Recent legislation, such as e-money regulations from BI¹² and branchless banking regulations from Otoritas Jasa Keuangan (OJK, Indonesia's financial services authority),¹³ as well as recent digital government-to-person (G2P) initiatives, are indicative of Indonesia's willingness to advance financial inclusion beyond traditional "brick and mortar" channels. However, room for improvement remains regarding various constraining elements of the regulations, including exclusivity arrangements and restricted options for agent selection among certain financial service providers.¹⁴

As background, in 2009 BI published the first regulations on e-money, which enabled banks and mobile network operators (MNOs) to offer cash-in/cash-out services from e-wallet accounts. However, banks and MNOs could not appoint agents to perform cash-out unless the

agent outlet received a money remittance license from BI.¹⁵ Additionally, customers were required to travel to one of the few outlets that were managed directly by their mobile operator in order to withdraw funds from their mobile money wallet.¹⁶ However, in 2013 the Regulation on Funds Transfer allowed "cash payment points" to provide cash-out services without requiring each agent to have an individual funds transfer license.¹⁷

Other regulatory and policy initiatives related to branchless banking followed. Branchless banking pilot guidelines were issued in 2013,^{18,19} and the 2013 guidelines for banks and MNOs permitted them to outsource certain banking activities (including cash-in/out) to agents known as UPLKs (financial intermediary service units).²⁰

In April 2014, BI announced new rules on e-money for banks, MNOs, and third-party providers that established a "multi-tier approach to appointing agents for cashing out."²¹ The rules clarified arrangements surrounding issuing, acquiring, clearing, and settling e-money, opened up opportunities for nonbanks to participate in this sector, and did not permit agent exclusivity.^{22, 23} However, the e-money regulations favored larger banks with arguably less incentive to serve under-resourced customers. BUKU IV banks, which are commercial banks that possess capital of at least IDR 30 trillion (about USD 2.6 billion),²⁴ could appoint unregistered business entities (e.g., "mom and pop" stores and airtime sellers) as agents;²⁵ however, smaller banks and telecommunications companies could not form partnerships with unregistered entities.²⁶ Given that many businesses in Indonesia are not formally registered, the regulatory disparity has been identified as restrictive for smaller providers that could potentially reach a wide swathe of underserved individuals.²⁷

On the banking side, regulations regarding branchless banking have been recently issued by Indonesia's new financial services authority, OJK.²⁸ OJK, which was developed in 2011 and came into effect in January 2014,²⁹ possesses the authority to "(i) issue a permit

for the establishment of a bank and supervise all bank activities (bank business plans, mergers, consolidations and acquisitions, and articles of association), (ii) regulate and supervise a bank's financial health (capital ratio, liquidity, reserves, reports, and accounting standards), and (iii) assess prudence such as risk management, bank governance, and know your customer principles in order to prevent money laundering and terrorism and banking crimes."³⁰

In 2014, OJK issued branchless banking regulations that permitted banks and financial institutions to contract with a wide array of agents to offer a diverse suite of products, including basic savings accounts, microloans, microinsurance, and transfers.³¹ In March 2015, OJK launched the Laku Pandai program, in which an initial four banks—Bank Rakyat Indonesia, Bank Mandiri, Bank Tabungan Pensiunan Nasional (BTPN), and Bank Central Asia—planned to offer a basic savings account with no minimum balance, along with other financial services, through a network of more than 125,000 agents.³²

The OJK regulations exhibit a number of characteristics that should enable greater financial inclusion, including allowing service providers to appoint any individuals and business entities with legal status as agents and implementing simplified customer due diligence requirements.³³ However, other components of the regulations, including certain geographical restrictions and an exclusivity clause that prevents agents from partnering with more than one provider, could limit accessibility and utility of the services for customers and constrain growth.^{34 35}

Financial inclusion updates

Six banks (Bank Tabungan Negara and Bank Negara Indonesia, in addition to the four banks mentioned above)³⁶ received branchless banking licenses from OJK in 2015.³⁷ Under the branchless banking license, providers can offer a basic savings account with a limit of IDR 20 million (approximately USD 1,478), in addition to other services such as microloans, microinsurance, remittances and bill payments.³⁸ In January 2016, OJK also granted licenses to Bank Kaltim and BRI Syariah.³⁹ The latter is the first Islamic lender to participate in the

Laku Pandai program.⁴⁰ OJK anticipates there will be at least 300,000 branchless banking agents in Indonesia by the end of 2016.⁴¹

In April 2016, Bank BTPN's BTPN Wow service and Telkomsel's TCash service launched an interoperable product. This arrangement enables TCash users to move funds to a BTPN Wow account in order to earn interest on their savings and permits BTPN Wow users to shift funds to TCash in order to access e-wallet services such as airtime top-up and bill payments.⁴² Moving forward, this collaboration is expected to produce additional products and services such as instant credit and interoperable agent networks.⁴³

Another development regarding digital financial services was BI's agreement with Telkomsel to conduct an MNO-led pilot for making G2P payments, in collaboration with the National Team for the Acceleration of Poverty Reduction. The project was launched in December 2015 with 2,000 households in Jakarta, Cirebon, and Semarang in West and Central Java and will have three disbursement phases.⁴⁴

Moving forward

Harmonizing and/or consolidating the regulations between BI and OJK could render the regulatory environment less challenging for new and prospective financial service providers to navigate and less restrictive for providers and consumers.⁴⁵ Specifically, policymakers should consider amending the e-money regulations to enable MNOs to partner with individual entities that are not considered formally registered. Modifying the branchless banking regulations to open up opportunities for agent interoperability could also drive the expansion of branches into underserved communities.

Additionally, enhancing coordination with respect to the implementation of the national financial inclusion strategy could accelerate progress toward the strategy's objectives. A forum is expected to be held over the coming year that will crystallize an approach to the implementation of the strategy and facilitate discussion concerning ownership of the strategy.⁴⁶

Finally, although access to digital financial services is expanding, adoption of these services remains

low.⁴⁷ Capacity-building initiatives to train agents and raise awareness surrounding electronic payments are important conditions for improving usage of these services⁴⁸—particularly as only about 8 percent of Indonesians were aware of mobile money providers as of November 2015.⁴⁹ Ongoing financial literacy initiatives led by OJK and select banks should help improve adoption of formal financial services moving forward.⁵⁰

See Indonesia endnotes on page 136

KENYA



OVERALL SCORE

84%

DIMENSION SCORES

Country commitment	89%
Mobile capacity	83%
Regulatory environment	94%
Adoption	78%



GDP
(billion USD)¹

\$61



Adult population
(millions)²

25



Unique mobile
subscribership³

57%



Financial account
ownership among
adults⁴

75%



Financial account
ownership among
women⁵

71%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Joined the Better Than Cash Alliance as a founding member
- Received the highest score on the adoption dimension of the 2016 FDIP scorecard, primarily due to its considerable rates of mobile money adoption among low-income adults and women
- Achieved a 50 percent increase in financial inclusion within the previous decade, according to a 2016 FinAccess household survey



Next steps

- Continue to strengthen digital infrastructure to reduce network challenges at agent locations
- Promote financial education and capability initiatives among underserved populations, including women, to expand and deepen financial inclusion

Kenya

Overview of financial inclusion ecosystem

According to a 2016 FinAccess household survey, Kenya has experienced a 50 percent increase in financial inclusion over the last decade.⁶ Much of the progress in Kenya's financial inclusion landscape has been credited to the country's vibrant mobile money ecosystem, which features exceptionally high adoption rates—the highest of any FDIP country by about 23 percentage points, as of 2014.⁷ Indeed, Kenya is considered the most mature mobile money market in the world, driven by the widespread success of Safaricom's M-PESA service.⁸

Kenya has made a number of high-level commitments to financial inclusion. In 2011, the Central Bank of Kenya (CBK) made a commitment under the Maya Declaration.⁹ The Republic of Kenya is also a founding member of the Better Than Cash Alliance.¹⁰ Other key players in the financial inclusion arena include entities such as the Retirement Benefits Authority of Kenya,¹¹ the Financial Sector Deepening Trust (FSD Kenya), and the FinMark Trust.¹² Kenya's Vision 2030 National Development Strategy highlighted the importance of inclusive finance and set a target for decreasing the proportion of the population without access to finance from 85 percent to below 70 percent.¹³ Moreover, the 2014 National Payment System Regulations¹⁴ highlighted several key priorities of the CBK, including the objective to increase access to financial services, lower the risk of fraud, and promote competition and interoperability.¹⁵

Kenya has supported branchless banking activities through regulations surrounding agent banking and electronic money. In 2009, the Finance Act introduced modifications to the Banking Act to allow agent banking, and the CBK released specific agent banking guidelines a year later.¹⁶ The agent banking guidelines permitted banks to appoint third parties as agents, including post offices, supermarkets, pharmacies, gas stations, and various

other entities.^{17,18} However, a report from the GSMA noted that “banks faced difficulties in building effective agent networks due to the higher compliance requirements for bank agents than mobile money agents, for instance, the requirement for specific agent approval.”¹⁹ Revised agent guidelines for commercial banks were issued and operationalized in January 2013.²⁰

In 2011, the National Payment Systems Act was issued, followed by associated regulations in 2014.^{21, 22} The legislation requires electronic money issuers to have open back-end systems with interoperable capacity, although to date mobile money services in Kenya are not yet interoperable.²³ In 2014, the government of Kenya launched a Government Digital Payments program to facilitate person-to-government payments through digital channels. By accessing the www.ecitizen.go.ke web portal, individuals can remit digital payments for services such as passport and driver's license applications and renewals.²⁴

With respect to consumer protection issues, prudential guidelines on consumer protection were launched in January 2013.²⁵ In August 2015, the Competition Authority of Kenya (CAK) issued an order to Safaricom to promote greater transparency on its Lipa Na M-PESA merchant payment platform, which allows consumers to buy goods at merchant outlets and pay bills through their M-PESA accounts.²⁶ The order required Safaricom to improve their disclosure processes regarding transaction fees for point of sale devices at merchant outlets and to “inform consumers that settling bills through the service may attract a fee based on the transaction value and that the applicable charges can be accessed through the *234# USSD [Unstructured Supplementary Service Data] code.”^{27, 28}

As of 2015, there were more mobile money accounts than bank accounts in Kenya, one of 19 markets globally where that is the case.²⁹ While mobile money is tremendously popular, improving network connectivity and

liquidity could help enhance customers' experiences: A 2014 InterMedia survey found that the top three problems with mobile money agents, as described by mobile money users, were agents not having enough cash or e-float to perform a transaction, the GSM/mobile network being down, and the agent's system being down.³⁰

In terms of promoting competition within the digital ecosystem, in April 2014 the Kenyan government approved mobile virtual network operator (MVNO) licenses, in which MVNOs provide their SIM cards and mobile money services over existing networks.³¹ In July 2015, Equitel Bank's subsidiary MVNO launched its thin SIM card, which permits customers of Equity Bank to use its new mobile phone service (Equitel) with other mobile network operator services, following the company's defense of an injunction made by Safaricom.³² While some experts have raised concerns that the product pricing would be prohibitive for low-income customers, and the need for in-person registration and thin SIM installation would constitute additional access barriers for low-income individuals, the Communications Authority noted that Equitel signed up over one million subscribers by September 2015.^{33 34}

Financial inclusion updates

The suite of mobile financial services available in Kenya continues to expand over time. In March 2015, a partnership between Safaricom and Kenya Commercial Bank (KCB) led to the rollout of the "KCB M-PESA"³⁵ mobile phone-based savings and loan account. While similar to the M-Shwari account offered by Safaricom and the Commercial Bank of Africa,³⁶ there are a number of differences between the products, including higher loan limits for KCB M-PESA and an extended repayment period (up to six months, compared with two months for M-Shwari). The KCB account registered about 640,000 subscribers in its first three weeks.³⁷

Additionally, improvements to mobile infrastructure were made over the previous year. In April 2015, Safaricom completed the migration of M-PESA servers from Germany to Kenya. This transition to local hosting is expected to help minimize service outages and enhance the speed of Kenya's mobile-based services.³⁸

In September 2015, Safaricom publicly released the application programming interface for the M-PESA mobile money payment platform.³⁹ This step enables developers and merchants to insert their payments applications into the M-PESA platform, allowing them to bypass third-party payment providers. The process is hoped to encourage greater adoption and usage of M-PESA among users as a result of enhanced design and delivery generated by the input of developers and merchants.⁴⁰

Cross-border remittance arrangements are now available between customers in Kenya and Rwanda, and well as between Kenya and Tanzania. In November 2015, Safaricom partnered with MTN Rwanda to offer mobile money transactions for M-PESA customers in Kenya and Rwanda.⁴¹ Earlier in 2015, Safaricom partnered with Vodacom Tanzania to facilitate cross-border transactions between customers on their respective networks.⁴² This effort aims to deepen financial inclusion among consumers in the two countries.

In February 2016, the 2016 FinAccess household survey findings were released. The survey was conducted from August to October 2015 by a multi-stakeholder body that included the CBK, the Kenya National Bureau of Statistics, and FSD Kenya. The survey found that financial exclusion in Kenya had more than halved since 2006.⁴³ The findings of a September 2015 InterMedia Financial Inclusion Insights survey support the observation that financial inclusion, particularly with respect to digital products, is expanding and deepening in many cases. The survey found that about eight in ten adults in Kenya use mobile money services, and most mobile money users have a registered mobile money account.⁴⁴

Moving forward

While several efforts have been undertaken to improve pricing disclosures, the implementation of a dedicated financial consumer protection framework could help strengthen the consumer protection environment and enhance trust in and usage of formal financial products among underserved customers.⁴⁵

Moreover, further efforts to promote financial education and capability among women could help deepen

financial inclusion. As noted in the 2016 FinAccess survey, formal inclusion among women accelerated between 2009 and 2013 due to considerable adoption of mobile financial services.⁴⁶ However, findings from a recent GSMA study concluded that while women in Kenya are as likely as men to be aware of and use mobile money, they are typically more “passive” users of mobile money services. In other words, they are more likely to be recipients of mobile money than to be senders and are less likely to try new services.⁴⁷

The findings from the September 2015 InterMedia survey support the GSMA report’s observations, noting that “advanced financial services use is higher for males than females.”⁴⁸ The GSMA study’s findings suggest that better product design, enhanced awareness campaigns, and possibly pricing adjustments could promote greater use of diverse digital financial services among women in Kenya.⁴⁹

See Kenya endnotes on page 137

MALAWI



OVERALL SCORE

61%

DIMENSION SCORES

Country commitment	83%
Mobile capacity	67%
Regulatory environment	83%
Adoption	36%



GDP
(billion USD)¹

\$4



Adult population
(millions)²

9



Unique mobile
subscribership³

25%



Financial account
ownership among
adults⁴

18%



Financial account
ownership among
women⁵

14%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Joined the Better Than Cash Alliance in June 2013
- Established a number of measurable financial inclusion goals, including a target specific to women, within its national financial inclusion strategy
- Issued Mobile Payment System Guidelines in 2011 and introduced agent banking in 2012



Next steps

- Amplify coordination of financial literacy initiatives to drive increased adoption of formal financial services
- Finalize and issue the draft electronic money regulations

Malawi

Overview of financial inclusion ecosystem

High poverty levels, a highly agrarian population, and limited digital infrastructure pose considerable challenges for advancing financial inclusion in Malawi.⁶ Malawi has the lowest GDP per capita (in USD) of the 2016 FDIP countries,⁷ and financial inclusion growth has been limited to date.⁸ While adoption of electronic payments in particular is low, the government of Malawi has made concerted efforts to advance financial inclusion, including through the development of its payment system infrastructure.⁹

The Reserve Bank of Malawi (RBM) committed to the Alliance for Financial Inclusion's Maya Declaration in 2011,¹⁰ and the government of Malawi is a member of the Better Than Cash Alliance.¹¹ As part of its commitment to advancing financial inclusion, the RBM set a quantifiable goal of increasing the percentage of banked adults to 40 percent by 2014.¹² A 2014 FinScope survey indicated that Malawi made progress toward that goal, as about 27 percent of adults were banked.¹³ Moreover, Malawi has been recognized for developing a strategy that provides a quantifiable goal relating to women in particular: specifically, to "[i]ncrease the number of women clients in the sector to a level of 60 percent."^{14 15}

Malawi's financial inclusion strategy also includes several objectives related to financial literacy, including conducting a baseline survey on financial literacy, developing a financial literacy strategy, and establishing a national financial literacy network.¹⁶ The strategy highlights the need for client protection and notes several associated objectives, including developing and enacting a consumer bill of rights and conducting a public awareness campaign.¹⁷ The government expects to provide an updated financial inclusion strategy sometime in 2016.¹⁸

Regarding the digital financial services ecosystem, Malawi has committed to promoting mobile payment solutions.¹⁹ One manifestation of this commitment is

Malawi's Mobile Money Coordination Group, which comprises members from the RBM, consumer associations, the telecommunications industry, and international organizations (e.g., the United States Agency for International Development and the World Bank).²⁰

In terms of formal financial account adoption rates, Malawi was among the five lowest-scoring 2016 FDIP countries. While digital financial services provide opportunities for individuals to engage with formal financial services in a country that has low penetration of physical banking infrastructure, limited mobile capacity levels and a lack of interoperability have constrained adoption of digital financial services to date.

With respect to the regulatory environment for financial services, the 2010 Banking Act and Financial Services Act provide the regulatory framework for banks in Malawi.^{21 22} In 2001, the National Payments Council, along with the RBM and the Bankers Association of Malawi, endorsed the Malawi National Payment Systems Vision and Strategy Framework. The Malawi Switch Centre was created by the RBM with reference to this framework;²³ however, the National Switch (NatSwitch) instituted under the Financial Sector Technical Assistance Project²⁴ in February 2015 subsequently replaced the Malawi Switch.²⁵ The NatSwitch could allow mobile network operators (MNOs) to integrate with commercial banks' payment systems in the future, but to date implementation of interoperability has not been enforced.²⁶ The Malawi National Payment Systems Bill was drafted in 2014²⁷ and was shared in the Malawi Gazette Supplement in October 2015.²⁸

With respect to branchless banking in particular, Malawi introduced agent banking in 2012, and three banks were granted permission to implement agent networks.²⁹ On the mobile side, Malawi's 2011 Mobile Payment System Guidelines enabled a nonbank led model of mobile money operation, which permitted MNOs in Malawi to provide mobile money services.³⁰ Draft Reserve Bank E-Money

Regulations are expected to replace the 2011 Mobile Payment System Guidelines.³¹ These regulations will allow electronic money service providers to utilize tiered know-your-customer (KYC) procedures, which should reduce access barriers for under-resourced consumers.³² In the interim, the Financial Intelligence Unit can permit use of simplified KYC requirements.³³

Financial inclusion updates

A 2015 Malawi Country Diagnostic Report produced by the Centre for Financial Regulation and Inclusion (Cenfri) as part of the Making Access Possible initiative noted that formal financial access in Malawi is limited and has experienced very low levels of growth within the previous five years. The report stated that macroeconomic, infrastructural, and political challenges were the primary drivers of financial exclusion. Recognizing that about 99 percent of transactions still occur in cash, the report noted that improving the payments infrastructure was critical to overcoming access barriers to financial inclusion.³⁴

Moving forward

Beyond strengthening the macroeconomic environment over the long term, promoting digitization of government-to-person payments (e.g., social welfare payments) could help facilitate financial inclusion by introducing underserved customers to formal financial service mechanisms.³⁵ Additionally, investments in the country's digital infrastructure, particularly with respect to rural connectivity, could build capacity for expanded financial services provision and usage.³⁶

On the regulatory side, finalizing the draft e-money regulations in order to formalize tiered KYC processes and enhance regulatory clarity could also reduce last-mile barriers and encourage the entry of diverse financial service providers into the digital finance market.

See Malawi endnotes on page 139



MEXICO



OVERALL SCORE

74%

DIMENSION SCORES

Country commitment	94%
Mobile capacity	83%
Regulatory environment	78%
Adoption	58%



GDP
(billion USD)¹

\$1,295



Adult population
(millions)²

84



Unique mobile
subscribership³

65%



Financial account
ownership among
adults⁴

39%



Financial account
ownership among
women⁵

39%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Created a national council on financial inclusion, the Consejo Nacional de Inclusión Financiera, in 2011
- Conducted a national survey to assess financial inclusion in 2015
- Released the latest national report on financial inclusion in April 2016



Next steps

- Publish and implement the national financial inclusion strategy
- Implement account-to-account interoperability to advance adoption of mobile money services

Mexico

Overview of financial inclusion ecosystem

Mexico has demonstrated a clear focus on financial inclusion through involvement with multinational knowledge-sharing networks, development of a national financial inclusion body, and other initiatives. On the regulatory side, Mexico's tiered know-your-customer processes have served as a model for many other countries seeking to implement risk-based anti-money laundering/combatting the financing of terrorism regimes. In the future, efforts to promote interoperability of mobile money services and ensure affordability of mobile devices for under-resourced individuals could further advance financial inclusion.

The Comisión Nacional Bancaria y de Valores (CNBV) serves as Mexico's Maya Declaration signatory,⁶ and a wide array of other entities are invested in efforts to advance financial inclusion in Mexico. Key financial inclusion stakeholders include La Secretaría de Hacienda y Crédito Público de México (SHCP), which is responsible for economic, fiscal, and financial policy;⁷ the CNBV, which is the SHCP agency mandated to supervise most financial entities, formulate prudential regulation, and license banks and other financial intermediaries;⁸ and Banco de México (Banxico), which serves as the regulator and supervisor of the payment system.⁹

Bansefi, a national development bank, is another important player in the financial inclusion space. The bank aims to promote savings among consumers, support the development of technological platforms for expanding access to finance, and provide technical assistance and training.¹⁰ For example, Bansefi supports the Technical Assistance Program for Rural Microfinance, which focuses on advancing financial inclusion among marginalized rural populations through access to a variety of financial services such as savings accounts, investment, credit, remittances, insurance, payments, and government-to-person transfers.^{11 12}

The National Council for Financial Inclusion (CONAIF) was created by presidential decree in 2011.¹³ The council was tasked with establishing guidelines of the National Financial Inclusion Policy (discussed later in this summary),^{14 15} coordinating financial education initiatives with the Financial Education Committee, and proposing regulatory changes at the federal, state, and municipal levels.¹⁶ More broadly, the National Commission for the Protection and Defense of Financial Users (or CONDUSEF, as the acronym is known in Spanish), is responsible for “developing strategies to protect and defend the rights and interests of the users of financial services in the country.”¹⁷

Regarding Mexico's financial ecosystem, Popular Savings and Credit Cooperatives (SOCAPS) and Popular Financial Societies/“Sociedades Financieras Populares” (SOFIPOS) reach many low-income individuals. The legal framework for SOCAPS was established in 2009.¹⁸ Also in 2009, the CNBV enabled the introduction of banking agents through the Ley de Corresponsales Bancarios.¹⁹ Banking agents can offer cash deposits and withdrawals, credit and utilities payments, check cashing, balance inquiries, and account opening for simplified accounts.²⁰ On the issue of simplified accounts, the SHCP issued “Disposiciones de carácter general a que se refiere el artículo 115 de la Ley de Instituciones de Crédito”²¹ in August 2011, which included a scheme of tiered bank accounts that modify transaction limits and identification processes in accordance with the perceived risk associated with the customer.²²

Mexico has a robust mobile ecosystem, with strong 3G network coverage and a number of mobile money providers that offer a range of services.²³ In 2010, mobile network operators were permitted to set up agent networks and manage mobile money accounts on behalf of banks.²⁴ In contrast to banking agents, mobile money agents fulfill more limited roles—primarily cash-in/cash-out services for person-to-person transfers.²⁵ All banks can link customers' accounts to mobile phones, and banks

must permit interbank electronic transfers regardless of the mobile carrier of the beneficiary.²⁶

A number of interesting private sector offerings have emerged in Mexico, including Kueski, an online lending company in Mexico that offers real-time micro-loans to Mexican customers. In April 2016, the platform announced the “close of a [USD] 35 million round of equity and debt funding, with the potential to increase to [USD] 100 million in total funding, the largest capital funding in Mexico for a fintech startup.”²⁷

Financial inclusion updates

In April 2016, the Consejo Nacional de Inclusión Financiera released the latest national report on financial inclusion.²⁸ The report covers data points surrounding access, usage, consumer protection, and financial education. The report found that the number of access points for making withdrawals and/or deposits per 10,000 adults increased from 9.9 to 10.1 from December 2013 to June 2015. The percentage of municipalities with at least one access point for conducting withdrawals and/or deposits increased from 68.5 percent to 68.9 percent.²⁹

On the demand side, preliminary findings from Mexico’s 2015 national survey of financial inclusion indicated growth in the penetration of savings, insurance, and formal credit products. More specifically, the percentage of adults with a formal savings account rose from 35.5 percent in 2012 to 41.1 percent in 2015; the proportion of adults with private insurance rose from 22 to 24.8 percent; and the number of adults with formal credit increased from 19.3 to 22.1 million.³⁰

During the National Banking Convention in March 2016, Mexico’s president highlighted a number of financial inclusion initiatives and described the results of recent financial reforms.³¹ One such initiative was Mexico’s “Crédito Joven” (“Young Credit”) program, introduced by President Enrique Peña Nieto in February 2015. The objective of the program is to advance financial inclusion among young people between 18 and 30 years of age who do not have a credit history in an effort to promote broader economic growth.³² Another effort related to youth is Bansefi’s “Financial Education Children’s Program” pilot, in which several thousand children from

about 100 schools received financial education training between November and December 2015.³³

In March 2016, Bankable Frontier Associates released the Mexico Financial Diaries study.³⁴ The study was conducted in three communities of Mexico City, Puebla, and rural Oaxaca between November 2013 and January 2015. The project aimed to highlight how low-income Mexican families manage their money and to examine the constraints they face in doing so. Among the report’s findings was that households in the study primarily relied on informal credit options for health and schooling expenses; this finding suggests that formal instruments for these purposes could be improved and/or awareness surrounding available credit options could be heightened.³⁵

Moving forward

In terms of national commitments to financial inclusion, according to the latest Maya Declaration Progress Report, a draft of Mexico’s objectives and targets relating to financial inclusion has been developed and is being evaluated by the members of CONAIF.³⁶ The drafting of a new financial inclusion strategy is underway and is expected to be published in summer 2016.³⁷ The dissemination of this strategy will help provide a roadmap to advancing financial inclusion and help promote coordination among key stakeholders.

With respect to mobile platform interoperability, the GSMA has noted that mobile money services in Mexico, which are already interoperable with the banking sector, are working toward full account-to-account interoperability.³⁸ In addition to implementing interoperability, developing specific e-money regulations could promote greater clarity within the digital financial services sector. Augmenting the role of nonbanks in financial services provision could also expand Mexico’s financial distribution network.³⁹

Regarding financial stability and consumer protection, growing concerns regarding over-indebtedness, particularly among clients of non-regulated institutions, should be carefully considered by public and private sector stakeholders as they develop micro-credit and alternative lending approaches.⁴⁰

Finally, regulators and industry leaders should consider approaches to balancing mobile-related taxation in order to facilitate greater affordability of handsets among low-income individuals. As noted in a September 2015 GSMA report, in Mexico “a basic device accounts for over 5% of annual income for the poorest 10% of households, and more advanced smartphones are even more unaffordable.”⁴¹

See Mexico endnotes on page 140



NIGERIA



OVERALL SCORE

72%

DIMENSION SCORES

Country commitment	94%
Mobile capacity	78%
Regulatory environment	83%
Adoption	53%



GDP (billion USD)¹

\$569



Adult population (millions)²

97



Unique mobile subscribership³

47%



Financial account ownership among adults⁴

44%



Financial account ownership among women⁵

34%



Formal commitment milestone

- Committed to the Maya Declaration in 2011



Selected financial inclusion highlights

- Launched a national financial inclusion strategy in 2012
- Published guidelines on agent banking in February 2013
- Released new guidelines on mobile money services in April 2015



Next steps

- Expand distribution of financial access points through super-agent networks and other nonbank entities
- Execute study to identify constraints and drivers of agent banking for consumers and financial institutions

Nigeria

Overview of financial inclusion ecosystem

While mobile money has not yet reached scale in Nigeria,⁶ several recent initiatives led by the government of Nigeria to advance digital payment services, agent banking, and consumer protection initiatives should promote increased adoption of formal financial services by expanding distribution points, increasing consumer confidence, and reducing crowding within the mobile money market.⁷

Nigeria has demonstrated clear national-level commitment to advancing financial inclusion. The Central Bank of Nigeria (CBN) is a signatory of the Maya Declaration,⁸ and as part of its Maya Declaration commitments, Nigeria launched a national financial inclusion strategy (NFIS) in 2012.⁹ The NFIS outlined the roles and responsibilities of key stakeholders, acknowledged the challenges of broadening financial inclusion in Nigeria, and established specific “targets for payments, savings, credit, insurance, pensions, branches of deposit banks and microfinance banks.”¹⁰ Initial targets within the NFIS included more than halving the number of financially excluded Nigerians and expanding the penetration of payment products for the adult population to 70 percent by 2020.¹¹

With respect to the banking sector, Agent Banking Guidelines were released in February 2013, and a circular was issued in August 2013 to provide guidance on the approval process for financial institutions aiming to deploy agent banking services in Nigeria.¹² The CBN also established tiered know-your-customer (KYC) requirements in 2013 in an effort to promote inclusive participation in the formal economy.¹³

In terms of financial infrastructure, the Nigeria Central Switch was operational as of 2013 and allowed interoperability among deposit-taking institutions and licensed payment service providers; it also facilitated inter-scheme card and mobile payments.¹⁴ Mobile money

platform interoperability has not yet been realized.¹⁵ Regarding the regulatory environment for digital financial services, the Regulatory Framework for Mobile Payments Services in Nigeria was published in 2009 and specified that mobile network operators (MNOs) are not permitted to become licensed mobile money operators.¹⁶ Instead, MNOs must work with sponsoring banks, which hold customer funds that are covered under the Nigeria Deposit Insurance Corporation.¹⁷ Limiting the role of MNOs in the mobile money sector has been identified as a potentially constraining factor within the digital financial services market in Nigeria.^{18 19}

However, in April 2015 the CBN issued a licensing framework for “super-agents” that banks and other regulated financial service providers can leverage to extend access to financial services among underserved groups.²⁰ Companies that are approved as super-agents are permitted to monitor and supervise the activities of agents, among other measures.²¹ This framework enabled MNOs to operate as super-agents for banks.

Several super-agent arrangements have emerged. In September 2015, the “GloXchange” network—a partnership between Globacom and Firstmonie (a subsidiary of First Bank Nigeria), Ecobank, Stanbic IBTC, and Zenith Bank—was launched commercially.^{22 23} MTN has formed similar arrangements, including with Diamond Bank’s Y’ello account.²⁴ The super-agent framework is expected to help advance financial inclusion by broadening the financial services distribution network.

Financial inclusion updates

In April 2015, the CBN released new Guidelines on Mobile Money Services in Nigeria, which among other provisions raised the mobile money operator capitalization requirement to NGN 2 billion from the initial NGN 0.5 billion required.²⁵ The deadline for mobile money operators

to reach the capitalization requirement was set at June 2016.²⁶ This effort is expected to reduce the number of mobile money operators in the market, which at 21 (as of September 2015) was the highest number globally.^{27 28}

The CBN also released the following exposure drafts for comments in 2015: Standards and Guidelines on Electronic Channels Operations in Nigeria,²⁹ Guidelines on Transactions Switching in Nigeria,³⁰ and a Consumer Protection Framework.³¹ Moreover, the CBN determined to establish a Payment System Development Fund to promote usage of e-payments and develop a sustainable financing mechanism to support payment system development initiatives. In October 2015, Enhancing Financial Innovation and Access (EFInA) provided recommendations with respect to “defining the modalities of the fund.”³²

In January 2016, the CBN, the Ministry of Finance, and the Bill & Melinda Gates Foundation signed an agreement regarding a Digital Financial Inclusion Project in Nigeria.³³ Components of the agreement include, but are not limited to, recognition of the importance of digital payments with respect to financial inclusion and reducing public expenditure inefficiencies; an identification of the roles and responsibilities of stakeholders in the development of the digital payment ecosystem; and the development of an approach to achieving the end-to-end digital financial services infrastructure needed to reach the country’s target of 80 percent financial inclusion by 2020.³⁴ The Nigerian Deposit Insurance Corporation also approved a pass-through deposit insurance policy that “guarantees the payment of insured amounts to subscribers of mobile money operators in the case of failure of insured institutions where pooled funds are maintained.” Subscribers are covered up to NGN 500,000 (about USD 2,538) per subscriber per deposit money bank, or the applicable coverage level for depositors in accordance with the Nigerian Deposit Insurance Corporation Act.³⁵

As of February 2016, three banks had adopted agent banking: Guarantee Trust Bank, First City Monument Bank, and Sterling Bank. Agents offer selected banking and payment services, including bank transfers, bill payments, and airtime top-up, under the auspices of the Agent Banking framework. The three banks had a total of 737 agents.³⁶

Following issuance of the super-agent framework in April 2015, a number of telecommunications companies expressed interest in obtaining super-agent licenses. In March 2016, the CBN granted approval-in-principle to Innovectives to operate as a super-agent³⁷ and granted approval-in-principle to Interswitch Financial Inclusion Services to expand its agent network as a super-agent.³⁸ Interswitch Financial Inclusion Services has indicated that it seeks to grow an active agent network of 150,000 people by 2020.³⁹

As of April 2016, the Nigerian Postal Services expected to soon introduce certain banking services to rural areas of Nigeria, which should help enable access to formal financial transactions and e-commerce among marginalized populations.⁴⁰

Moving forward

Among the positive developments in Nigeria’s financial services sector is a decrease in losses due to fraudulent bank transactions. In February 2016, the director of the Banking and Payments System Department of the CBN noted that actual loss as a result of fraud in bank transactions dropped significantly from NGN 6.2 billion in 2014 to about NGN 2.3 billion in 2015. This drop was largely attributed to the successful deployment of various mobile payment systems that were enforced by the CBN in 2015.⁴¹

Further, in an effort to advance the scaling of agent banking, the CBN plans to undertake a study to understand the barriers and opportunities surrounding agent banking for consumers and financial institutions; identify policies that could amplify agent banking, particularly in rural areas; and develop a viable agent banking model.⁴² In the interim, the entry of several super-agents into the market should strengthen the digital financial ecosystem.

See Nigeria endnotes on page 141

PAKISTAN



OVERALL SCORE

69%

DIMENSION SCORES

Country commitment	100%
Mobile capacity	83%
Regulatory environment	89%
Adoption	36%



GDP
(billion USD)¹

\$244



Adult population
(millions)²

114



Unique mobile
subscribership³

45%



Financial account
ownership among
adults⁴

13%



Financial account
ownership among
women⁵

5%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Introduced "Level 0" risk-proportionate accounts in 2011 to facilitate access to formal financial services among underserved populations
- Launched the National Financial Inclusion Strategy in May 2015
- Joined the Better Than Cash Alliance in September 2015



Next steps

- Promote registration of mobile wallet accounts to deepen usage of diverse financial services
- Move forward with the objectives of the Country Support Program and the Universal Financial Access Initiative

Pakistan

Overview of financial inclusion ecosystem

While Pakistan had among the lowest levels of formal financial services adoption among the 2016 FDIP countries, the country's increasing mobile capacity levels (particularly with respect to unique subscribership and 3G network coverage), combined with a robust mobile money ecosystem, have helped to advance financial inclusion. Moreover, the government of Pakistan has elevated financial inclusion as a national priority through the launch of a national financial inclusion strategy, regulatory efforts to promote agent banking, and regular data collection regarding branchless banking.^{6 7}

The State Bank of Pakistan (SBP) became a signatory to the Maya Declaration in 2011 and serves as a member of the Financial Inclusion Strategy Peer Learning Group.^{8 9} A Consultative Group on Branchless Banking was established in 2012 to examine branchless banking challenges and to develop policy recommendations on key development issues and innovative financial inclusion approaches.¹⁰

The SBP regularly publishes quarterly branchless banking newsletters and has published an "Access to Finance" study that provides information on financial inclusion among women. The branchless banking newsletter from July to September 2015 noted that the branchless banking industry had surpassed its mobile wallet projections, reaching over 13 million accounts, with 21 percent growth in a single quarter and 80 percent growth in one year (September 2014 to September 2015). The agent network experienced growth as well, with about 268,000 agents at the end of the July to September 2015 quarter.^{11 12}

While over-the-counter (OTC) transactions have dominated the market in Pakistan,¹³ the national branchless banking report stated that OTC transactions were demonstrating signs of moving toward saturation, having

grown 20 percent over the previous four quarters, compared with mobile wallet transactions that demonstrated 278 percent growth in the same period.¹⁴

The Access to Finance study, which featured data from December 2013, disaggregated the number of borrowers and gross loan portfolios by men and women.¹⁵ The study noted that "women in rural and remote areas face additional constraints [with respect to financial access] due to lack of their mobility largely for cultural reasons" but affirmed that agent services and mobile wallets were helping to promote financial inclusion among women.¹⁶

In March 2008, the SBP issued branchless banking regulations, which were among the first regulations globally that were specifically designed to foster branchless banking.¹⁷ The regulations accommodated three types of branchless accounts (known as Levels 1-3), each with progressively stricter know-your-customer (KYC) requirements and higher transaction/balance limits.¹⁸ These regulations follow a bank-led model, allowing commercial banks and microfinance banks with a banking license to apply for a branchless banking license. Mobile network operators (MNOs) are permitted to operate as agents on behalf of a bank, enabling them to provide marketing, distribution, and product development services.¹⁹

In 2011, a "Level 0" account with flexible KYC requirements was instituted to help facilitate access to financial services among marginalized groups.²⁰ 2015 guidelines on these low-risk "Asaan" accounts noted that they require a minimum PKR 100 (about USD 1)²¹ opening deposit, but there is no minimum balance requirement.²² As of August 2014, a biometric verification system for issuing all new SIMs was implemented, with the objective of ensuring a more user-friendly, efficient, and accurate registration process; mobile money providers hope to build off this system by opening accounts at the SIM registration terminals.²³

Financial inclusion updates

In May 2015, Pakistan's national financial inclusion strategy was launched.²⁴ Digitization of payments is included as a priority within the strategy, which aims to “build momentum and push forward reforms to achieve universal financial inclusion in an integrated and sustained manner.”²⁵ One of the targets identified in the strategy is that 50 percent of adults should possess a transaction account by 2020.²⁶ As of January 2016, several technical committees, including a committee focused on “Digital Financial Services and Payment Systems,” had been instituted to work toward implementation of the strategy.²⁷

In September 2015, Pakistan joined the United Nation's Better Than Cash Alliance in order to foster collaboration with and gain support from other governments and key stakeholders with respect to addressing the technical and regulatory challenges pertaining to its digital payments goals.²⁸

The second Access to Finance Survey, released in 2015, found that while access to financial services remains low in Pakistan, Pakistan's financial inclusion landscape has experienced considerable gains since 2008. For example, access to financial services offered by formal financial intermediaries (including providers of mobile money services) has increased by about 11 percentage points since 2008.²⁹

In December 2015, the SBP (in conjunction with the Ministry of Finance) approved the World Bank's Country Support Program.³⁰ The objective of the collaboration is to achieve the financial inclusion goals stated in Pakistan's national financial inclusion strategy.³¹

In February 2016, the SBP launched its Universal Financial Access Initiative, which aims to achieve sustainable development by equipping individuals with an opportunity to access and utilize financial services.³²

In April 2016, Pakistan launched PayPak, the country's first domestic payment scheme.³³ The service is provided by 1LINK.³⁴ The mobile financial services platform is interoperable with banking accounts through the 1LINK switch, which enables ATM, POS and interbank funds transfer functions through mobile wallets.³⁵

The SBP has also enhanced the regulatory framework for consumer protection, with the Banking Conduct & Consumer Protection Department issuing a number of regulations and guidelines to protect consumers, including Guidelines of Business Conduct for Banks (CPD Circular No. 2 of 2015)³⁶ and Guiding Principles on Fairness of Service Charges (CPD Circular No. 1 of 2015).³⁷ Finally, to promote financial literacy, a “Child and Youth Financial Literacy Program” has been initiated under the auspices of Pakistan's National Financial Literacy Program.

Moving forward

In the future, Pakistan plans to continue to expand its agent, ATM, and card merchant acceptance network and connect the Pakistan Post service to 1LINK.³⁸ These efforts should help broaden financial access and facilitate greater convenience with respect to digital payments. Additionally, the SBP aims to increase levels of financial capability and usage by implementing nationwide awareness and education programs.³⁹

See Pakistan endnotes on page 142



PERU



OVERALL SCORE

69%

DIMENSION SCORES

Country commitment	100%
Mobile capacity	56%
Regulatory environment	100%
Adoption	44%



GDP
(billion USD)¹

\$203



Adult population
(millions)²

20



Unique mobile
subscribership³

69%



Financial account
ownership among
adults⁴

29%



Financial account
ownership among
women⁵

22%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Joined the Better Than Cash Alliance as a founding member
- Approved the Comisión Multisectorial de Inclusión Financiera in 2014, which then designed the country's national financial inclusion strategy, published in July 2015
- Publicly launched the "BIM" mobile wallet as part of the Modelo Perú partnership in February 2016



Next steps

- Advance mobile capacity (e.g., by augmenting 3G network coverage) to strengthen the foundation for adoption of mobile financial services
- Move forward with rollout of the "BIM" platform by conducting outreach to consumers and monitoring adoption

Peru

Overview of financial inclusion ecosystem

Although Peru's mobile capacity and financial account penetration levels are among the lowest of the FDIP countries, Peru has demonstrated strong commitment to advancing financial inclusion and has fostered a regulatory framework that is highly conducive to digital payments. The diverse array of bank and nonbank financial service providers in the market and the launch of a fully interoperable electronic payments platform in February 2016⁶ may accelerate the adoption of digital financial services in Peru. Moreover, the launch of Peru's financial inclusion strategy should enhance coordination and implementation surrounding financial inclusion initiatives.⁷

In September 2011, the Superintendencia de Banca, Seguros y AFP (SBS) del Peru committed to the Maya Declaration.⁸ Peru is also represented in the Alliance for Financial Inclusion's Financial Inclusion Strategy Peer Learning Group.⁹ Moreover, the government of Peru is a founding member of the Better Than Cash Alliance.¹⁰ In 2012, the Ministerio de Economía y Finanzas participated in the G20 Financial Inclusion Peer Learning Program and affirmed its national commitment to the policy of advancing financial inclusion by signing the "Los Cabos Declaration on Financial Inclusion."¹¹¹² The signing of this declaration initiated meetings between the Ministerio de Economía y Finanzas, the Ministerio de Desarrollo e Inclusión Social, the Central Bank, and the SBS (with the Banco de la Nación and the Ministerio de Educación del Perú joining later).¹³

Together, these institutions developed the Comisión Multisectorial de Inclusión Financiera, which was approved by the decree of President Humala in 2014.¹⁴ The primary objective of the commission was to collaborate on the design of Peru's National Strategy for Financial Inclusion.¹⁵ The Ministerio de Economía y Finanzas operates as the leader of the commission.¹⁶

With respect to Peru's regulatory environment, regulation from the SBS in 2005 enabled banks to use retail agents; an ensuing amendment to the agent banking legislation permitted agents to open individual accounts, created three account levels, and enabled e-money to fall under simplified anti-money laundering rules.¹⁷ The agent banking framework permitted banks to contract a diverse array of entities and promoted utilization of agent services by requiring that neither banks nor the agents themselves charge customers for transacting at agents.¹⁸ Operators of these "cajeros corresponsales" include "natural or legal persons operating out of proprietary or third party establishments distinct from those of the financial system."¹⁹ Pharmacies, grocery stores, and select other establishments were thus able to operate as agents.²⁰

The agent banking ecosystem in Peru has evolved over time to encapsulate a greater diversity of providers and services. A 2008 SBS resolution specified that any licensed financial institution could engage third parties to deliver services on its behalf, subject to SBS authorization.²¹ In 2011, regulation enabled retail agents to open basic deposit accounts that were subject to risk-proportionate anti-money laundering/combating the financing of terrorism rules.²² In 2013, additional agent banking legislation permitted agents to offer microinsurance products.²³

Regarding electronic money (e-money) specifically, Peru's parliament became the first in Latin America to enact e-money legislation when it passed Law No. 29985 in 2013.²⁴ The law defined e-money and permitted banks and nonbanks (including mobile network operators) that are regulated by the SBS to issue e-money as a means of advancing financial inclusion.²⁵ Basic electronic accounts were referenced in the e-money regulation and were permitted to be opened by banking agents.²⁶ Law No. 29985 created electronic money issuer companies (Entidades Emisoras de Dinero Electrónico, or EEDE),²⁷ supervised

by the SBS.²⁸ EEDs can contract third parties to channel transactions and can perform limited functions independently (e.g., they are not permitted to grant loans).²⁹

In May 2013, the Ministerio de Economía y Finanzas approved the regulation of the law by issuing Supreme Decree No. 090-2013-EF.³⁰ The SBS then issued Resolutions No. 6283-2013 and No. 6284-2013 in fall 2013, which “established the regulatory framework for e-money transactions and issuer companies.”³² These supplementary regulations enabled e-money issuers to simplify the account opening process, particularly for customers in rural and poor communities.³³ While no bank account is needed to use e-money, given that e-money is not considered a deposit, recipients must have an e-money account subject to basic identification processes (primarily through provision of an ID card or passport).³⁴

Financial inclusion updates

The National Strategy for Financial Inclusion was approved in July 2015.³⁵ The strategy contains seven lines of action and promotes the use of digital financial services, access to savings, insurance, and financing, and highlights the importance of consumer protection and financial education programs.³⁶ By implementing this strategy, Peru has “set an ambitious roadmap to expand and accelerate financial access and inclusion to 50% of adults by 2018 and then to at least 75% of adults by 2021.”³⁷

In February 2016, mobile wallet “BIM” (short for Billetera Movil, or “Mobile Wallet”) was launched.³⁸ This innovative service is the first of its kind, as the wallet operates within the context of a shared transactional platform, shared branding and marketing, and shared business rules surrounding user types, transactions, fees, agents, and interoperability, across 34 financial service providers.³⁹ The name given to the partnership behind this model is Modelo Perú, which was the result of an e-money initiative led by the Peruvian Bankers Association (ASBANC). The government has been highly supportive of this initiative due to its significant potential for enhancing financial inclusion.⁴⁰

Moving forward

While the development of an interoperable electronic platform is a tremendous step forward with respect to digital capacity, further enhancements in mobile capacity (including mobile subscribership and 3G network coverage) would complement the BIM initiative in promoting digital financial services. Additionally, implementing the financial education components of the national financial inclusion strategy should help facilitate greater awareness of and engagement with digital financial services.

See Peru endnotes on page 143

PHILIPPINES



OVERALL SCORE

76%

DIMENSION SCORES

Country commitment	100%
Mobile capacity	94%
Regulatory environment	100%
Adoption	42%



GDP
(billion USD)¹

\$285



Adult population
(millions)²

64



Unique mobile
subscribership³

72%



Financial account
ownership among
adults⁴

31%



Financial account
ownership among
women⁵

38%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Achieved the greatest overall scoring increase among the FDIP countries for 2016
- Launched a national financial inclusion strategy in July 2015
- Instituted the National Retail Payment System Framework in 2015



Next steps

- Leverage the findings of the Bangko Sentral ng Pilipinas' "Financial Inclusion Initiatives 2015" report, as well as the National Baseline Survey on Financial Inclusion and other studies, to identify underserved customers and target financial inclusion initiatives toward those customer segments
- Formally launch the Financial Inclusion Steering Committee

Philippines

Overview of financial inclusion ecosystem

The launch of the Philippines's national financial inclusion strategy, combined with growth in unique mobile subscribership and the development of interoperable digital financial services, drove a substantial increase in the Philippines' ranking between 2015 and 2016. The activities of alternative financial service providers, including remittance agents, pawnshops, and mobile and telecommunications providers, have augmented the efforts of banks to promote financial inclusion. Enhancements in financial literacy among consumers and the implementation of the national financial inclusion strategy should help boost adoption of formal financial services moving forward.

The Philippines has demonstrated strong commitment to advancing financial inclusion. The Bangko Sentral ng Pilipinas (BSP) serves as the country's Maya Declaration signatory.⁶ The Republic of the Philippines is a member of the Better Than Cash Alliance.⁷ BSP has provided leadership to the Alliance for Financial Inclusion (AFI) Steering Committee and engaged with various AFI working groups to promote knowledge-sharing. Moreover, the BSP was one of the first central banks to establish an office dedicated to financial inclusion.⁸ The Inclusive Finance Advocacy Staff is responsible for implementing the microfinance and financial inclusion initiatives of the BSP.⁹

In March 2011, the Philippine Development Plan 2011-2016 was approved by the president and specified financial inclusion as a critical aim.¹⁰ In 2014, the BSP hosted knowledge exchanges with over 30 delegates from Afghanistan, China, Myanmar, Nepal, Rwanda, Tunisia and Yemen.¹¹ Additionally, the BSP is an active member of the G20 Global Partnership for Financial Inclusion.¹²

The BSP engages in a number of financial inclusion data assessments, including the BSP Report on the

State of Financial Inclusion. The latest report, published in 2014, noted that the number of unbanked cities and municipalities had decreased to 595 in 2014 from 604 in 2013.¹³ While adoption of mobile electronic wallets (e-wallets) has been significant, efforts to promote usage are still needed: The 2014 study noted that out of about 11 million registered mobile e-money wallets, only about 7 million were considered active.¹⁴ Moreover, there is further opportunity to expand access to e-wallets via mobile phones, considering there were about 51 million unique mobile subscribers in the country as of 2014.¹⁵

Enabling regulations have contributed to the growth of digital financial services in the Philippines: Between 2001 and 2012, the BSP issued approximately 40 regulations regarding financial inclusion issues.¹⁶ Among other provisions, the regulations enabled greater flexibility for nonbank financial services providers, including "pawnshops, remittance agents, money changers/foreign exchange dealers, and mobile banking agents," to reach underserved populations.¹⁷

In 2000, Circulars 240 and 269 were issued to provide guidelines for banks to gain approval for offering electronic services.¹⁸ An anti-money laundering act was passed in 2001,¹⁹ and Circular 706 of 2011 updated these rules to promote a proportionate know-your-customer (KYC) system that allowed more options for customers to prove their identity.²⁰

In 2009, Circular 649 defined e-money and noted that e-money issuers could be banks, nonbank financial institutions supervised by the BSP, and "non-bank institutions registered with the BSP as a money transfer agent."²¹ E-money is not considered a deposit and cannot bear interest.²² By October 2012, the BSP had opened micro-banking offices permitted under Circular 649. In 2010, Circular 704 allowed "linkage of banks with e-money issuers," affirmed that e-money issuers could be either bank or nonbank entities,²³ and promoted the development of an agent network.²⁴ With respect to

branchless financial services, the Philippines boasts two of the earliest mobile financial service schemes and a thriving microfinance environment.²⁵

Financial inclusion updates

In July 2015, the BSP launched a national financial inclusion strategy.²⁶ That same month, the World Bank published a report detailing takeaways from a survey on financial capability and inclusion in the Philippines, conducted between February and September 2014. Among other findings, the survey noted that of the 20 million Filipino adults who reported saving money, only 10 million had bank accounts.^{27 28} Therefore, there are considerable untapped opportunities to introduce formal financial savings to many consumers.

A country diagnostic of the Philippines conducted by the Better Than Cash Alliance, published in July 2015, highlighted the need for a cooperative solution to improve the retail payments environment. The study found that only one percent of all payments were made electronically, which indicates a significant opportunity gap given that Filipinos make about 2.5 billion payments per month, equaling about USD 74 billion.²⁹ Several months later, the BSP and other industry stakeholders launched the National Retail Payment System (NRPS) Framework.³⁰ The NRPS provides principles for the governance of a safe and efficient electronic retail payment system by promoting interoperability among payment participants to ensure that electronically-accessible payment products and services are processed in an efficient and cost-effective manner. The model is design to promote market-based pricing and competition.³¹

In terms of national data collection and dissemination, the latest issue of the BSP's quarterly publication on financial inclusion in the Philippines available as of March 2016 was the "1st Quarter 2015" report,³² which examined the insurance landscape in the Philippines.³³ The BSP also published its year-end "Financial Inclusion Initiatives 2015" report (conducted in the first quarter of 2015), which provided findings from the National Baseline Survey on Financial Inclusion (NBSFI).³⁴ The NBSFI is the "first nationally representative survey of Filipino adults dedicated to collecting financial inclusion data

from the perspective of the actual and potential users of financial products and services (i.e., demand side)."³⁵ The survey found that while most Filipino adults were aware of banks, pawnshops, and ATMs, only about 26 percent were familiar with electronic money agents.³⁶

With respect to the regulatory environment for financial services, in January 2016, the BSP expanded the scope of permitted activities (specifically, full account opening) in micro-banking offices to facilitate greater access to financial services among underserved populations.³⁷ In February 2016, the BSP lifted a 1999 moratorium on the approval of licenses for new financial institutions, which will be implemented over a two-year transition period. Incentives and exemptions to certain fees and other restrictions will be provided to entities that intend to open establishments in underserved areas.³⁸ This initiative should help augment the Philippines' supply-side financial services landscape.

Finally, as of April 2016 the BSP had drafted a measure to formally institutionalize a Financial Inclusion Steering Committee. The role of the committee will be to help facilitate implementation of the national financial inclusion strategy.³⁹

Moving forward

The findings of the 2015 NBSFI suggest a need to foster greater awareness of digital financial services among marginalized groups.⁴⁰ Further efforts to promote financial literacy are also needed to advance sustainable financial inclusion in the Philippines.⁴¹ Formalization of the Financial Inclusion Steering Committee should help facilitate a coordinated and effective implementation of the country's new financial inclusion strategy, which should in turn advance financial literacy initiatives and other financial inclusion-related efforts.

In terms of digital payments infrastructure, implementation of the interoperability agreement between digital payments mobile app PayMaya Philippines (the digital financial services arm of the Philippine Long Distance Telephone Company, or PLDT, and Smart Communications, Inc.) and Globe Telecom's mobile money service GCash should help boost convenience and utility within the digital ecosystem. The partnership will permit

domestic remittances and enable merchant payments, bulk payments, government-to-person payments, and person-to-government payments moving forward.⁴² The NRPS is expected to help make sending, receiving, or transferring funds more cost-effective for providers and consumers more generally.⁴³

Finally, the BSP is working with entities such as the Department of Social Welfare and Development, the Department of Budget and Management, and the United Nations Office for the Coordination of Humanitarian Affairs to identify pathways for cash transfers to be delivered through electronic channels.⁴⁴

See Philippines endnotes on page 145

RWANDA



OVERALL SCORE

76%

DIMENSION SCORES

Country commitment	94%
Mobile capacity	83%
Regulatory environment	100%
Adoption	50%



GDP
(billion USD)¹

\$8



Adult population
(millions)²

7



Unique mobile
subscribership³

52%



Financial account
ownership among
adults⁴

42%



Financial account
ownership among
women⁵

35%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Joined the Better Than Cash Alliance in 2014
- Reduced financial exclusion among adults age 16 and older about 17 percentage points between 2012 and 2016, according to a 2016 FinScope survey
- Implemented mobile money interoperability in 2015



Next steps

- Produce a comprehensive financial consumer protection framework
- Implement the proposed national interoperability switch to facilitate convenience and efficiency for consumers and providers

Rwanda

Overview of financial inclusion ecosystem

Significant developments within Rwanda's mobile sector, including the implementation of interoperable mobile money platforms, combined with the expansion of community savings and credit cooperatives (particularly Umurenge SACCOs), agent banking locations, and mobile money outlets, have helped boost financial inclusion in Rwanda. Rwanda has demonstrated strong commitment to promoting financial inclusion, particularly through digital mechanisms; indeed, the government has stated an objective to "digitize everything" by June 2016.⁶ Moreover, the government of Rwanda is a member of the Better Than Cash Alliance.⁷ Findings from the 2016 Fin-Scope survey indicated that financial exclusion⁸ among adults age 16 and older dropped by 17 percentage points between 2012 and 2016.⁹ While significant progress has been made, opportunities for advancing financial capability and improving mobile capacity remain.

Regarding national recognition of the importance of inclusive finance, the Rwandan Financial Sector Development Program (FSDP) was launched in 2006 as one of the "key components of the implementation" of the Vision 2020 Economic Development and Poverty Reduction Strategy of Rwanda.¹⁰ The FSDP has developed action plans for strengthening financial inclusion, financial education, and financial literacy.¹¹ Among the program's objectives are "to enhance access and affordability of financial services" and to "develop an appropriate policy, legal, and regulatory framework for nonbank financial institutions."¹²

According to the National Bank of Rwanda (NBR), as of 2012, access to financial services had grown from 47 to 72 percent of the population since the adoption of the FSDP in 2008, with 416 Umurenge SACCOs established,

four microfinance institutions developed into microfinance banks, and new bank service locations increased by almost 60 percent to 110 new locations.¹³ SACCOs have been instrumental in promoting access to formal financial services in Rwanda, with almost 25 percent of Rwandans age 18 and older members of these entities as of 2014.¹⁴

In 2011, the NBR committed to the Maya Declaration,¹⁵ and in September 2013, the second phase of the FSDP was approved by the Cabinet. Phase II of the FSDP contained an "Action Plan for Financial Inclusion," with a target of reaching 80 percent financial inclusion (including for both men and women)¹⁶ by 2017 and 90 percent by 2020.¹⁷

As part of its national financial inclusion strategy, Rwanda instituted a national financial inclusion task force to coordinate financial inclusion initiatives.¹⁸ By 2014, a national financial education strategy had been adopted by Rwanda's cabinet, and the financial sector development working group had been tasked with coordinating implementation of the strategy.¹⁹ With respect to consumer protection, the Economist Intelligence Unit noted that the NBR has since completed a diagnostic study of the financial consumer protection environment in Rwanda, which will be incorporated into draft legislation.²⁰

Rwanda has experienced tremendous growth in the use of electronic and mobile payments.²¹ The country's regulatory environment has been identified as one of the drivers of enhanced digital financial inclusion, as it enables various entities (including bank and nonbank formal providers) to offer mobile financial services.²² Rwanda's FSDP noted that in considering the country's regulatory approach to innovative financial services, it was "helpful to focus on the nature of the products and services offered rather than on institutions."²³

Agent banking is permitted in Rwanda,²⁴ and both mobile operator-led and bank-led mobile financial

services are permissible models in Rwanda, subject to licensing by the NBR.²⁵ ²⁶ Banking agents can accept deposits, conduct cash-out services, and process a few transactions. Although nonbank agents originally could conduct only cash-in/cash-out operations, the list of permissible activities has expanded over time.²⁷ For example, Rwanda's FDSP notes that e-money agents are permitted to provide cash-in/cash-out services and to conduct account opening.²⁸

In part due to the fact that about 90 percent of the population has a form of ID needed to register for a formal financial account, account opening processes are fairly straightforward for customers.²⁹ An InterMedia survey highlighted tremendous growth in mobile money services in particular: One in five adults in Rwanda age 15 and older was an active³⁰ mobile money user as of February 2015, about double the percentage of active bank users.³¹ Awareness is high for both the concept of mobile money (79 percent) and the major mobile money brands.³²

However, room for growth in terms of mobile money access and usage remains. For example, there is about a 26 percentage point gap between people who own a mobile phone and people who actively use mobile money services.³³ Moreover, disparities in mobile phone ownership disproportionately affect women, those living below the poverty line, and rural residents,³⁴ as illustrated in part by the fact that there is about a 21 percentage point gap in handset ownership among men and women.³⁵

Financial inclusion updates

One of the major advancements in Rwanda's digital financial ecosystem over the previous year was the implementation of interoperable mobile money services in 2015.³⁶ In fall 2015, Airtel Rwanda and Tigo Rwanda announced a partnership to pilot interoperability between their respective Airtel Money and Tigo Cash services. The arrangement rendered Rwanda only the second country in Africa to implement mobile money platform interoperability.³⁷

Moreover, MTN Rwanda has advanced cross-border remittance services in both Uganda and Kenya. In

October 2015, MTN Rwanda announced a partnership with Safaricom in Kenya to enable MTN Mobile Money and M-PESA users to send and receive funds across borders. Previously, in September 2015, MTN Rwanda introduced cross-border transactions between MTN Rwanda and MTN Uganda.³⁸ These and other payment services reflect a major demand in Rwanda: The 2016 FinScope survey found that about 57 percent of mobile money users began using the channel in order to remit money.³⁹

In March 2016, the results of the 2016 FinScope Rwanda survey were released. As noted previously, the survey found that financial exclusion had been reduced about 17 percentage points between 2012 and 2016, driven in large part by an increase in "formally served" individuals (i.e., those who have or use a product or service from a formal financial institution).⁴⁰ The FinScope findings supported the conclusions of the 2015 InterMedia survey with respect to the role of mobile money in promoting adoption of formal accounts.⁴¹ While mobile money dormancy rates were low (about 5 percent), about one in four adults used their mobile money accounts monthly, suggesting possible opportunities to amplify usage.⁴²

In May 2016, the Ministry of Finance and Economic Planning and Ericsson Group signed an agreement for the launch of a national interoperability switch during the World Economic Forum on Africa. The switch will be based on the Ericsson M-Commerce Interconnect platform. The planned Rwanda Interoperability Solution will connect diverse financial service providers within the country and permit users to engage in a range of digital payments across all financial platforms and service providers in real time.⁴³

Moving forward

In terms of financial infrastructure, the national interoperability switch is expected to be operational by early 2017.⁴⁴ This switch should help advance adoption of digital financial services from a broad array of financial entities by enhancing convenience and efficiency.

Another component of improving adoption is enhancing awareness and understanding of formal financial services. While the 2015 InterMedia survey found that trust in banks and mobile money providers was generally quite strong, consumer awareness and understanding of financial services warrants strengthening in order to fully capitalize on the benefits of digital financial services.^{45 46}

Finally, infrastructure improvements are needed to build trust and convenience regarding usage of mobile money services, as technical issues such as network downtime were at the top of the list of non-agent related complaints surrounding mobile money services, according to the 2015 InterMedia survey findings.⁴⁷

See Rwanda endnotes on page 146

SOUTH AFRICA



OVERALL SCORE

78%

DIMENSION SCORES

Country commitment	83%
Mobile capacity	94%
Regulatory environment	67%
Adoption	72%



GDP
(billion USD)¹

\$350



Adult population
(millions)²

36



Unique mobile
subscribership³

67%



Financial account
ownership among
adults⁴

70%



Financial account
ownership among
women⁵

70%



Formal commitment
milestone

- Joined the Alliance for Financial Inclusion in 2010



Selected financial
inclusion highlights

- Placed in the top-five of the overall 2016 FDIP scorecard
- Tied for the highest mobile capacity score among the 2016 FDIP countries
- Considering a draft national financial inclusion strategy and policy



Next steps

- Monitor the rise in unsecured lending and consider how to best mitigate the risk of over-indebtedness
- Ensure any modifications to anti-money laundering/combating the financing of terrorism guidelines and policies reflect a risk-proportionate approach

South Africa

Overview of financial inclusion ecosystem

South Africa's strong performance on the 2016 FDIP scorecard is primarily driven by its strong mobile capacity levels and high levels of formal financial account ownership relative to other FDIP countries. As of 2014, about 70 percent of adults age 15 and older in South Africa had an account with a financial institution or mobile money provider,⁶ and a recent survey by the FinMark Trust found that about 77 percent of adults age 16 and older had bank products in 2015.⁷ Yet despite high mobile phone usage, takeup of mobile money in South Africa has been significantly lower than in other African countries.⁸ Regulatory constraints and challenges regarding distribution and marketing have been cited as contributing to low levels of mobile money adoption.⁹

Although South Africa does not have an explicit financial inclusion strategy and is not a signatory of the Maya Declaration, financial inclusion has been recognized by South Africa's government as a key objective.¹⁰ South Africa's National Treasury is the primary government entity responsible for advancing and coordinating financial inclusion initiatives.¹¹ The National Treasury represents South Africa in the G20 Global Partnership for Financial Inclusion and as a principal member of the Alliance for Financial Inclusion.^{12 13}

Moreover, South Africa's Financial Sector Charter was formalized in 2004 to serve as a "social pact between government, labor, organized civil society, and the financial services sector to both transform the sector and for the sector to play a quantifiable and meaningful role in steering the use of financial services towards specific developmental objectives."¹⁴ The charter was replaced with the Financial Sector Code in 2012.¹⁵ A 2011 policy document by the National Treasury titled "A safer financial sector to serve South Africa better" identified expanding access through financial inclusion as a key priority area,

as well as related issues such as building comprehensive consumer protection solutions.¹⁶

South Africa has already made progress toward its quantifiable targets regarding financial access. For example, the country met its original Financial Sector Charter goals of having at least 80 percent of its target market (Living Standards Measure 1-5)¹⁷ be within 20 km of a service point (either branch or ATM), and at least 80 percent of the target market within 20 km of a transaction point (i.e., a non-ATM location where an electronic transaction can be performed). Once these goals were achieved, the targets were modified to 15 km for service points and 10 km for transaction points.¹⁸ Additionally, South Africa's National Development Plan "targets an increase in the share of the population with access to transactional banking services and savings facilities from 63 percent in 2011 to 90 percent in 2030."¹⁹

As of 2015, South Africa was considering a draft national-level financial inclusion policy, a possible financial inclusion forum, and a national financial inclusion strategy.²⁰ These targeted financial inclusion initiatives are expected to build upon the financial access themes established in the policy documents described above.

In terms of physical banking infrastructure, South Africa has a fairly robust banking infrastructure relative to other FDIP countries: There were about 11 commercial bank branches per 100,000 adults and about 66 ATMs per 100,000 adults as of 2014.²¹ Yet according to the 2015 FinScope South Africa survey, about 16 percent of adults in South Africa are still not formally served (i.e., they do not have a bank account or other formal nonbank products or services).²² Thus, there are still considerable opportunities for expanding financial inclusion.

Regarding regulations surrounding branchless banking initiatives, banks are permitted to use third-party entities to offer banking services on their behalf (i.e., agent banking).²³ Banks are responsible for all regulatory and compliance components of the arrangements.²⁴ With

respect to issuing e-money, South Africa follows a bank-led model in which organizations must have a banking license or partner with a bank in order to provide mobile financial services.²⁵ Providing opportunities for nonbanks to strengthen their roles in the financial ecosystem could enhance competition within the market and drive greater adoption of formal financial services.²⁶

Financial inclusion updates

The 2015 FinScope survey found that South Africa's banked population experienced a 2 percentage point increase between 2014 and 2015, while the percentage of adults who relied only on informal financial mechanisms declined from 6 percent in 2014 to 3.4 percent in 2015.²⁷ The study found that the high level of "thinly served" customers among the financially included population was driven by low usage of digital payments—in other words, these customers did not leverage digital payments to "save on transactional cost, time, transport costs, and queuing time."²⁸

On the regulatory side, South Africa's Financial Intelligence Centre Amendment Bill 2015 proposes to shift know-your-customer responsibility to financial institutions and does not permit any exemptions or thresholds. The bill would presumably supersede Exemption 17 (discussed in the 2015 FDIP report) and other exemptions (e.g., a cross-border transaction exemption) for certain know-your-customer requirements with respect to low-risk, low-cost financial services.²⁹ Elements of the bill are currently being redrafted following parliamentary hearings.³⁰

In May 2016, Vodacom M-PESA's service was shut down in South Africa after having gained far fewer than expected clients (about 76,000 active users) since its launch in 2010.³¹ Possible reasons that have been cited for the limited takeup of the service include a partnership arrangement with a bank that was perceived by customers to serve mostly middle- and high-income individuals and the fact that banking infrastructure in South Africa is sufficiently widespread to crowd out mobile money services in some cases.³²

Moving forward

The 2015 FinScope survey highlighted considerable growth in unsecured lending, primarily used for short term purposes.³³ The risk of over-indebtedness is a challenge that must be carefully assessed by financial leaders in South Africa moving forward to ensure financial stability and consumer protection. Moreover, the survey found that optimization of digital financial services was limited, indicating that better product design and awareness-building are vital to promoting full digital financial inclusion.³⁴

In terms of country commitment, the government of South Africa should move forward with the finalization and adoption of its draft financial inclusion strategy and ensure effective implementation of the strategy through the designation of dedicated financial inclusion champions.

Finally, any changes to South Africa's anti-money laundering/combating the financing of terrorism regime should maintain the principle of proportionality in order to prevent under-resourced individuals who engage in low-value, low-risk transactions from being excluded from the formal financial services sector.

See South Africa endnotes on page 147



TANZANIA



OVERALL SCORE

68%

DIMENSION SCORES

Country commitment	94%
Mobile capacity	72%
Regulatory environment	89%
Adoption	42%



GDP
(billion USD)¹

\$48



Adult population
(millions)²

28



Unique mobile
subscribership³

44%



Financial account
ownership among
adults⁴

40%



Financial account
ownership among
women⁵

34%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Instituted the National Financial Inclusion Framework in 2013
- Launched mobile money interoperability across mobile network operators' platforms in 2014
- Updated national financial inclusion target to 80 percent of adults using a financial access point by 2017, given that Tanzania surpassed its initial goal of 50 percent access



Next steps

- Develop comprehensive national financial consumer protection framework
- Implement financial education and capability initiatives as part of the new National Financial Education Framework

Tanzania

Overview of financial inclusion ecosystem

Tanzania has experienced vigorous growth in financial inclusion, surpassing its 2015 target of achieving financial access for 50 percent of the population.⁶ This increase in financial inclusion has largely been attributed to the success of mobile money in the country, with Tanzania being among 19 markets globally that had more mobile money accounts than bank accounts in 2015.⁷ Robust competition within Tanzania's digital financial services market, combined with an interoperable mobile money market platform and strong commitment to advancing financial inclusion, have contributed to adoption of digital financial services.

In terms of country commitment, the Bank of Tanzania serves as the country's Maya Declaration signatory.⁸ It committed to the Maya Declaration in 2011.⁹ The country's National Financial Inclusion Framework (NFIF), instituted in 2013, set a number of targets related to access, usage, range, and quality of financial services.¹⁰ The Bank of Tanzania implements the NFIF with the support of peers in the Alliance for Financial Inclusion network.¹¹

Among the NFIF's measurable targets were having 25 percent of people within 5 km of a financial access point by 2016¹² and ensuring 50 percent of Tanzanians had access to financial services by 2015.¹³ As of 2014, Tanzania had already exceeded its initial goals and consequently developed a new target of financial access among 75 percent of the population within the following six years.^{14 15} In February 2016, the target was again reassessed, with a new target of 80 percent of adults using a financial access point and 70 percent of the population living within 5 km of a financial access point by 2017.¹⁶

With respect to Tanzania's regulatory environment, in 2006 the Bank of Tanzania amended the Bank of Tanzania Act to enable it to regulate nonbank entities offering payment services.¹⁷ The 2007 Electronic

Payment Schemes Guidelines were leveraged to permit mobile network operators (MNOs) to provide payment services.¹⁸ In 2008, the Bank of Tanzania issued "letters of no objection" to partner banks of MNOs that sought to offer mobile money solutions, allowing MNOs to offer innovative products while still including banks closely in the arrangement.¹⁹ In 2013, agent banking guidelines were issued by the Bank of Tanzania.²⁰

Financial inclusion updates

On the regulatory side, in March 2015 the parliament of Tanzania passed the National Payment Systems Act, which carves out a more clearly defined role for the Bank of Tanzania with respect to mobile financial services regulation.²¹ The Act went into effect in October 2015.²² In November 2015, Mobile Money Regulations were enacted; these regulations are planned to be operational in July 2016.²³ As noted previously, Tanzania's quantifiable financial inclusion targets were updated in February 2016, with a key goal of having 80 percent of the adult population using a financial access point by 2017.²⁴

Recent interoperability agreements and the introduction of new digital financial service offerings should continue to promote growth in the mobile money sector. In February 2016, Vodacom Tanzania joined Airtel, Tigo, and Zantel in a mobile money interoperability agreement across their mobile networks.²⁵ Previously, Tigo and Airtel had launched a wallet to wallet service in September 2014,²⁶ with Tigo and Zantel implementing a service in December 2014.²⁷ Thus, all four operators in Tanzania are now interoperable. Additionally, both Airtel²⁸ and Vodacom²⁹ have started to pay customers "interest" on mobile money balances, following in the steps of Tigo.^{30 31} Finally, in March 2016 Tigo launched a mobile credit product called Nivushe.³² With the introduction of this product, all of the largest MNOs in the

country have at least one mobile financial product in the market. For example, Vodacom offers the MPawa savings and loan product,³³ and Airtel offers the Timiza short-term credit service.³⁴

In February 2016, the National Financial Education Framework 2016-2020 was launched by the Bank of Tanzania and the Financial Sector Deepening Trust.^{35 36} The new framework focuses on improving financial literacy and consumer protection and was launched as part of a public-private partnership consisting of the National Council for Financial Inclusion, the National Financial Education Secretariat, various interest groups, and the National Financial Education Technical Committee. The framework is aimed at improving financial capability among consumers in an effort to promote sustainable financial inclusion.³⁷

Moving forward

A 2016 GSMA report highlighted a number of challenges with respect to mobile-related costs in Tanzania.³⁸ The report pointed out that mobile is one of the most heavily taxed sectors in Tanzania, accounting for more than a third of the cost of mobile ownership. Thus, regulators and industry leaders should consider the issue of taxation on mobile handsets and services in light of promoting access to digital financial mechanisms.³⁹ On the demand-side, implementation of the relevant provisions of the National Financial Education Framework should contribute to enhanced financial capability among consumers in the medium- to long-term.

See Tanzania endnotes on page 148

TURKEY



OVERALL SCORE

72%

DIMENSION SCORES

Country commitment	89%
Mobile capacity	78%
Regulatory environment	67%
Adoption	64%



GDP
(billion USD)¹

\$798



Adult population
(millions)²

51



Unique mobile
subscribership³

44%



Financial account
ownership among
adults⁴

57%



Financial account
ownership among
women⁵

44%



Formal commitment
milestone

- Joined the Alliance for Financial Inclusion in 2013



Selected financial
inclusion highlights

- Developed a new consumer protection law in 2013
- Launched a national financial inclusion strategy in 2014
- Recognized by the Alliance for Financial Inclusion and Women's World Banking's March 2016 report on "Policy Frameworks to Support Women's Financial Inclusion" for including a focus on women within its comprehensive financial literacy program



Next steps

- Establish agent banking guidelines to facilitate greater distribution of financial access points in underserved areas
- Consider developing an action plan to complement and drive the implementation of the principles within the national financial inclusion strategy

Turkey

Overview of financial inclusion ecosystem

The passage of Turkey's Law on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions in 2013⁶ and associated Regulation on Payment Services, Electronic Money Issuance, Payment Institutions, and Electronic Money Institutions in 2014 reflect the government's recognition of the value of digital financial services.⁷ However, opportunities for improvement remain with respect to fully implementing regulations surrounding electronic money (e-money), expanding Turkey's financial infrastructure into rural and otherwise underserved areas, and operationalizing Turkey's financial inclusion commitments.

In terms of national-level commitment to promoting financial inclusion, Turkey committed to the G20's Financial Inclusion Peer Learning Program during the G20 Los Cabos Summit in 2012.⁸ Turkey has not made specific commitments under the Maya Declaration on Financial Inclusion,⁹ but the Undersecretariat of Treasury joined the Alliance for Financial Inclusion as a principal member in November 2013.¹⁰

Another relevant financial entity is the Financial Stability Committee (FSC), which was established under Decree Law No. 637, Article 38 of June 2011.¹¹ The FSC is headed by the deputy prime minister for economic and financial affairs.¹² Other members of the FSC include the undersecretary of treasury, the governor of the central bank, and the heads of the Banking Regulation and Supervision Agency, Capital Markets Board, and Savings Deposit Insurance Fund.¹³

In June 2014, Turkey published its national financial inclusion strategy, Circular No. 2014/10 on "Financial Access, Financial Education, Financial Consumer Protection Strategy and Action Plans."¹⁴ The Undersecretariat of Treasury, as the secretariat for the FSC, is responsible for monitoring the implementation of the strategy.¹⁵ The

strategy identifies more than 50 actions relating to financial education and consumer protection and highlights the objective of advancing financial access.¹⁶ The strategy links the need for greater financial education with Turkey's long-term macroeconomic goals. For example, enhancing financial education is expected to increase savings rates domestically by promoting healthy financial behaviors.¹⁷ While the strategy serves the important function of identifying issues central to financial inclusion, a more detailed plan regarding implementation of these objectives could help operationalize the goal of increasing access to financial services.¹⁸

On the regulatory side, Turkey developed a new Consumer Protection Law in 2013.¹⁹ Under the legal and regulatory provisions mentioned previously regarding e-money, agent banking is not permitted,²⁰ and e-money institutions are prohibited from offering credit.²¹ However, the legislation permits banks, e-money institutions, and payment institutions to issue e-money.²² While e-money institutions cannot accept deposits or grant interest, they can process cash payments, withdrawals, remittances, and utility bill payments.^{23 24} Turkey's Banking Regulation and Supervision Agency requires nonbanking financial service providers to apply for operating licenses.²⁵ Mobile network operators are permitted to use subsidiaries under their control to issue e-money but may not issue e-money directly.²⁶

Although the electronic payment law technically permits a variety of entities to serve as e-money institutions, some financial inclusion experts have cautioned that the eligibility requirements for e-money institutions—including having capital of at least TRY 5 million (about USD 1.7 million)—might preclude some non-traditional financial service providers from entering the market.²⁷

Financial inclusion updates

On the regulatory front, the deadline for prospective payment or e-money institutions to comply with requirements established under the Law on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions and apply for status as e-money institutions was June 27, 2015.^{28, 29} As of August 2015, about 30 institutions had applied for e-money licenses, but no licenses had yet been awarded.³⁰

Political instability and conflict in countries such as Syria have affected Turkey, which had the greatest number of refugees of any country worldwide for the second consecutive year. With about 2.5 million refugees, Turkey faces unique challenges among the FDIP countries with respect to ensuring these individuals are able to access the services (e.g., international remittances) they need to support themselves and their families.³¹

With respect to Turkey's national commitment to promoting inclusive finance, the Alliance for Financial Inclusion and Women's World Banking recognized Turkey's comprehensive financial literacy program, which includes a focus on women, in their March 2016 report on "Policy Frameworks to Support Women's Financial Inclusion."³²

Moving forward

Policymakers and regulators should consider developing and implementing agent banking legislation that would enable banks to formally contract diverse entities as agents in order to further expand the distribution network for financial services. At the macroeconomic level, Turkey should monitor growth in loan usage and credit card usage, particularly given fairly low formal savings rates, in order to mitigate the risk of over-indebtedness.³³ Finally, over the coming year, we will follow developments in Turkey's financial landscape regarding approval of licenses for e-money institutions and monitor its response to the unique needs of refugee and migrant populations within the country.

See Turkey endnotes on page 150



UGANDA



OVERALL SCORE

78%

DIMENSION SCORES

Country commitment	100%
Mobile capacity	78%
Regulatory environment	94%
Adoption	58%



GDP
(billion USD)¹

\$27



Adult population
(millions)²

19



Unique mobile
subscribership³

46%



Financial account
ownership among
adults⁴

44%



Financial account
ownership among
women⁵

37%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- Established an updated target developed under the Sasana Accord to increase the percentage of the adult population that is considered formally financially included from 54 percent as of 2013 to at least 70 percent by 2017
- Created a joint working group on Mobile Money Financial Services and issued mobile money guidelines in October 2013
- Passed and approved amendments to the 2004 Financial Institutions Act in January 2016, which enabled the formalization of agent banking



Next steps

- Develop a comprehensive, formal regulatory framework for mobile money
- Strengthen oversight of financial sector to mitigate the risk of fraud and promote consumer confidence

Uganda

Overview of financial inclusion ecosystem

Recent regulatory efforts to promote the extension of financial services through agents should help drive further expansion of formal financial services in Uganda, which has already benefited from the proliferation of mobile money. To date, mobile money has experienced strong take-up in Uganda, which featured the second-highest level of mobile money account ownership among the FDIP countries as of 2014.⁶ Indeed, mobile money has served as the primary driver of financial inclusion in Uganda: An InterMedia survey conducted from July to August 2015 found that about 40 percent of Ugandan adults age 15 and older were financially included, with 35 percent of adults holding registered mobile money accounts.⁷ However, confidence in these services may have been affected by a shutdown of mobile money services that occurred during the 2016 presidential and primary elections.⁸ Recent instances of fraud may also affect trust in formal financial institutions.⁹

Nonetheless, Uganda has made a number of concrete commitments to advancing financial inclusion. In 2011, the Bank of Uganda became a signatory of the Maya Declaration.¹⁰ The Bank of Uganda has made a number of commitments under this declaration, including an updated target developed under the Sasana Accord to increase the percentage of the adult population (age 16 and older) that is considered formally financially included from 54 percent as of 2013 to at least 70 percent by 2017.¹¹ Other major government players in Uganda's financial services sector include the Ministry of Finance, the Uganda Communications Commission, and the Uganda Revenue Authority.¹²

Uganda also demonstrated its commitment to promoting financial inclusion by creating a joint working group on Mobile Money Financial Services between the Bank of Uganda and the Uganda Communications

Commission and by developing guidelines on mobile money services.^{13,14} Moreover, a national-level Financial Inclusion Project was launched in 2012 “to increase access to financial services and empower the users of financial services to make rational decisions in their personal finances so as to contribute to economic growth.”¹⁵ The initiative was built upon four pillars: financial literacy, financial consumer protection, financial innovations, and financial services data and measurement. The project was initially slated to run from 2012 to 2015.¹⁶

With respect to the mobile ecosystem, a number of challenges have persisted despite growing adoption of mobile money, including mobile network issues and a lack of interoperability across mobile money services.¹⁷ Demographic disparities are also evident: While Uganda featured higher levels of mobile money adoption across various demographic segments than nearly all other FDIP countries, gender and income gaps remain in terms of account ownership. About 21 percent of low-income adults and 29 percent of women held mobile money accounts as of 2014, compared with 35 percent of all adults in Uganda.¹⁸

Government entities in Uganda have engaged in a number of regulatory efforts to advance financial inclusion. For example, the Bank of Uganda distributed Financial Consumer Protection Guidelines to the public in 2011, led workshops on financial literacy and consumer protection, and developed a draft “Key Facts Document” designed to standardize informational templates for savings and loan products¹⁹ that was launched in April 2015.²⁰

In October 2013, the Bank of Uganda issued Mobile Money Guidelines,²¹ which included a non-exclusivity clause for mobile money agents.²² The guidelines were developed by the Bank of Uganda, with the input of the Uganda Communications Commission,²³ mobile network operators (MNOs), supervised financial institutions, the National Information Technology Authority, the Uganda National Bureau of Standards, and other

key stakeholders.²⁴ The guidelines permit MNOs to act as primary service providers, with banks working as partners to manage anti-money laundering efforts and manage the financial aspects of the services.²⁵ However, these guidelines are not binding in the same manner as formal regulation.²⁶

Financial inclusion updates

One major development in Uganda since the 2015 FDIP report was the formal institution of a legal basis for agent banking.²⁷ In January 2016, the Parliament of Uganda passed amendments to the 2004 Financial Institutions Act (FIA), which enabled the introduction of Islamic banking, Bancassurance, and agent banking into the financial services market.²⁸ The approval of agent banking is expected to help facilitate the expansion of financial service access points into rural areas. Moreover, the FIA empowers the central bank to establish more than one credit reference bureau, which should promote competition within this sector.²⁹ This competition could possibly lead to lower costs for consumers and facilitate the design of more affordable micro and small loans.³⁰

On the subject of credit, interest rates on loans may create barriers to financial inclusion and shift some customers to unregulated financial service providers that may have insufficient consumer protection provisions.³¹ A recent Moody's analytic report stated that lending rates in Uganda (24.6 percent as of December 2015) "adversely affect borrowers' debt repayment capacity by increasing their repayment amounts."³²

Uganda's National Identification and Registration Authority (NIRA), is implementing Uganda's national ID initiative,³³ which has been credited with helping to increase mobile money subscribership.³⁴ According to an in-country expert, registration for IDs has been shifted to the district level, which will help increase access to registration for those who were left out of the initial registration phase prior to the national elections.³⁵ The government is strongly promoting the national ID initiative: For example, a recent government directive indicated that public servants who did not have national identity cards by July 1, 2016 would have their names removed from the government payroll.³⁶

A problematic development for the mobile money sector was that for nearly four days surrounding the election period in Uganda in February 2016, millions of mobile money users were unable to access mobile money services following a shutdown order from the Uganda Communications Commission.³⁷ Telecommunications companies such as Airtel Uganda, which experiences "around 650,000 unique users per day and processes around 30 billion Ugandan shillings (USD 8.8 million) in transactions" via its mobile money platform, lost significant revenue during the shutdown (in Airtel Uganda's case, thousands of dollars), and many of the more than six million mobile money account holders were (to say the least) inconvenienced.³⁸ Following the elections, the government was sued by a non-governmental organization in connection with the shutdown.³⁹

Moving forward

Efforts to reduce fraud are vital for ensuring financial stability and consumer confidence. Several high-profile incidents of fraud may disrupt trust in Uganda's formal financial sector. For example, in 2011, (now former) employees of MTN allegedly colluded to defraud the company of over 3 million dollars.⁴⁰ Other reports indicate that since June 2015 funds have been fraudulently wired through Uganda's central bank to locations such as Hong Kong and the United Arab Emirates, allegedly by government officials and hackers in Uganda. The latest incident was the transfer of SH 800 million (about USD 8 million) in February 2016.⁴¹ Strengthening oversight of these systems is critical to mitigating the risk of fraud and maintaining financial stability. On the digital financial services regulatory front, developing a specific, comprehensive regulatory framework for mobile money and issuing agent banking regulations could help provide clarity for providers and encourage greater participation within the financial markets.⁴²

See Uganda endnotes on page 151

VIETNAM



OVERALL SCORE

61%

DIMENSION SCORES

Country commitment	61%
Mobile capacity	78%
Regulatory environment	67%
Adoption	50%



GDP
(billion USD)¹

\$186



Adult population
(millions)²

64



Unique mobile
subscribership³

79%



Financial account
ownership among
adults⁴

31%



Financial account
ownership among
women⁵

32%



Formal commitment
milestone

- No specific national financial inclusion policy or multinational financial inclusion network membership



Selected financial
inclusion highlights

- Published a national microfinance development strategy in 2011
- Granted trial licenses for mobile wallet initiatives in December 2014
- Exhibits robust unique mobile subscribership and 3G coverage rates



Next steps

- Amplify marketing efforts surrounding mobile money services to improve awareness among consumers
- Participate in multinational financial inclusion knowledge-sharing networks and develop a national financial inclusion strategy

Vietnam

Overview

Vietnam's increasingly robust information technology infrastructure and strong mobile penetration levels, coupled with a fairly advanced national ID system,⁶ serve as enabling conditions for enhanced financial inclusion within the country. Given that only about 31 percent of adults age 15 and older in Vietnam had an account with a financial institution or mobile money provider as of 2014, according to the World Bank's Global Financial Inclusion (Global Findex) database, considerable opportunities remain to promote greater access to and usage of formal financial services among Vietnam's underserved population.⁷

Vietnam's regulatory capacity and the distribution of financial access points across underserved (predominantly rural) locations must be strengthened to advance sustainable financial inclusion. Facilitating enabling regulation related to branchless banking initiatives, enhancing engagement with international financial inclusion entities, developing a national financial inclusion strategy, and designating a dedicated body to facilitate coordination of financial inclusion stakeholders could help Vietnam reach greater levels of financial inclusion by promoting the entry of diverse providers into the digital financial services market and strengthening knowledge-sharing surrounding financial inclusion initiatives.

Access and usage

Banking landscape

The 2014 Global Findex found that less than one-third of adults in Vietnam had an account with a bank or other financial institution as of 2014.⁸ While Vietnam's level of financial institution account penetration as of 2014 constituted about a 10 percentage point increase from the 2011 Global Findex findings, the figure was significantly lower

than the average financial institution account penetration of East Asia and Pacific countries, which was about 69 percent as of 2014.⁹ Rates of account ownership between men and women in Vietnam were roughly comparable as of 2014, with about 32 percent of women in Vietnam holding an account with a bank or other financial institution as of 2014, compared with about 30 percent of men.¹⁰ Among the 2016 FDIP countries in Southeast Asia, Central Asia, and the Middle East, Indonesia and the Philippines were the only two other countries besides Vietnam where higher percentages of women than men were account holders at a bank or other financial institution. The level of account ownership among adults in the bottom 40 percent of the income spectrum was considerably lower than among men or women, at about 19 percent.¹¹

According to the 2014 Global Findex, ownership of debit cards in Vietnam was below the regional average: About 27 percent of adults in Vietnam had a debit card in 2014, compared with 43 percent in East Asia and Pacific countries overall.¹² The disparity between ownership of debit cards and usage of those cards was substantial: Only 3 percent of adults had used a debit card to make payments within the previous year as of 2014.¹³ Even fewer (1.2 percent) had used a credit card to make payments within the previous year.¹⁴ According to a MasterCard survey conducted from the fourth quarter of 2013 through the first quarter of 2014, trust in local banks was at over 60 percent in Vietnam, while trust levels for multinational banks and global payment card brands were generally lower.¹⁵

As of 2014, the extent of saving at formal financial institutions within the previous year was low, at about 15 percent of adults in Vietnam.¹⁶ While this figure had nearly doubled from 2011, it was still significantly below the average for other countries in the East Asia and Pacific region (37 percent).¹⁷ The percentage of adults who borrowed from a formal financial institution within the previous 12 months as of 2014 exceeded the percentage of adults

who saved at them within that time frame by about 3 percentage points. Informal methods of borrowing were far more prevalent, with about 30 percent of adults borrowing from family or friends within the previous year as of 2014.¹⁸

With respect to supply-side data, Vietnam had about four commercial bank branches per 100,000 adults in 2014, according to the International Monetary Fund's 2015 Financial Access Survey.¹⁹ This penetration level was lower than that of other FDIP countries in Southeast Asia—the Philippines had about nine commercial bank branches per 100,000 adults in 2014, while Indonesia had about 11 commercial bank branches per 100,000 adults.²⁰ In terms of ATM penetration, Vietnam had about 24 ATMs per 100,000 adults in 2014, which was comparable to ATM density in the Philippines but lower than in Indonesia, which featured about 50 ATMs per 100,000 adults in 2014.²¹

Vietnam is also home to an important example of a private sector solution called iCareBenefits that, while not part of the traditional banking landscape, is providing a mechanism for access to finance for millions of factory workers.²² iCareBenefits partners with companies to enable workers to easily finance the purchase of products such as smartphones, home appliances, and mobile-top up time. Due to the spread between the wholesale costs and retail prices of the goods it sells, iCareBenefits is able to offer workers access to financing at extremely low (often zero) interest rates. This enables workers not only to expand their purchasing power but also to build their credit history.

Mobile ecosystem

As of 2014, Vietnam boasted the second-highest rate of mobile subscriptions (147 subscriptions per 100 people)²³ among the 2016 FDIP country set.²⁴ Yet despite high mobile penetration levels, mobile money has not yet reached scale in Vietnam. As of 2014, only about 0.5 percent of all adults in Vietnam had used mobile money within the previous year, and an even lower percentage (0.2 percent) of low-income individuals had used mobile money within the previous year. Use of mobile money to receive wages was negligible, and the percentage of individuals who used a mobile phone to pay utility bills (among those who regularly paid utility bills) was about 0.2 percent.²⁵

However, while takeup of mobile money is not yet widespread in Vietnam, according to Manh Tuong Nguyen, Vice President of M-Service (the parent company of mobile money service MoMo), MoMo had experienced “30 to 50% growth per month in terms of transaction volume and user base” as of September 2015.²⁶ According to the GSMA Mobile Money Deployment Tracker, as of April 2016 MoMo was the only active mobile money deployment in Vietnam.²⁷ MoMo offered a variety of services, including bill payment and merchant payments, but did not offer international remittances.²⁸

Given the prevalence of transfers within Vietnam, there are significant opportunities for greater adoption of digital financial services such as mobile money. An Ericsson Consumer Insight Summary Report published in August 2014 noted that sending and receiving money were common in Vietnam, with 45 percent of surveyed consumers (including mobile phone users in urban and sub-rural areas) in Vietnam stating that they sent or received money.²⁹ These transfers were typically sent via a friend or a family member, as opposed to through mobile money transfer services.³⁰

Awareness of mobile money is considerably lower in Vietnam than in other Asian countries such as Bangladesh and Indonesia, with only 19 percent of surveyed consumers in Vietnam aware of mobile money, compared with 35 percent in Indonesia and about 100 percent in Bangladesh.³¹ Amplifying and targeting advertising of mobile money services toward prospective users and extending financial capability efforts could help increase awareness and adoption rates.

Country commitment and regulatory environment

In contrast to the vast majority of FDIP countries, Vietnam is not a member of the Alliance for Financial Inclusion (AFI) and is not a signatory of the Maya Declaration.^{32 33} While legislation pertaining to microfinance is in place—for example, the 2010 Law on Credit Institutions³⁴ enabled licensed microfinance companies to provide deposit and credit services,³⁵ and Decision 2195/2011 established a path forward for Vietnam's

microfinance system through 2020³⁶—the Economist Intelligence Unit noted in its “2015 Global Microscope” report that no specific government policy on financial inclusion exists in Vietnam.³⁷ Enhanced engagement with financial inclusion-oriented learning networks and organizations could help promote knowledge-sharing and drive the development of specific financial inclusion commitments by Vietnam’s financial authorities.

In terms of branchless banking efforts, some progress has been made with respect to electronic money initiatives. For example, in December 2014 the State Bank of Vietnam (SBV) granted four trial licenses for mobile-wallet initiatives.³⁸ However, these products primarily focused on banked customers; as noted above, only one mobile money deployment was available in Vietnam as of April 2016.³⁹ Moreover, Vietnam’s current regulatory framework does not permit banking agents to operate on behalf of banks, constraining the potential expansion of access points for the underserved.⁴⁰

In terms of facilitating access to financial services, while the existence of Vietnam’s national ID should serve as an enabling condition, a December 2015 article stated that Vietnam’s requirement of face-to-face account opening posed a barrier to account access for many underserved individuals, particularly for Vietnam’s majority (67 percent in 2014)⁴¹ rural population.⁴² Instituting proportionate know-your-customer requirements could help mitigate this barrier—for example, by enabling individuals to open low-value accounts remotely.

Recent, publicly available data on adoption of financial services, particularly among the financially underserved, are limited in Vietnam, and no national survey of financial capability appears to have been conducted by Vietnam’s government to date.⁴³ A 2014 International Finance Corporation (IFC) report noted that Visa had recently supported a survey on financial capability in 27 countries in which Vietnam ranked 25th on a series of questions pertaining to financial knowledge, perceptions, and behaviors among women.⁴⁴ Thus, there is clearly space for enhanced financial education and capability initiatives in Vietnam, and a national financial inclusion strategy could help facilitate collaborative efforts toward achieving this objective.

On the topic of coordination, the 2014 IFC diagnostic found that government agencies still required

greater collaboration to effectively safeguard consumer protection.⁴⁵ The diagnostic also found that regulations did not directly target over-indebtedness, and there was limited information on credit among the low-income segment (although the Credit Information Center at the SBV had recently begun recording loans below about USD 2,500).⁴⁶ While the report did not find significant signs of widespread over-indebtedness,⁴⁷ the findings of the diagnostic reiterate the need for cooperation regarding consumer protection moving forward. Further, a 2015 diagnostic review of consumer protection and financial literacy in Vietnam by the World Bank noted that clear commitment to strengthening consumer protection was evident at the national level, but that Vietnam’s regulatory environment and capacity surrounding financial consumer protection (particularly with respect to coordination among regulators and supervisors) was still in the early stages of development.⁴⁸

In short, Vietnam is still in the nascent phases of building the institutional and regulatory capacity needed to effectively advance access to financial services. Improving coordination among government entities in Vietnam will serve as an important prerequisite to building a sustainable financial inclusion strategy and taking the appropriate regulatory actions needed to promote innovative and inclusive financial services, particularly through mobile devices.

See Vietnam endnotes on page 152

ZAMBIA



OVERALL SCORE

67%

DIMENSION SCORES

Country commitment	94%
Mobile capacity	78%
Regulatory environment	78%
Adoption	42%



GDP
(billion USD)¹

\$27



Adult population
(millions)²

8



Unique mobile
subscribership³

52%



Financial account
ownership among
adults⁴

36%



Financial account
ownership among
women⁵

33%



Formal commitment
milestone

- Committed to the Maya Declaration in 2011



Selected financial
inclusion highlights

- The 2015 FinScope survey highlighted the role of mobile money in amplifying financial inclusion, with about 14 percent of adults having or using mobile money
- Published the National Payment Systems Directives on Electronic Money Issuance in 2015
- Launched the Financial Inclusion Support Framework, in conjunction with the World Bank, in November 2015



Next steps

- Issue the draft branchless banking regulations
- Amplify efforts to promote financial literacy and increase awareness of digital financial services

Zambia

Overview of financial inclusion ecosystem

Considerable rural poverty levels and fairly limited infrastructure have posed challenges to financial inclusion in Zambia,⁶ but the country's developing mobile money environment and government support for advancing financial inclusion have driven increased adoption of formal financial services. The 2015 FinScope survey in Zambia found that about 59 percent of adults were financially included⁷ and about 38 percent of adults were formally included⁸ as of 2015 (up from about 23 percent in 2009).⁹ The 2015 FinScope report highlighted the role of mobile money in contributing to recent financial inclusion growth, noting that about 14 percent of adults either have or use mobile money services.¹⁰

While progress toward financial inclusion is evident, disparities across demographics remain. For example, women in Zambia are disproportionately likely to be excluded from formal financial services compared with men. Legal barriers, cultural norms, and low financial literacy levels contribute to this divide.¹¹ However, efforts by government authorities such as the Bank of Zambia (discussed later in this summary) have helped reduce this disparity: According to the 2015 FinScope survey, the gender gap in financial inclusion was about 4 percentage points in 2015, down from about 7 percentage points in 2009.¹² Inclusion among women increased more significantly between the 2009 and 2015 FinScope surveys than inclusion among men (around 24 percentage points).¹³

On the supply-side, the number of mobile money agents in Zambia has exceeded the number of bank branches: As of 2013, commercial bank branches comprised about 25 percent of all financial points of service, mobile agents comprised about 43 percent, and other institutions comprised about 33 percent.¹⁴

While usage of mobile money has increased in recent years, there remains significant opportunity

to improve awareness and understanding of mobile money services. A recent study by InterMedia, Financial Sector Deepening Zambia, and the Mobile Money for the Poor program found that while many consumers in Zambia were interested in using formal financial services, of the 53 percent of Zambians who had heard of mobile money in 2015, about three-quarters had not used mobile money. Reasons for this disparity included a lack of appropriate identification, limited mobile phone ownership, a perception of not knowing enough about the service, not believing the service would be a good fit for their needs, or being concerned about losing money during transactions.¹⁵

In terms of geographic disparities, the 2015 FinScope survey found that financial inclusion growth advanced more significantly from 2009 to 2015 in urban areas than in rural areas, although financial inclusion growth across rural areas was still considerable, at about 16 percentage points.¹⁶

Regarding country commitment to advancing financial inclusion, in 2011 the Bank of Zambia committed to the Alliance for Financial Inclusion's Maya Declaration and set a target of ensuring access to financial services for 50 percent of the population by the end of 2016 as part of the bank's strategic plan.¹⁷ The Bank of Zambia also serves as the lead implementer of the Financial Sector Development Plan (FSDP), which was drafted as a strategy for "addressing challenges in the Zambian financial sector."¹⁸ The FSDP was implemented in 2004, following the completion of the Financial Sector Assessment Program (FSAP) in 2002,¹⁹ which noted a number of weaknesses in Zambia's financial sector. These issues included limited financial access points for individuals in rural areas, burdensome bank fees and account opening requirements, and a lack of coordination among government entities.²⁰

In FSDP Phase II, equitable access to financial services (including among men and women) became a

major focus.^{21, 22} FSDP leverages an extensive collaborative network that includes the Ministry of Finance (the coordinator and funder of FSDP's activities), the Bank of Zambia (which houses the secretariat for FSDP), and the FinMark Trust (which offers technical expertise).²³

As part of the FSDP, Zambia met its target of developing a national financial literacy strategy and in July 2012 launched a strategy to integrate financial education into the school curriculum.²⁴ As part of the Bank of Zambia's efforts to strengthen consumer protection, the 2013 Maya Declaration report noted that the bank instituted caps on interest rates for lending, which applied to "commercial banks, microfinance institutions, and all other non-bank financial institutions."²⁵ In March 2013, the Bank of Zambia presented an index to assess the extent of financial inclusion in the country.²⁶

In November 2015, the World Bank Financial Inclusion Support Framework program was launched in Zambia; the program identified a number of action items for promoting inclusive finance, such as developing a dedicated national financial inclusion strategy, building financial capability, and improving financial infrastructure.²⁷ To that end, the Bank of Zambia, Pensions and Insurance Authority, and Securities and Exchange Commission are coordinating with the Ministry of Finance and the World Bank on the development of a new financial inclusion strategy.²⁸

In terms of specific regulatory provisions, the National Payment Systems Act of 2007 enabled businesses involved in mobile banking and money transfer to be designated as such providers.²⁹ In June 2015, the National Payment Systems Directives on Electronic Money Issuance 2015 were published in the government gazette.³⁰ As of August 2015, the Bank of Zambia was in the process of issuing branchless banking regulations.³¹

On the supply side, a Helix Institute of Digital Finance Report conducted between July and August 2015 found that the digital financial service market in Zambia is increasingly competitive, with widespread adoption of over-the-counter services. However, limited awareness of digital financial services has been cited as a constraining factor with respect to further expanding digital financial service usage.³⁴

In terms of new regulations, as noted above, the National Payment Systems Directives on Electronic Money Issuance were published in 2015.³⁵

Finally, the government of Zambia has been recognized for its efforts to promote financial inclusion among women, including through the establishment of a Women's Financial Inclusion Taskforce.³⁶

Moving forward

In addition to issuing finalized branchless banking regulations, the government of Zambia should continue to invest in information and technology communications infrastructure in order to advance the availability of branchless banking services.³⁷

With respect to underserved populations in particular, public and private sector representatives should work together to enhance awareness of digital financial services among underserved populations, particularly those in rural areas.³⁸ Additionally, policymakers and financial service providers should leverage the latest FinScope findings and other data to design and deliver products that meet the needs of women in order to reduce the financial inclusion gender gap.

See Zambia endnotes on page 153

Financial inclusion updates

Recent surveys have found that the adoption of formal financial services is escalating, although awareness-building efforts are needed to accelerate this trend. The 2015 FinScope survey confirmed that Zambia had exceeded its target of reaching 50 percent financial inclusion by about 9 percentage points.^{32, 33}

METHODOLOGY

Research process

Timeline for data collection

Selected financial inclusion developments from June 2015 through the end of May 2016 are captured in the 2016 FDIP Report and Scorecard. While we have made every effort to ensure that the information included in this report is as complete as possible, the global financial inclusion landscape is complex and rapidly evolving. We welcome feedback on country-specific initiatives relevant to financial inclusion, as well as general feedback regarding the 2016 report and scorecard, at FDIPComments@brookings.edu.

Engagement strategy

We benefited from high levels of engagement among many of the in-country financial inclusion experts we reached out to during the consultation process for the 2016 FDIP Report. We are deeply grateful for their insights regarding the financial inclusion landscape in their respective countries.

In addition to coordinating with in-country financial inclusion authorities, we engaged with a diverse array of financial sector and development experts based in the United States through in-person meetings, calls, and participation in private and public events in order to solicit their perspectives on global trends, challenges, and opportunities with respect to financial inclusion.

For a list of many of the government officials, industry leaders, international finance institution representatives, and other key stakeholders who have contributed to the FDIP research effort over the previous year, please refer to the acknowledgments section of the report. Additional details regarding the FDIP engagement strategy for the 2016 research outputs are included below.

Consultation process regarding new 2016

FDIP countries

The 2016 FDIP Report includes five new countries that were not included in the 2015 report: the Dominican Republic, Egypt, El Salvador, Haiti, and Vietnam. We reached out to government representatives (and, where possible, non-government representatives) in each of these countries to provide them with an opportunity to review the draft profile (although not the specific scores) for their respective countries and to solicit their input on recent, country-specific financial inclusion developments.¹

Consultation process regarding FDIP countries also addressed in the 2015 FDIP Report and Scorecard

For the 21 countries that were included in the 2015 FDIP Report, we provided our reviewers in those countries with a list of selected financial inclusion developments we had tracked since spring 2015. We solicited their feedback regarding those key developments, as well as their input regarding any other salient financial inclusion updates since spring 2015 and feedback on the 2015 FDIP research outputs more generally.

In addition to communications with in-country experts, the FDIP team expanded its engagement strategy for the second year of the project by hosting two roundtables at Brookings and participating in a broad array of international and domestic financial inclusion events. The Brookings roundtables, held in October 2015 and March 2016, provided an opportunity to explore key themes regarding the global financial inclusion landscape, including anti-money laundering/combating the financing of terrorism efforts, digital identity initiatives, and the gender gap in financial inclusion. These discussions, as well as the FDIP team's participation in private meetings, invite-only roundtables, and public events among diverse financial inclusion entities, informed and enhanced the research process for the 2016 FDIP Report.

Scoring descriptions²

The 2016 FDIP Report and Scorecard assess four “dimensions” that represent key areas associated with access to and usage of financial services: country commitment, mobile capacity, regulatory environment, and adoption of traditional and digital financial services. The 2016 FDIP Scorecard features 30 indicators worth 3 points each, for a total possible score of 90.

For the 2016 report, we have introduced the following new indicators:

- Existence of a specific consumer protection framework³
- Availability of merchant payments via mobile money services
- Smartphone adoption
- Frequency of account usage with a formal financial institution (3 or more withdrawals in a given month)

The inclusion of these new indicators in the 2016 report reflects takeaways from conversations the FDIP team had with key stakeholders in the financial inclusion community, in which financial inclusion experts emphasized the importance of considering the quality and usage elements of financial inclusion, in addition to digital financial mechanisms.

In particular, the addition of a consumer protection framework indicator reflects our belief in the importance of consumer protection in promoting sustainable inclusive finance. We encourage interested readers to review the myriad financial consumer protection resources available, including findings from the World Bank’s 2013 surveys on consumer protection and financial literacy.⁴

With respect to merchant payments, tracking digital merchant payments is valuable since these services often provide a safer and more secure platform for consumers and merchants compared with cash, lower costs for providers, and can “help create a digital transaction history, which can be used to provide credit to merchants.”⁵ Evidence of these benefits is provided in a recent report by the United States Agency for International Development (USAID), which highlighted perceptions of and behaviors

toward digital payments in low-income communities in India. The report noted that while only 6 percent of merchants in India accepted digital payments, merchants and consumers who used digital payments were very satisfied with the experience.⁶ The report identified a number of suggestions for scaling up digital payments, including increasing awareness among consumers and enabling merchants to try digital payments options at minimal or no cost.⁷

Thus, while adoption of digital channels for merchant payments can be challenging, particularly in societies with a cultural emphasis on cash, the benefits of scaling this component of the digital financial services ecosystem can be considerable from both consumer and business perspectives. We focus on merchant payments with respect to mobile money services in particular given the availability of consistent data across our focus countries from the GSMA.

We measure smartphone adoption across our focus countries in an effort to determine the potential base for building out takeup of convenient, user-friendly mobile money services. As noted in the 2015 FDIP Report, we believe that increasing smartphone penetration will enable access to more user-friendly interfaces and drive greater adoption of formal financial services. According to the GSMA, developing economies will produce most of the future growth in smartphone penetration: The number of smartphone connections globally is expected to increase to about 2.6 billion by 2020, with about 90 percent of that growth coming from developing economies.⁸

Finally, given that financial inclusion means moving beyond access to formal financial services to enhanced usage of those services, we measure the frequency of withdrawals in a given month (specifically, three or more withdrawals per month) among adults with accounts at a formal financial institution. We measure the number of withdrawals rather than the number of deposits, as automated deposits may be provided to an account without a customer actually accessing the funds (i.e., the account is dormant). We selected the highest frequency of account usage available from the 2014 Global Findex database given that low-income individuals and other often underserved populations are typically dealing in small value transactions due to limited cash flows and/or caps on

transaction amounts, and thus may need to access their account more frequently than wealthier individuals.⁹

To enhance differentiation across countries, facilitate greater parity across dimensions, and focus on adoption rates among underserved populations (including low-income individuals and women), we removed the following indicators for the 2016 scorecard:

- Existence of specific digital financial service commitments by a government entity
- Number of mobile money deployments
- Availability of person-to-person domestic transfers via mobile money services
- Percentage of adults with accounts at formal financial institutions
- Percentage of rural residents with accounts at formal financial institutions
- Percentage of adults with mobile money accounts
- Percentage of rural residents with mobile money accounts

We have also refined several indicators, including the account access and usage indicator (formerly titled “proportionate KYC”), the “cash-in/cash-out” indicator, the “platform interoperability” indicator, and the “dedicated financial body” indicator.

Country commitment indicator descriptions

1. National-level participation in international financial inclusion-oriented organizations or networks.

- Description: Has the country signed the Alliance for Financial Inclusion’s Maya Declaration on Financial Inclusion or joined international groups such as the Better Than Cash Alliance or the G20’s Financial Inclusion Peer Learning Program?
- Scoring: 1=No; 3=Yes
- Sources: Information for this indicator is based on the online membership listings for the Alliance for

Financial Inclusion, the Maya Declaration on Financial Inclusion, and the Better Than Cash Alliance, as well as information regarding participation in the G20’s Financial Inclusion Peer Learning Program.

2. Existence of a national financial inclusion strategy.

- Description: Does a comprehensive national financial inclusion strategy exist?
- Scoring: 1=No; 2=A national financial inclusion strategy is in development; 3=Yes
- Note: As noted in the Alliance for Financial Inclusion’s “Financial Inclusion Strategies: Global Trends and Lessons Learnt from the AFI Network” presentation, comprehensive national financial inclusion strategies may be presented within a national financial sector development plan or as a stand-alone strategy.¹⁰
- Sources: Information for this indicator was primarily derived from surveys of the Alliance for Financial Inclusion’s “2015 Maya Declaration Progress Report: Commitments into Action;” the Alliance for Financial Inclusion Financial Inclusion Strategy Peer Learning Group’s “A Timeline of Achievement” and “National Financial Inclusion Strategies: Current State of Practice” documents; the Economist Intelligence Unit’s “Global Microscope 2015: The Enabling Environment for Financial Inclusion;” evaluations of online content available from governmental and INGO websites; and information provided by government officials within select FDIP countries.

3. Existence of quantifiable financial inclusion targets.

- Description: Do formal, publicly available quantifiable goals related to financial inclusion exist at a national level?
- Scoring: 1=No; 3=Yes
- Note: While many countries have developed action items related to financial inclusion that contain general timelines for completion, this indicator

specifically focuses on numerical targets. For the purposes of this study, macroeconomic goals, such as an increase in the percentage of savings as GDP, and goals related solely to microfinance (in the narrow sense of microloans) were not included in our evaluation of quantifiable financial inclusion goals.

- Sources: Information for this indicator was primarily based on the Alliance for Financial Inclusion's "2015 Maya Declaration Progress Report: Commitments into Action," with surveys of governmental authorities' websites, news reports, INGO websites, and correspondence with country contacts deployed as supplementary data.

4. Existence of a recent demand-side financial services survey conducted or supported by a government entity.

- Description: Has a nationally representative, demand-side financial services survey been recently conducted or supported by a government entity within the country?
- Scoring: 1=No; 3=Yes
- Note: For purposes of this study, "recent" refers to surveys published within the previous four years (i.e., surveys published prior to 2012 are not considered recent). "Conducted or supported" in this context signifies that the government either commissioned the survey or was explicitly noted as a partner institution by the lead institution conducting the survey.
- Sources: The predominant sources consulted for this indicator include the Alliance for Financial Inclusion's "2015 Maya Declaration Progress Report: Commitments into Action" and the Economist Intelligence Unit's "Global Microscope 2015: The Enabling Environment for Financial Inclusion." Other supplementary sources include surveys of governmental authorities' and INGO's websites, as well as correspondence with government representatives in various FDIP focus countries.

5. Existence of a dedicated financial inclusion body within the public sector.

- Description: Does the country have a dedicated financial inclusion body within the regulator, ministry of finance, or other governmental entity?
- Scoring: 1=No; 2=A dedicated financial inclusion body is in development; 3=Yes
- Note: Where a dedicated financial inclusion body was not in place, but evidence of dedicated staff coupled with active financial inclusion initiatives was available, we awarded a score of 3.
- Sources: The primary source consulted for this indicator was the World Bank's "Financial Inclusion Strategies Database," which features more than 50 countries that have either "made formal commitments under the Alliance for Financial Inclusion's Maya Declaration or have been identified by the Financial Inclusion Strategy Peer Learning Group as having significant national strategies."¹¹ Supplementary sources include searches of governmental websites, a review of the Alliance for Financial Inclusion's "2015 Maya Declaration Progress Report: Commitments into Action," and correspondence with government representatives.

6. Existence of a consumer protection framework regarding financial services.

- Description: Is a financial consumer protection framework in place?
- Scoring: 1=No; 2=A specialized financial consumer protection framework is in development or finalized but not yet fully implemented OR certain financial consumer protection provisions are in place; 3=A financial consumer protection framework is in effect.
- Sources: The primary source consulted for this indicator was the Economist Intelligence Unit's "Global Microscope 2015: The Enabling Environment for Financial Inclusion." Supplementary sources included surveys of publicly available consumer protection regulations, news sources, and analyses from multinational organizations.

Mobile capacity indicator descriptions¹²

1. Market penetration with respect to unique subscribers.

- Description: GSMA Intelligence defines this indicator as “Total subscribers in the market divided by the total population at the end of the period, expressed as a percentage.” As noted by the GSMA, “[s]ubscribers differ from connections such that a unique user can have multiple connections.”¹³
- Scoring: 1=0-33%; 2=34-66%; 3=67-100%
- Source: GSMA Intelligence Database, 2016.

2. 3G mobile coverage by population.

- Description: “3G mobile coverage, expressed as a percentage of the total market population, at the end of the period,” according to the GSMA.¹⁴
- Scoring: 1=0-33%; 2=34-66%; 3=67-100%
- Source: GSMA Intelligence Database, 2016.

3. Smartphone adoption.

- Description: According to the GSMA, this indicator is defined as “[s]martphone connections expressed as a percentage share of total connections (excluding M2M). It is not calculated as smartphone connections divided by total population.”¹⁵
- Scoring: 1=0-33%; 2=34-66%; 3=67-100%
- Source: GSMA Intelligence Database, 2016.

4. Availability of bill payments via mobile money services.

- Description: Do mobile money service providers offer bill payment services?
- Scoring: 1=No; 3=Yes
- Source: GSMA Mobile Money for the Unbanked Deployment Tracker, 2016.

5. Availability of international remittances via mobile money services.

- Description: Do mobile money service providers offer international remittances?
- Scoring: 1=No; 3=Yes
- Source: GSMA Mobile Money for the Unbanked Deployment Tracker, 2016.

6. Availability of merchant payments via mobile money services.

- Description: Are merchant payments available via mobile money services?
- Scoring: 1=No; 3=Yes
- Source: GSMA Mobile Money for the Unbanked Deployment Tracker, 2016.

Regulatory environment indicator descriptions

1. Agent banking.

- Description: Can banks or other formal financial institutions contract with other legal entities to serve as agents to provide financial services?
- Scoring: 1=No; 3=Yes
- Sources: Sources used to score this indicator include the Economist Intelligence Unit’s “Global Microscope 2015: The Enabling Environment for Financial Inclusion,” surveys of country-specific legislation, news reports, INGO publications, and correspondence with in-country experts.

2. Mobile network operator-led mobile financial service deployments.

- Description: Are mobile network operators eligible to apply for licenses or other formal approval from the regulator to lead mobile money deployments?¹⁶
- Scoring: 1=No; 3=Yes
- Sources: Scoring for this indicator is based primarily on the Economist Intelligence Unit’s “Global Microscope 2015: The Enabling Environment for Financial Inclusion,” surveys of country-specific legislation, news reports, INGO publications, and correspondence with in-country experts.

3. E-money regulations.

- Description: Have regulations, policies, or other guidance concerning electronic money (e-money) been issued?
- Scoring: 1=No e-money regulations are in place or appear to be in development; 2=E-money regulations are in development; 3=E-money regulations have been issued.
- Sources: Scoring for this indicator is primarily based on analysis from the Economist Intelligence Unit's "Global Microscope 2015: The Enabling Environment for Financial Inclusion," in addition to surveys of relevant regulations on governmental websites and correspondence with government representatives.

4. Mobile money platform interoperability.

- Description: Is the capacity for mobile money platform interoperability required by the regulator or other financial inclusion authority and/or are mobile money platforms actively interoperable?
- Scoring: 1=No requirements concerning the capacity for platform interoperability have been issued by the regulator, and there is no evidence of interoperability; 2=Platforms are explicitly required to have the capacity for interoperability OR efforts to develop an interoperable platform have been advanced significantly; 3=Two or more mobile money platforms are actively interoperable.
- Note: While there are numerous types of interoperability, for the purposes of this study we focus on platform interoperability, in which mobile money platforms are interconnected so that a "customer with an account with one service provider can send or receive money to or from the account of a customer with a different service provider."¹⁷
- Sources: The predominant sources consulted for this indicator were surveys of regulations on governmental websites, news articles, INGO and industry publications, and correspondence with in-country experts. This research was supplemented with surveys of the Economist Intelligence

Unit's "Global Microscope 2015: The Enabling Environment for Financial Inclusion."

5. Account access and usage.

- Description: Are account opening and usage requirements (e.g., know-your-customer processes and minimum balance requirements) for savings products at regulated financial institutions conducive to the adoption of these products by underserved populations?¹⁸
- Scoring: 1=No/Somewhat; 3=Yes
- Sources: The Economist Intelligence Unit's "Global Microscope 2015: The Enabling Environment for Financial Inclusion" was the main resource consulted for this indicator. Correspondence with country contacts and reviews of country-specific regulations, INGO and industry reports, and news articles served as supplementary sources.

6. Cash-in/cash-out at agent locations.

- Description: Are agents permitted to perform both cash-in and cash-out services within the context of an inclusive regulatory environment?¹⁹
- Scoring: 1=Agents are not permitted to perform cash-in and cash-out services; 2=Agents are permitted to perform cash-in and cash-out services, but regulations constrain the entry of certain agents into the market; 3=Agents are permitted to perform cash-in and cash-out services within the context of an inclusive regulatory environment
- Sources: The Economist Intelligence Unit's "Global Microscope 2015: The Enabling Environment for Financial Inclusion" served as the main source for this indicator, in addition to surveys of news articles, websites of industry associations and financial service providers, correspondence with in-country experts, and studies conducted by non-government entities.

Adoption indicator descriptions²⁰

For each of the percentage indicators below, the scoring ranges have been normalized since the range of data across all countries included in this study spanned a relatively narrow subrange. We normalized the data by taking the difference between the highest and lowest values across all countries in this study, and then dividing that range into three equal subranges, corresponding respectively to a score of 1, 2, and 3. For example, using this approach, for an indicator in which the raw data ranged from 50 percent for the worst-performing country to 79 percent for the best-performing country, countries with raw data scores from 50 percent to 59 percent would receive a “1”, countries with raw data scores from 60 percent to 69 percent would receive a “2”, and countries with raw data scores from 70 percent to 79 percent would receive a “3.”²¹

The specific indicators we used to measure adoption are the following:

1. Formal financial institution account penetration among lower-income adults.

- Description: The 2014 Global Findex description for the data used for this indicator is “percentage of respondents who report having an account (by themselves or together with someone else) at a bank or another type of financial institution; having a debit card in their own name; receiving wages, government transfers, or payments for agricultural products into an account at a financial institution in the past 12 months; paying utility bills or school fees from an account at a financial institution in the past 12 months; or receiving wages or government transfers into a card in the past 12 months (income, poorest 40%, % age 15+).”
- Scoring: 1=5-22%; 2=23-40%; 3=41-58%

2. Formal financial institution account penetration among women.

- Description: The 2014 Global Findex description for the data used for this indicator “denotes the percentage of respondents who report having an account (by themselves or together with someone else) at a bank or another type of financial institution; having a debit card in their own name;

receiving wages, government transfers, or payments for agricultural products into an account at a financial institution in the past 12 months; paying utility bills or school fees from an account at a financial institution in the past 12 months; or receiving wages or government transfers into a card in the past 12 months (female, % age 15+).”

- Scoring: 1=3-24%; 2=25-47%; 3=48-69%

3. Borrowing from a financial institution.

- Description: The 2014 Global Findex description for the data used for this indicator is the percentage of adults who “borrowed any money in the past 12 months (by themselves or together with someone else) from a bank or another type of financial institution. This does not include the use of credit cards.”
- Scoring: 1=2-7%; 2=8-14%; 3=15-20%

4. Saving at a financial institution.

- Description: The 2014 Global Findex description for the data used for this indicator is the percentage of respondents who “report saving or setting aside any money in the past 12 months by using an account at a bank or another type of financial institution (% age 15+).”
- Scoring: 1=3-12%; 2=13-23%; 3=24-33%

5. Debit card use.

- Description: The 2014 Global Findex description for the data used for this indicator is “the percentage of respondents who report using their own debit card directly to make a purchase in the last 12 months (% age 15+).”
- Scoring: 1=0-13%; 2=14-28%; 3=29-42%

6. Credit card use.

- Description: The 2014 Global Findex description for the data used for this indicator is “the percentage of respondents who report using their own credit card in the past 12 months (% age 15+).”
- Scoring: 1=0-9%; 2=10-19%; 3=20-29%.

7. Percentage of adults utilizing online bill payments and purchases.

- Description: The 2014 Global Findex description for the data used for this indicator is the percentage of adults who reported “paying bills or making purchases online using the Internet in the past 12 months (% age 15+).”
- Scoring: 1=0-5%; 2=6-13%; 3=14-19%

8. Mobile money account penetration among lower-income adults.

- Description: The 2014 Global Findex description for the data used for this indicator is the “percentage of respondents who report personally using a mobile phone to pay bills or to send or receive money through a GSM Association (GSMA) Mobile Money for the Unbanked (MMU) service in the past 12 months; or receiving wages, government transfers, or payments for agricultural products through a mobile phone in the past 12 months (income, lowest 40%, % age 15+).”
- Scoring: 1=0-17%; 2=18-35%; 3=36-53%

9. Mobile money account penetration among women.

- Description: The 2014 Global Findex description for the data used for this indicator is the percentage of women who “personally us[ed] a mobile phone to pay bills or to send or receive money through a mobile money service in the previous 12 months or who received wages, government transfers, or payments for agricultural products through a phone in the previous 12 months.”
- Scoring: 1=0-17%; 2=18-37%; 3=38-55%

10. Mobile phone used to receive salary or wages (among recent wage-earners).²²

- Description: The 2014 Global Findex description for the data used for this indicator reads “among respondents who reported receiving any money from an employer in the past 12 months in the form of a salary or wages for doing work, percentage

of adults who received salary or wages through a mobile phone in the last 12 months.”

- Scoring: 1=0-7%; 2=8-17%; 3=18-25%

11. Mobile phone used to make utility payments (among adults regularly making utility bill payments).²³

- Description: The 2014 Global Findex description for the data used for this indicator “denotes, among respondents reporting personally making regular payments in the past 12 months for water, electricity, or trash collection, the percentage who made these payments through a mobile phone (% paying utility bills, age 15+).”
- Scoring: 1=0-17%; 2=18-37%; 3=38-55%

12. Frequency of account usage.²⁴

- Description: The 2014 Global Findex description for the data used for this indicator is “the percentage of respondents with an account at a bank or another type of financial institution who report that money is withdrawn from their account three or more times in a typical month (% with an account, age 15+).”
- Scoring: 1=3-12%; 2=13-22%; 3=23-32%

APPENDIX: SCORING CHANGES

The table below indicates the percentage point difference in countries' percentage scores between 2015 and 2016. Thus, the five new FDIP countries featured in the 2016 report are not included in the table.

Country	△ Overall Score	△ Country Commitment Score	△ Mobile Capacity Score	△ Regulatory Environment Score	△ Adoption Score
Afghanistan	-4	-12	-11	-11	3
Bangladesh	-1	-5	-11	0	-1
Brazil	0	0	0	-11	3
Chile	0	0	0	-6	4
Colombia	5	11	0	0	3
Ethiopia	-1	-5	-5	0	0
India	-1	0	-6	5	-7
Indonesia	1	0	0	-6	0
Kenya	-5	0	-11	0	-6
Malawi	-2	-6	-11	-11	3
Mexico	2	0	0	-5	5
Nigeria	0	-6	-11	0	4
Pakistan	4	0	0	0	3
Peru	3	6	-22	11	4
Philippines	8	6	5	11	2
Rwanda	1	-6	-11	6	1
South Africa	-2	-6	-6	-11	3
Tanzania	-3	-6	-11	-11	0
Turkey	-2	0	0	-11	0
Uganda	3	0	-5	11	0
Zambia	-2	-6	-11	-5	0

ENDNOTES

1. "Global Financial Development Report 2014: Financial Inclusion," The World Bank, 2014, http://siteresources.worldbank.org/EXTGLOBALFINREPORT/Resources/8816096-1361888425203/9062080-1364927957721/GFDR-2014_Complete_Report.pdf; Robert Cull, Tilman Ehrbeck, Nina Holle, "Financial Inclusion and Development: Recent Impact Evidence," CGAP, 29 April 2014, <http://www.cgap.org/publications/financial-inclusion-and-development-recent-impact-evidence>; and Ratna Sahay, Martin Cihak, Papa N'Diaye, Adolfo Barajas, Srobona Mitra, Annette Kyobe, Yen Nian Mooi, and Reza Yousefi, "Financial Inclusion: Can it Meet Multiple Macroeconomics Goals?" (SDN/15/17), International Monetary Fund, 15 September 2015, <http://www.imf.org/external/pubs/cat/longres.aspx?sk=43163>.
2. "The Sustainable Development Agenda," United Nations, Undated, <http://www.un.org/sustainabledevelopment/development-agenda/>.
3. Ibid.
4. "Sustainable Development Goals," United Nations, Undated, Accessed June 2016, <http://www.un.org/sustainabledevelopment/sustainable-development-goals/>.
5. Global Financial Inclusion database (Global Findex), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
6. "It's expensive to be poor: Why low-income Americans often have to pay more," *The Economist*, 5 September 2015, <http://www.economist.com/news/united-states/21663262-why-low-income-americans-often-have-pay-more-its-expensive-be-poor>.
7. "New Rules Could Dramatically Alter the Payday Loan Market," *Fortune*, 2 June 2016, <http://fortune.com/2016/06/02/cfpb-payday-loan-rules/>.
8. See <http://www.usfinancialdiaries.org/about/>.
9. Ibid.
10. "Treasury and USAID Host Financial Inclusion Forum," U.S. Department of the Treasury, 24 November 2015, <https://www.treasury.gov/press-center/media-advisories/Pages/11242015.aspx>.
11. "Opening Remarks by Secretary Jacob J. Lew at the 2015 Financial Inclusion Forum," U.S. Department of the Treasury, 1 December 2015, <https://www.treasury.gov/press-center/press-releases/Pages/jl0288.aspx>.
12. "Financial Inclusion for the Roma: Banking as a Key to Social Progress," Open Society Foundation, March 2012, <https://www.opensocietyfoundations.org/briefing-papers/financial-inclusion-roma-banking-key-social-progress>.
13. Melanie Sevcenko, "Roma: The hidden Americans," *Al Jazeera*, 6 June 2011, <http://www.aljazeera.com/indepth/features/2011/04/20114145828641489.html>.
14. Jordana Barton, Emily Ryder Perlmeter, Elizabeth Sobel Blum, and Raquel R. Marquez, "Las Colonias in the 21st Century: Progress along the Texas-Mexico Border," Federal Reserve Bank of Dallas, April 2015, <https://www.dallasfed.org/assets/documents/cd/pubs/lascalonias.pdf>.
15. "Geography of Poverty," United States Department of Agriculture Economic Research Service, Last updated 17 December 2015, <http://www.ers.usda.gov/topics/rural-economy-population/rural-poverty-well-being/geography-of-poverty.aspx>.
16. Sandeep Davé, Ashwin Shirvaikar, and Greg Baxter, "Digital Money: A Pathway to An Experience Economy," Citi and Imperial College London, January 2015, 13, http://www.citibank.com/icg/sa/digital_symposium/digital_money_index/pdf/Digital%20money%20A%20pathway%20to%20an%20Experience%20Economy.pdf.
17. While we do not focus extensively on more sophisticated financial services such as micro-insurance or micro-credit, we do include an indicator pertaining to credit usage in the adoption dimension of our scorecard. We also examine selected innovative financial services in the country summary sections of the report.
18. Asli Demirguc-Kunt, Leora Klapper, Dorothe Singer, and Peter Van Oudheusden, "The Global Findex Database 2014: Measuring Financial Inclusion around the World," Policy Research Working Paper 7255, The World Bank, April 2015, 7, http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2015/10/19/090224b08315413c/2_0/Rendered/PDF/TheGlobalFinOionOaroundOtheOworld.pdf#page=3.
19. "Country and Lending Groups," The World Bank, 2016, <http://data.worldbank.org/about/country-and-lending-groups>.
20. Global Findex, The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
21. "GCash, PayMaya working on mobile money interoperability," *Newsbytes Philippines*, 22 February 2016, <http://newsbytes.ph/2016/02/22/gcash-paymaya-working-on-mobile-money-interoperability/>.
22. Global Findex, The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
23. Mark Keith Muhumuza, "Uganda: How Amended Financial Law Could Revolutionise Banking," *Sunday Monitor*, 11 January 2016, <http://www.monitor.co.ug/Business/How-amended-financial-law-could-revolutionise-banking/-/688322/3027954/-/pomeOiz/-/index.html>.
24. Chris Bold, "New Bill, Big Changes in Digital Financial Services in Uganda," CGAP, 10 March 2016, <http://www.cgap.org/blog/new-bill-big-changes-digital-financial-services-uganda>.
25. "Financial Inclusion in Rwanda 2016," FinScope and Access to Finance Rwanda, 2016, 33, http://www.bnr.rw/fileadmin/templates/bnr/images/FinScope_Rwanda_2016_Report.pdf.
26. Global Findex, The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
27. Ibid.

28. Mireya Almazán and Jennifer Frydrych, "Mobile financial services in Latin America & the Caribbean: State of play, commercial models, and regulatory approaches," GSMA, May 2015, 12, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/09/2015_GSMA_Mobile-financial-services-in-Latin-America-the-Caribbean.pdf.
29. Countries' overall percentage scores generally remained static or declined in absolute terms between the 2015 and 2016 scorecards, but this was largely due to indicator enhancements that introduced greater granularity.
30. "National Strategy for Financial Inclusion," Bangko Sentral ng Pilipinas, 1 July 2015, <http://www.bsp.gov.ph/downloads/publications/2015/PhilippinesNSFIBooklet.pdf>.
31. "Estrategia Nacional de Inclusión Financiera: Péru," Comisión Multisectorial de Inclusión Financiera, July 2015, <http://www.mef.gob.pe/contenidos/archivos-descarga/ENIF.pdf>.
32. "2015 Maya Declaration Progress Report: Commitments into Action," Alliance for Financial Inclusion, December 2015, 18-19, http://www.afi-global.org/sites/default/files/publications/2015_maya_report_rev.1_low_res.pdf.
33. "Reporte Nacional de Inclusión Financiera 7," Consejo Nacional de Inclusión Financiera, 2016, 7, <http://www.cnbv.gob.mx/Inclusi%C3%B3n/Documents/Reportes%20de%20IF/Reporte%20de%20Inclusion%20Financiera%207.pdf>.
34. Ibid.
35. "BiM – The First Fully-Interoperable Mobile Money Platform: Now Live in Peru," Center for Financial Inclusion Blog, 17 February 2016, <https://cfi-blog.org/2016/02/17/bim-the-first-fully-interoperable-mobile-money-platform-now-live-in-peru/>.
36. Naki B. Mendoza, "Competitive collaboration behind new mobile banking model in Peru," Devex Impact, 27 January 2016, <https://www.devex.com/news/competitive-collaboration-behind-new-mobile-banking-model-in-peru-87665>.
37. Eden Estopace, "Philippines' mobile wallet providers announce interoperability," *Enterprise Innovation*, 21 March 2016, <http://www.enterpriseinnovation.net/article/philippines-mobile-wallet-providers-announce-interoperability-417046081>.
38. "GCash, PayMaya working on mobile money interoperability," *Newsbytes Philippines*, 22 February 2016, <http://newsbytes.ph/2016/02/22/gcash-paymaya-working-on-mobile-money-interoperability/>.
39. Eden Estopace, "Philippines' mobile wallet providers announce interoperability," *Enterprise Innovation*, 21 March 2016, <http://www.enterpriseinnovation.net/article/philippines-mobile-wallet-providers-announce-interoperability-417046081>.
40. Madhura Karnik, "Everything you need to know about India's brand new payment banks," *Quartz*, 20 August 2015, <http://qz.com/483059/everything-you-need-to-know-about-indias-brand-new-payments-banks/>.
41. "Guidelines for Licensing of Payments Banks," Reserve Bank of India, 27 November 2014, https://rbi.org.in/scripts/bs_viewcontent.aspx?id=2900.
42. Global Findex, The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
43. "Infographic: Global Findex 2014 - Financial Inclusion," The World Bank, 2016, <http://www.worldbank.org/en/programs/globalfindex/infographics/infographic-global-findex-2014-financial-inclusion>.
44. Ibid.
45. "Infographic: Global Findex 2014 - Gender and Income," The World Bank, 2016, <http://www.worldbank.org/en/programs/globalfindex/infographics/infographic-global-findex-2014-gender-income>.
46. Ibid.
47. Global Findex, The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
48. For example, a 2016 report published by the Alliance for Financial Inclusion examined 12 national financial inclusion strategies and found that only four strategies (including FDIP countries Malawi and Rwanda) had explicit quantitative targets related to women's financial inclusion. See "Policy Frameworks to Support Women's Financial Inclusion," Alliance for Financial Inclusion and Women's World Banking, March 2016, 13, http://www.afi-global.org/sites/default/files/publications/2016-02-womenfi.1_0.pdf.
49. "The Value of Sex-Disaggregated Data," The Global Banking Alliance for Women, Inter-American Development Bank, and Data2X, 2015, 24, <http://www.gbaforwomen.org/download/draft-report-measuring-womens-financial-inclusion/>.
50. Inez Murray, "Catalyzing Women's Financial Inclusion: The Role of Data," CGAP, 17 February 2016, [http://www.cgap.org/blog/catalyzing-women%E2%80%99s-financial-inclusion-role-data](http://www.cgap.org/blog/catalyzing-women%E2%80%99s-financial-inclusion-role-data;); "The Opportunity," Global Banking Alliance for Women, 2016, <http://www.gbaforwomen.org/the-opportunity/#business-opportunity>.
51. "The Value of Sex-Disaggregated Data," The Global Banking Alliance for Women, Inter-American Development Bank, and Data2X, 2015, 7, <http://www.gbaforwomen.org/download/draft-report-measuring-womens-financial-inclusion/>.
52. Jane Lucia Duasing, "Bridging the gap: Lessons to promote financial inclusion for women," 7 March 2016, Alliance for Financial Inclusion, <https://blogs.afi-global.org/2016/03/07/bridging-the-gap-lessons-to-promote-financial-inclusion-for-women/>.
53. "Catalyzing Inclusive Financial Systems: Chile's Commitment to Women's Data," Global Banking Alliance for Women, Data2X, the Economic Commission for Latin America and the Caribbean, and the Multilateral Investment Fund of the Inter-American Development Bank, 2016, 5, <http://www.gbaforwomen.org/download/catalyzing-inclusive-financial-systems-chiles-commitment-to-womens-data/>.
54. Inez Murray, "Catalyzing Women's Financial Inclusion: The Role of Data," CGAP, 17 February 2016, <http://www.cgap.org/blog/catalyzing-women%E2%80%99s-financial-inclusion-role-data>.
55. Temitope Akin-Fadeyi, "Enhancing Financial Inclusion for Women in Nigeria," CGAP, 8 March 2016, <http://www.cgap.org/blog/enhancing-financial-inclusion-women-nigeria>.
56. "The Value of Sex-Disaggregated Data," The Global Banking Alliance for Women, Inter-American Development Bank, and Data2X, 2015, 16, <http://www.gbaforwomen.org/download/draft-report-measuring-womens-financial-inclusion/>.
57. "The Bill & Melinda Gates Foundation Announces \$80 Million Commitment To Close Gender Data Gaps and Accelerate Progress for Women and Girls," The Bill & Melinda Gates Foundation, 17 May 2016, <http://www.gatesfoundation.org/Media-Center/Press-Releases/2016/05/Gates-Foundation-Announces-80-Mill-Doll-Comm-Closing-Gender-Data-Gaps-Acc-Progress-for-Women-Girls>.
58. "The Connectors Project: Engaging Economic Inclusion Roles in India," MasterCard, 2015, 2, <http://insights.mastercard.com/theconnectorsproject/assets/documents/RegionalReport-India-English.pdf>.

59. "RBI takes woman, girl-child route to financial inclusion," *The Hindu Business Line*, 28 December 2015, <http://www.thehindu.com/business/money-and-banking/rbi-takes-woman-girl-child-route-to-financial-inclusion/article8037608.ece>.
60. Leora Klapper and Dorothe Singer, "The Opportunities of Digitizing Payments: How digitization of payments, transfers, and remittances contributes to the G20 goals of broad-based economic growth, financial inclusion, and women's economic empowerment," Report by the World Bank Development Research Group, the Better Than Cash Alliance, and the Bill & Melinda Gates Foundation to the G20 Global Partnership for Financial Inclusion, 28 August 2014, 1, http://www.gpfi.org/sites/default/files/documents/FINAL_The%20Opportunities%20of%20Digitizing%20Payments.pdf.
61. See <https://www.bb.org.bd/mediaroom/circulars/smespd/jan072016smespd01.pdf>. Link and information provided by a representative of Bangladesh Bank on April 28, 2016.
62. Information provided by a representative of Bangladesh Bank on April 28, 2016.
63. "BoZ wants financial products for women," *Zambia Daily Mail*, 3 February 2016, <https://www.daily-mail.co.zm/?p=58082>.
64. "FinScope Zambia 2015," FSD Zambia and FinMark Trust, 2015, 8, http://www.boz.zm/Publishing/77/77_FSD_Zambia_Final%20II.pdf.
65. Maimbolwa Mulikelela and Natasha Kana, "Zambia: Narrow Financial Inclusion Gender Gap – BoZ," *Times of Zambia via AllAfrica*, 2 February 2016, <http://allafrica.com/stories/201602030105.html>.
66. "Promoting Women's Financial Inclusion: A Toolkit," UKAID, GIZ, and BMZ, December 2012, 71, http://www.fgda.org/dati/ContentManager/files/Documenti_microfinanza/Promoting-women%E2%80%99s-financial-inclusion-a-toolkit.pdf.
67. Carol Schmidt, "Policy into Practice: Zambia Advances Women's Financial Inclusion," Consultative Group to Assist the Poor, 15 February 2016, <http://www.cgap.org/blog/policy-practice-zambia-advances-women%E2%80%99s-financial-inclusion>.
68. "Policy Frameworks to Support Women's Financial Inclusion," Alliance for Financial Inclusion and Women's World Banking, March 2016, 8, http://www.afi-global.org/sites/default/files/publications/2016-02-womenfi.1_0.pdf.
69. "Press Release: MasterCard and UN Women Join to Advance Empowerment of Women," MasterCard, 8 March 2016, <http://newsroom.mastercard.com/press-releases/mastercard-and-un-women-join-to-advance-empowerment-of-women/>.
70. Ann Cairns and Mary Ellen Iskenderian, "The Right to Identity," Council on Foreign Relations, 11 December 2015, <http://blogs.cfr.org/women-around-the-world/2015/12/11/the-right-to-identity/>.
71. "Infographic: Global Findex 2014 - Gender and Income," The World Bank, 2016, <http://www.worldbank.org/en/programs/globalindex/infographics/infographic-global-findex-2014-gender-income>.
72. Leora Klapper and Dorothe Singer, "The Opportunities of Digitizing Payments: How digitization of payments, transfers, and remittances contributes to the G20 goals of broad-based economic growth, financial inclusion, and women's economic empowerment," Report by the World Bank Development Research Group, the Better Than Cash Alliance, and the Bill & Melinda Gates Foundation to the G20 Global Partnership for Financial Inclusion, 28 August 2014, http://www.gpfi.org/sites/default/files/documents/FINAL_The%20Opportunities%20of%20Digitizing%20Payments.pdf.
73. Asli Demirguc-Kunt, Leora Klapper, Dorothe Singer, and Peter Van Oudheusden, "The Global Findex Database 2014: Measuring Financial Inclusion around the World," Policy Research Working Paper 7255, The World Bank, April 2015, 6, http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2015/10/19/090224b08315413c/2_0/Rendered/PDF/TheOGlobalOFinOionOaroundOtheOworld.pdf#page=3.
74. Leora Klapper and Dorothe Singer, "The Opportunities of Digitizing Payments: How digitization of payments, transfers, and remittances contributes to the G20 goals of broad-based economic growth, financial inclusion, and women's economic empowerment," Report by the World Bank Development Research Group, the Better Than Cash Alliance, and the Bill & Melinda Gates Foundation to the G20 Global Partnership for Financial Inclusion, 28 August 2014, 14, http://www.gpfi.org/sites/default/files/documents/FINAL_The%20Opportunities%20of%20Digitizing%20Payments.pdf.
75. Leora Klapper, "Digital Financial Solutions to Advance Women's Economic Participation," Report by the World Bank Development Research Group, the Better Than Cash Alliance, the Bill & Melinda Gates Foundation, and Women's World Banking to the G20 Global Partnership for Financial Inclusion, 16 November 2015, vi, http://www.unCDF.org/sites/default/files/Documents/womens_economic_participation_report_16_november_2015.pdf.
76. "Postal banking scores highly on female financial inclusion," Universal Postal Union, 2015, http://news.upu.int/no_cache/nd/postal-banking-scores-highly-on-female-financial-inclusion/.
77. Smriti Rao, "Gender and Financial Inclusion Through the Post," Universal Postal Union and UN Women, June 2015, <http://www2.unwomen.org/-/media/headquarters/attachments/sections/library/publications/2015/discussion-paper-gender-and-financial-inclusion-through-the-post.pdf?v=1&d=20151023T143008>.
78. "Responses to the refugee crisis: Financial education and the long-term integration of refugees and migrants," OECD, February 2016, 3, <https://www.oecd.org/daf/fin/financial-education/Financial-education-long-term-integration-refugees-migrants.pdf>.
79. "World at War: UNHCR Global Trends: Forced Displacement in 2014," UNHCR, 2015, 2, <http://unhcr.org/556725e69.pdf>.
80. "Worldwide displacement hits all-time high as war and persecution increase," UNHCR, 18 June 2015, 2, <http://www.unhcr.org/558193896.html>.
81. "Worldwide displacement hits all-time high as war and persecution increase," UNHCR, 18 June 2015, <http://www.unhcr.org/558193896.html>.
82. "Global Trends: Forced Displacement in 2015," UNHCR, 20 June 2016, 2, <http://www.unhcr.org/576408cd7>.
83. Ibid.
84. "Global Trends: Forced Displacement in 2015," UNHCR, 20 June 2016, 3, <http://www.unhcr.org/576408cd7>.
85. Ibid.
86. "Convention and Protocol Relating to the Status of Refugees," UNHCR, 2010, 3, <http://www.unhcr.org/3b66c2aa10.html>.
87. Adrian Edwards, "UNHCR viewpoint: 'Refugee' or 'migrant' - Which is right?," UNHCR, 27 August 2015, <http://www.unhcr.org/55df0e556.html>; Dara Lind, "Migrant vs. refugee: what the terms mean, and why they matter," *Vox*, 14 September 2015, <http://www.vox.com/2015/9/14/9319695/refugee-migrant-difference>.
88. "Banking on Refugees," Digital Finance Institute, Undated, http://www.digitalfinanceinstitute.org/?post_projects=childrens-adventure-camps.

89. "Are We Listening? Acting on Our Commitments to Women and Girls Affected by the Syrian Conflict," International Rescue Committee, September 2014, https://www.rescue.org/sites/default/files/resource-file/IRC_WomenInSyria_Report_WEB.pdf.
90. Aakanksha Thakur, Samveet Sahoo, Prabir Barooah, Isvary Sivalingam and Grace Njoroge, "Agency Banking: How Female Agents Make a Difference," MicroSave, April 2016, <http://blog.microsave.net/agency-banking-how-female-agents-make-a-difference/>.
91. Shazia Omar and Raisa Chowdhury, "An account is not enough," *The Daily Star*, 14 December 2015, <http://www.thedailystar.net/op-ed/account-not-enough-186712>.
92. "Financial Inclusion of Youth," United Nations Capital Development Fund, 2013, 4, <http://www.un.org/esa/socdev/documents/youth/fact-sheets/youth-financial-inclusion.pdf>.
93. "What is Aadhaar?," Unique Identification Authority of India, Undated, <https://uidai.gov.in/what-is-aadhaar.html>.
94. Mariana Dahan and Lucia Hanmer, "THE IDENTIFICATION FOR DEVELOPMENT (ID4D) AGENDA: Its Potential for Empowering Women and Girls," World Bank, 2015, 6, http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2015/09/18/090224b0830e93d8/1_0/Rendered/PDF/The0identifica0s000backgroundOpaper.pdf.
95. "Maya Declaration: The Sasana Accord," Alliance for Financial Inclusion, 2013, <http://www.afi-global.org/library/publications/maya-declaration-sasana-accord>.
96. "The Value of Sex-Disaggregated Data," The Global Banking Alliance for Women, Inter-American Development Bank, and Data2X, 2015, 29, <http://www.gbaforwomen.org/download/draft-report-measuring-womens-financial-inclusion/>.
97. "insight 2 impact," Undated, Accessed May 2016, <http://cenfri.org/insight2impact>.
98. "Financial Inclusion Data Working Group," Alliance for Financial Inclusion, Undated, <http://www.afi-global.org/about-us/how-we-work/about-working-groups/financial-inclusion-data-working-group-fidwg>.
99. "The Value of Sex-Disaggregated Data," The Global Banking Alliance for Women, Inter-American Development Bank, and Data2X, 2015, <http://www.gbaforwomen.org/download/draft-report-measuring-womens-financial-inclusion/>.
100. "Press Release No. 15/455: IMF Releases 2015 Financial Access Survey Data," International Monetary Fund, 1 October 2015, <https://www.imf.org/external/np/sec/pr/2015/pr15455.htm>.
101. Shireen Santosham and Dominica Lindsey, "Connected Women 2015: Bridging the gender gap: Mobile access and usage in low- and middle-income countries," GSMA, 2016, 6, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/02/GSM0001_03232015_GSMAReport_NEWGRAYS-Web.pdf.
102. Shireen Santosham and Dominica Lindsey, "Connected Women 2015: Bridging the gender gap: Mobile access and usage in low- and middle-income countries," GSMA, 2016, 9, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/02/GSM0001_03232015_GSMAReport_NEWGRAYS-Web.pdf.
103. Shireen Santosham and Dominica Lindsey, "Connected Women 2015: Bridging the gender gap: Mobile access and usage in low- and middle-income countries," GSMA, 2016, 6, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/02/GSM0001_03232015_GSMAReport_NEWGRAYS-Web.pdf.
104. Shireen Santosham and Dominica Lindsey, "Connected Women 2015: Bridging the gender gap: Mobile access and usage in low- and middle-income countries," GSMA, 2016, 37, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/02/GSM0001_03232015_GSMAReport_NEWGRAYS-Web.pdf.
105. "Digital inclusion and mobile sector taxation 2015," GSMA, 2015, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/06/Digital-Inclusion-Mobile-Sector-Taxation-2015.pdf>.
106. See <http://finclusion.org/>.
107. "Digital inclusion and mobile sector taxation 2015," GSMA, 2015, 11, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/06/Digital-Inclusion-Mobile-Sector-Taxation-2015.pdf>.
108. "GSMA and Mobile Operators Launch Initiative to Extend Mobile Money and Mobile Internet to Women Globally," GSMA, 22 February 2016, <http://www.gsma.com/newsroom/press-release/gsma-and-mobile-operators-launch-initiative-to-extend-mobile-money/>.
109. Arjuna Costa, Anamitra Deb, and Michael Kubzansky, "Big Data, Small Credit: The Digital Revolution and Its Impact on Emerging Market Consumers," Omidyar Network, October 2015, https://www.omidyar.com/sites/default/files/file_archive/insights/Big%20Data,%20Small%20Credit%20Report%202015/BDSC_Digital%20Final_RV.pdf.
110. For a detailed catalogue of recommendations regarding regulations for improving financial inclusion, see "Financial Regulations for Improving Financial Inclusion" (2016), published by the Center for Global Development Task Force on Regulatory Standards for Financial Inclusion, available at <http://www.cgdev.org/publication/financial-regulations-improving-financial-inclusion>.
111. "Financial Regulations for Improving Financial Inclusion (brief)," Center for Global Development Task Force on Regulatory Standards for Financial Inclusion, 22 March 2016, <http://www.cgdev.org/publication/ft/financial-regulations-improving-financial-inclusion-brief>.
112. "Global Financial Development Report 2014: Financial Inclusion," The World Bank, 2014, 11-12, http://siteresources.worldbank.org/EXTGLOBALFINREPORT/Resources/8816096-1361888425203/9062080-1364927957721/GFDR-2014_Complete_Report.pdf.
113. Julia Arnold and Elisabeth Rhyne, "A Change in Behavior: Innovations in Financial Capability," Center for Financial Inclusion at Accion and JP Morgan Chase & Co., April 2016, <https://centerforfinancialinclusionblog.files.wordpress.com/2016/04/a-change-in-behavior-final.pdf>.
114. Valeria Perotti, Siegfried Zottel, Giuseppe Iarossi, and Adedayo BolaMi-Adio, "Making Sense of Financial Capability Surveys around the World: A Review of Existing Financial Capability and Literacy Measurement Instruments," The World Bank, 2013, 7, <http://responsiblefinance.worldbank.org/-/media/GIAWB/FL/Documents/Misc/Financial-Capability-Review.pdf>.
115. One example of data collection regarding financial capability is the Financial Capability and Consumer Protection Survey initiative conducted by the World Bank; these surveys feature questions pertaining to financial knowledge, financial behavior and attitudes, financial inclusion, and consumer protection. See "Responsible Finance: Financial Capability and Consumer Protection," The World Bank, 2016, <http://responsiblefinance.worldbank.org/surveys/users-of-financial-services>; and "Responsible Finance: Financial Capability and Consumer Protection: Current Projects," The World Bank, 2016, <http://responsiblefinance.worldbank.org/surveys/users-of-financial-services>.

116. The World Bank has conducted diagnostic reviews related to financial capability for several FDIP countries, including Indonesia, Malawi, Pakistan, Peru, the Philippines, Rwanda, Tanzania, Vietnam, and Zambia. See “Responsible Finance: Financial Capability and Consumer Protection: Diagnostic Reviews,” The World Bank, 2016, <http://responsiblefinance.worldbank.org/diagnostic-reviews>.
117. “Global Financial Development Report 2014: Financial Inclusion,” The World Bank, 2014, 4, 12-13, http://siteresources.worldbank.org/EXTGLOBALFINREPORT/Resources/8816096-1361888425203/9062080-1364927957721/GFDR-2014_Complete_Report.pdf; Julia Arnold and Elisabeth Rhyne, “A Change in Behavior: Innovations in Financial Capability,” Center for Financial Inclusion at Accion and JP Morgan Chase & Co., April 2016, <https://centerforfinancialinclusionblog.files.wordpress.com/2016/04/a-change-in-behavior-final.pdf>.
- 14 “Press Release: Afghanistan Mobile Money Public Awareness Campaign,” USAID, 22 February 2016, <https://www.usaid.gov/afghanistan/news-information/press-releases/afghanistan-mobile-money-public-awareness-campaign>.
- 15 “Money Service Providers Regulation,” Da Afghanistan Bank, 2008, http://www.fintraca.gov.af/assets/pdf/money_service_providers_regulation.pdf.
- 16 Margarete Biallas, Scott Stefanski, and Cherine El Sayed, “IFC Mobile Money Scoping Country Report: Afghanistan,” International Finance Corporation, September 2013, <http://www.ifc.org/wps/wcm/connect/7cdac90043efb2839599bd869243d457/Afghanistan+Scoping+Public.pdf?MOD=AJPERES>.
- 17 Email correspondence with representative of FAIDA on July 31, 2015.
- 18 “Money Service Providers Regulation,” Da Afghanistan Bank, 2008, 21, http://www.fintraca.gov.af/assets/pdf/money_service_providers_regulation.pdf.
- 19 Email correspondence with representative of FAIDA on July 31, 2015.
- 20 “Money Service Providers Regulation,” Da Afghanistan Bank, 2008, 19, http://www.fintraca.gov.af/assets/pdf/money_service_providers_regulation.pdf.
- 21 Email correspondence with representative of FAIDA on July 31, 2015.
- 22 “Vision and Mission,” Afghanistan Payments Systems, 2014, <http://www.aps.af/vision-mission/>.
- 23 Communication with in-country expert as of March 2016.
- 24 “Afghanistan’s Government will Strengthen the Electronic Payment System,” USAID, 26 October 2015, <https://www.usaid.gov/afghanistan/news-information/press-releases/afghanistan%E2%80%99s-government-will-strengthen-electronic>.
- 25 “Press Release: Afghanistan Mobile Money Public Awareness Campaign,” USAID, 22 February 2016, <https://www.usaid.gov/afghanistan/news-information/press-releases/afghanistan-mobile-money-public-awareness-campaign>.
- 26 “Press Release: SmartVista empowers entire Afghanistan national payment system,” BPC Group, 30 March 2016, <http://www.bpcbt.com/news/press-releases/smartvista-empowers-entire-afghanistan-national-payment-system>.
- 27 Ibid.
- 28 “Press Release: Afghanistan Mobile Money Public Awareness Campaign,” USAID, 22 February 2016, <https://www.usaid.gov/afghanistan/news-information/press-releases/afghanistan-mobile-money-public-awareness-campaign>.
- 29 Global Index (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.

AFGHANISTAN ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Financial Access Survey (2014), International Monetary Fund, 2015, <http://fas.imf.org>.
- 7 Margarete Biallas, Scott Stefanski, and Cherine El Sayed, “IFC Mobile Money Scoping Country Report: Afghanistan,” International Finance Corporation, September 2013, <http://www.ifc.org/wps/wcm/connect/7cdac90043efb2839599bd869243d457/Afghanistan+Scoping+Public.pdf?MOD=AJPERES>.
- 8 Global Index (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 9 “Members,” Better Than Cash Alliance, 2016, <https://www.betterthancash.org/members/government#filters>.
- 10 “AFI Official Members,” Alliance for Financial Inclusion, 24 May 2016, http://www.afi-global.org/sites/default/files/publications/afi_official_members_24_may_2016.pdf.
- 11 GSMA Intelligence, GSMA, April 2016, <https://gsmaintelligence.com/>.
- 12 Mobile Money Deployment Tracker, GSMA, May 2016, <http://www.gsma.com/mobilefordevelopment/m4d-tracker/mobile-money-deployment-tracker>.
- 13 GSMA Intelligence, GSMA, April 2016, <https://gsmaintelligence.com/>.

BANGLADESH ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.

- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 7 Nathaniel Kretchun, "Mobile Money in Bangladesh: Still a Long Way to Go," CGAP, 9 July 2015, <http://www.cgap.org/blog/mobile-money-bangladesh-still-long-way-go>.
- 8 "Mobile phone subscribers in Bangladesh March, 2016," Bangladesh Telecommunication Regulatory Commission, March 2016, <http://www.btrc.gov.bd/content/mobile-phone-subscribers-bangladesh-march-2016>.
- 9 GSMA Intelligence, 2016, <https://www.gsmaintelligence.com/>.
- 10 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 11 "Bangladesh: WAVE Report FII Tracker Survey Conducted August-September 2015," Financial Inclusion Insights, InterMedia, January 2016, 63, <http://finclusion.org/uploads/file/reports/2015%20InterMedia%20FII%20BANGLADESH%20Wave%20Report.pdf>.
- 12 Nathaniel Kretchun, "Mobile Money in Bangladesh: Still a Long Way to Go," CGAP, 9 July 2015, <http://www.cgap.org/blog/mobile-money-bangladesh-still-long-way-go>.
- 13 HM Queen Maxima, "Financial Inclusion - More Than Money," *The Daily Star*, 18 November 2015, <http://www.thedailystar.net/op-ed/finance/financial-inclusion-more-money-173932>.
- 14 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 15 "Microcredit Regulatory Authority," Microcredit Regulatory Authority, Undated, Accessed May 2016, <http://www.mra.gov.bd/>.
- 16 "Global Microscope 2015: The enabling environment for financial inclusion," Economist Intelligence Unit, 2015, 26, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 17 "AFI Official Members," Alliance for Financial Inclusion, 24 May 2016, http://www.afi-global.org/sites/default/files/publications/afi_official_members_24_may_2016.pdf.
- 18 "Digital Bangladesh: Bangladesh joins the Better Than Cash Alliance," Better Than Cash Alliance, June 2015, <http://us6.campaign-archive2.com/?u=558f4f6723c3bcf315ecbe3ee&id=a6a52cdb9e>.
- 19 David Bergman, "Bangladesh bank governor resigns after \$81m hack," *Al Jazeera*, 15 March 2016, <http://www.aljazeera.com/news/2016/03/bangladesh-bank-governor-resigns-81m-hack-160315084217775.html>.
- 20 "New BB governor Fazle Kabir joins office," *The Daily Star*, 20 March 2016, <http://www.thedailystar.net/business/new-governor-bb-fazle-kabir-joins-office-1196911>.
- 21 Email correspondence with a representative of Bangladesh Bank on April 28, 2016.
- 22 "7th Five Year Plan FY 2016-FY2020: Accelerating Growth, Empowering Citizens," General Economics Division, Planning Commission, Government of the People's Republic of Bangladesh, 2015, http://www.plancomm.gov.bd/wp-content/uploads/2015/10/7th_FYP_18_02_2016.pdf.
- 23 "Strategic Plan 2015-2019: Heading Towards New Horizon," Bangladesh Bank, Undated, https://www.bb.org.bd/aboutus/strategic_plan.php.
- 24 Data provided by a representative of Bangladesh Bank on April 28, 2016.
- 25 "Mobile financial services comparative summary statement of February, 2016 and March 2016," Bangladesh Bank, Undated, Accessed May 2016, <https://www.bb.org.bd/fnansys/paymentsys/mfsdata.php>.
- 26 "Digital Inclusion and Mobile Sector Taxation in Bangladesh," GSMA, March 2015, 18, http://www.gsma.com/publicpolicy/wp-content/uploads/2012/03/Digital_Inclusion_and_Mobile_Sector_Taxation_in_Bangladesh_WEB_FINAL.pdf.
- 27 Golzare Nabi, Sanaullah Talukder, Prajna Paramita Saha, Rama Rani Sutradhar, Ayesha-E-Fahmida, Gregory Chen, and Shweta Banerjee, "Mobile Financial Services in Bangladesh: An Overview of Market Development," Bangladesh Bank, July 2012, 8, <https://www.bb.org.bd/pub/research/policypaper/pp072012.pdf>.
- 28 Ibid.
- 29 Ibid.
- 30 "Mobile Financial Services," Bangladesh Bank, March 2015, <https://www.bb.org.bd/fnansys/paymentsys/mobilefin.php>.
- 31 Rodger Voorhies, "Digital financial services: Bangladesh and beyond," *Dhaka Tribune*, 17 November 2015, <http://www.dhakatribune.com/op-ed/2015/nov/17/digital-financial-services-bangladesh-and-beyond>.
- 32 "Bangladesh: Steps Toward Financial Inclusion 2014 (Wave 2)," Financial Inclusion Insights, InterMedia, 2014, 6, <http://finclusion.org/uploads/file/reports/InterMedia-FII-Wave-2-Bangladesh-Wave-Report.pdf>.
- 33 Email correspondence with a representative of Bangladesh Bank on April 28, 2016. Also see <https://www.bb.org.bd/mediaroom/circulars/brpd/mar242014brpd107.pdf>.
- 34 "Financial Integrity & Customer Services Department (FICSD)," Bangladesh Bank, Undated, https://www.bb.org.bd/complainbox/cipc_procedure.php.
- 35 "Financial Inclusion Department," Bangladesh Bank, Undated, https://www.bb.org.bd/aboutus/dept/dept_details.php.
- 36 Ibid.
- 37 Ibid.
- 38 "Financial Inclusion Literacy for Strengthening Entrepreneurial Capacity: Speech of the Governor, Bangladesh Bank," Bangladesh Bank, 3 February 2016, <https://www.bb.org.bd/governor/speech/feb032016gse743.pdf>.
- 39 Leesa Shrader, "Digital Finance in Bangladesh: Where are all the Women?," CGAP, 3 February 2015, <http://www.cgap.org/blog/digital-finance-bangladesh-where-are-all-women>.
- 40 Ibid.
- 41 Email correspondence with a representative of Bangladesh Bank on April 28, 2016.
- 42 Leesa Shrader, "Digital Finance in Bangladesh: Where are all the Women?," CGAP, 3 February 2015, <http://www.cgap.org/blog/digital-finance-bangladesh-where-are-all-women>.

- 43 Shahiduzzaman Khan, "Sustainable financial inclusion – and beyond," *The Financial Express*, 22 November 2015, <http://print.thefinancialexpress-bd.com/2015/11/22/119344/print>.
- 44 "Smartphones for instalments of TK 30, says state minister Tarana Halim," *BDNews24.com*, 11 February 2016, <http://bdnews24.com/bangladesh/2016/02/11/smartphones-for-instalments-of-tk-30-says-state-minister-tarana-halim>.
- 45 "Tarana for tax cuts on handset imports," *The Daily Star*, 24 April 2016, <http://www.thedailystar.net/business/tarana-tax-cuts-handset-imports-1213693>.
- 46 "Bangladesh: Quicksights Report FII Tracker Survey Wave 1," Financial Inclusion Insights, InterMedia, April 2014, <http://finclusion.org/uploads/file/reports/FII-Bangladesh-Wave-One-Survey-QuickSights-Report.pdf>.
- 47 "Management Report 2012," Banco Central Do Brasil, 2012, 90, http://www.bcb.gov.br/pre/Surel/RelAdmBC/ing/management_report_2012.pdf.
- 48 "Action Plan to Strengthen the Institutional Environment," National Partnership for Financial Inclusion, Banco Central Do Brasil, May 2012, http://www.bcb.gov.br/Nor/reincfin/Brazil_Financial_Inclusion_Action_Plan.pdf.
- 49 Marcio I. Nakane and Bruno de Paula Rocha, "Policy Innovations to Improve Access to Financial Services: The Case of Brazil," Center for Global Development, Updated February 2012, 11, http://www.cgdev.org/doc/LRS_case_studies/Nakane_PaulaRocha_Brazil_r1.pdf.
- 50 Caitlin Sanford and Laura Cojocar, "Do Banking Correspondents Improve Financial Inclusion? Evidence from a National Survey in Brazil," Bankable Frontier Associates, 1 November 2013, 14, <http://bankablefrontier.com/wp-content/uploads/documents/1.-Do-Banking-Correspondents-Improve-Financial-Inclusion-Evidence-from-Brazil.docx.pdf>.

BRAZIL ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 "Global Microscope 2015: The enabling environment for financial inclusion," Economist Intelligence Unit, 2015, 65, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 7 Jeffrey T. Lewis, "Brazil's Political Uncertainty Risks Another Downgrade, Fitch Says," *The Wall Street Journal*, 16 October 2015, <http://www.wsj.com/articles/brazils-political-uncertainty-risks-another-downgrade-fitch-says-1445014725>.
- 8 "Relatório de Inclusão Financeira: Número 3," Banco Central do Brasil, 2015, <https://www.bcb.gov.br/Nor/reincfin/RIF2015.pdf>.
- 9 "Banco Central divulga o Relatório de Inclusão Financeira 2015" [English translation by Google Translate], 4 November 2016, <http://www.fetecpr.org.br/bc-divulga-o-relatorio-de-inclusao-financeira-2015/>.
- 10 "Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report," Alliance for Financial Inclusion, 12 September 2013, 20, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 11 "National Financial Inclusion Strategies Database," The World Bank, 2014, <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTGLOBALFINREPORT/0,,contentMDK:23491959-pagePK:64168182-piPK:64168060-theSitePK:8816097,00.html>.
- 12 "Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report," Alliance for Financial Inclusion, 12 September 2013, 20, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 13 "Management Report 2012," Banco Central Do Brasil, 2012, 90, http://www.bcb.gov.br/pre/Surel/RelAdmBC/ing/management_report_2012.pdf.
- 14 "Action Plan to Strengthen the Institutional Environment," National Partnership for Financial Inclusion, Banco Central Do Brasil, May 2012, http://www.bcb.gov.br/Nor/reincfin/Brazil_Financial_Inclusion_Action_Plan.pdf.
- 15 Marcio I. Nakane and Bruno de Paula Rocha, "Policy Innovations to Improve Access to Financial Services: The Case of Brazil," Center for Global Development, Updated February 2012, 11, http://www.cgdev.org/doc/LRS_case_studies/Nakane_PaulaRocha_Brazil_r1.pdf.
- 16 Caitlin Sanford and Laura Cojocar, "Do Banking Correspondents Improve Financial Inclusion? Evidence from a National Survey in Brazil," Bankable Frontier Associates, 1 November 2013, 14, <http://bankablefrontier.com/wp-content/uploads/documents/1.-Do-Banking-Correspondents-Improve-Financial-Inclusion-Evidence-from-Brazil.docx.pdf>.
- 17 Ibid.
- 18 "Notes on Regulation of Branchless Banking in Brazil," CGAP, February 2008, 5, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2012/06/brazilnotesonregulationbranchlessbanking2008.pdf>.
- 19 Marcio I. Nakane and Bruno de Paula Rocha, "Policy Innovations to Improve Access to Financial Services: The Case of Brazil," Center for Global Development, Updated February 2012, 28, http://www.cgdev.org/doc/LRS_case_studies/Nakane_PaulaRocha_Brazil_r1.pdf.
- 20 "Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report," Alliance for Financial Inclusion, 12 September 2013, 20, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 21 "Global Microscope 2014: The enabling environment for financial inclusion," The Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION, and Citi, 2014, 43, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 22 "Law 12865," [Unofficial translation], Banco Central do Brasil, 9 October 2013, <http://www.bcb.gov.br/Pom/Spb/Ing/InstitucionalAspects/Law12865.pdf>.
- 23 Judah J. Levine and Chris Connolly, "Is Brazil the Country of the Future for Mobile Money?," *Next Billion*, 2 June 2014, <http://www.nextbillion.net/blogpost.aspx?blogid=3904>.
- 24 Ibid.
- 25 Jorge Porter, "Brazil's Central Bank Releases Regulatory Framework for Local Card Industry," *BN Americas*, 5 November 2013, <http://www.bnamericas.com/news/banking/brazils-central-bank-releases-regulatory-framework-for-local-card-industry>.
- 26 Ibid.
- 27 Email correspondence with a representative of the Central Bank of Brazil on March 18, 2015.
- 28 "Forum on Financial Citizenship: 4 and 5 November 2015," Fórum de cidadania financeira, November 2015, https://cidadaniafinanceira.bcb.gov.br/forum/Documents/Forum_CF_hotsite_Agenda_English_.pdf.
- 29 "Banco Central do Brasil: International Week of Financial Citizenship," Responsible Finance Forum, 2015, <https://responsiblefinanceforum.org/event/banco-central-do-brasil-international-week-of-financial-citizenship/>.
- 30 Email correspondence with a representative of the Central Bank of Brazil on March 22, 2016.

- 31 “Global Microscope 2014: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 65, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.

CHILE ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 7 “Country and lending groups,” The World Bank, 2016, http://data.worldbank.org/about/country-and-lending-groups#OECD_members.
- 8 2014 Global Financial Inclusion database (Global Findex), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 9 “Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report,” Alliance on Financial Inclusion, 12 September 2013, 12, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 10 Sarah Fathallah and Douglas Pearce, “Coordination Structures for Financial Inclusion Strategies and Reforms,” Financial Inclusion and Consumer Protection Service Line, The World Bank, October 2013, 5, <http://siteresources.worldbank.org/EXTFINANCIALSECTOR/Resources/282884-1339624653091/8703882-1339624678024/8703850-1368556147234/Coordination-Structures-for-Financial-Inclusion-Strategies.pdf>.
- 11 “National Financial Inclusion Strategies Database,” The World Bank, 2014, <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTGLOBALFINREPORT/0,,contentMDK:23491959-pagePK:64168182-piPK:64168060-theSitePK:8816097,00.html>.
- 12 “Financial Inclusion Strategy in Chile,” Gobierno de Chile/Ministerio de Desarrollo Social, 2012, 2, <http://www.ipc-undp.org/conference/south-south-learning-event/presentations/Benjamin%20Almarza.pdf>.
- 13 “Financial Inclusion Strategy in Chile,” Gobierno de Chile/Ministerio de Desarrollo Social, 2012, 15, <http://www.ipc-undp.org/conference/south-south-learning-event/presentations/Benjamin%20Almarza.pdf>.
- 14 “Financial Inclusion Strategy in Chile,” Gobierno de Chile/Ministerio de Desarrollo Social, 2012, 17, <http://www.ipc-undp.org/conference/south-south-learning-event/presentations/Benjamin%20Almarza.pdf>.

- 15 J.P. Palacios, “Gobierno anuncia creación del Consejo Nacional de Inclusión Financiera,” 7 March 2014, <http://www.latercera.com/noticia/negocios/2014/03/655-568469-9-gobierno-anuncia-creacion-del-consejo-nacional-de-inclusion-financiera.shtml>.
- 16 Claudia Alarcón, Carolina Flores, Francisco Ormazabal, Mario Vera, and Alvaro Yáñez O., “Serie Técnica de Estudios – No 013 Indicadores de Acceso y Uso a Servicios Financieros: Situación en Chile 2013,” Superintendencia de Bancos e Instituciones Financieras, November 2013, https://www.sbf.cl/sbifweb3/internet/archivos/publicacion_10377.pdf.
- 17 “Encuesta Financiera de Hogares 2014,” Banco Central de Chile, 2015, http://www.bcentral.cl/es/DownloadBinaryServlet?nodeId=%2FUCM%2FBCCCH_ENCUESTA_140281_ES&propertyId=%2FUCM%2FBCCCH_ENCUESTA_140281_ES%2Fprimary&fileName=Presentacion_EFH_2014.pdf.
- 18 Ibid.
- 19 Ibid.
- 20 “Identifying Inequalities, Strengthening the Financial System: The Case of Chile,” Global Banking Alliance for Women, 27 January 2016, <http://www.gbaforwomen.org/news-events/identifying-inequalities-strengthening-the-financial-system-the-case-of-chile/>.
- 21 “Género en el Sistema Financiero 2014,” Superintendencia de Bancos e Instituciones Financieras, 2015, <http://www.gbaforwomen.org/download/genero-en-el-sistema-financiero-2014/>.
- 22 “Boletín 9197-03,” Senado de la República de Chile, 2013, http://www.senado.cl/appsenado/templates/tramitacion/index.php?boletin_ini=9197-03.
- 23 Email correspondence with a representative of the Superintendencia de Bancos e Instituciones Financieras on April 26, 2016.
- 24 “Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 12 September 2013, 12, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 25 “Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 2014, 21, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 26 Bernardo Batiz-Lazo and Juan Felipe Espinosa, “Cash remains king in Chile but its days could be numbered,” *The Conversation*, 25 March 2015, <https://theconversation.com/cash-remains-king-in-chile-but-its-days-could-be-numbered-37952>.
- 27 Ibid.
- 28 Email correspondence with a representative of the Inter-American Development Bank on May 3, 2016.
- 29 Email correspondence with a representative of the Superintendencia de Bancos e Instituciones Financieras on April 26, 2016.
- 30 Email correspondence with a representative of the Inter-American Development Bank on May 3, 2016.

COLOMBIA ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.

- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 "Reporte de inclusión financiera 2014," Superintendencia Financiera de Colombia, Accessed May 2016, <https://www.superfinanciera.gov.co/jsp/10085394>.
- 7 "Reporte trimestral de Inclusión Financiera," Banca de las Oportunidades, December 2015, <http://www.bancadelasoportunidades.com/contenido/contenido.aspx?catID=343&conID=1373>.
- 8 Beatriz Marulanda, Mariana Paredes, Caitlin Sanford, and Xavier Faz, "Country Diagnostic: Colombia," Bankable Frontier Associates and the Better Than Cash Alliance, January 2015, iv, <https://www.betterthancash.org/tools-research/case-studies/country-diagnostic-colombia>.
- 9 "Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report," Alliance for Financial Inclusion, 9 September 2014, 22, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 10 "Members," Better Than Cash Alliance, 2016, <https://www.betterthancash.org/members/government#filters>.
- 11 "Global Microscope 2014: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 44, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 12 "Decreto 457," Ministerio de Hacienda y Crédito Público, 28 February 2014, https://www.superfinanciera.gov.co/descargas?com=institucional&name=pubFile1010337&downloadname=dcto457febrero2014__1_.pdf.
- 13 "Keynote Speech at the Presentation of Colombia's National Strategy for Financial Inclusion," Speech by H.M. Queen Máxima of the Netherlands, UNSGSA, in Bogotá, Colombia, 5 March 2014, http://www.unsgsa.org/files/6513/9464/4800/Keynote_Speech_at_the_Presentation_of_Colombias_National_Strategy_for_Financial_Inclusion_.pdf.
- 14 Ley 1735 of 2014, El Congreso De Colombia, October 2014, http://www.sic.gov.co/drupal/sites/default/files/files/Ley_1735_2014.pdf.
- 15 Ibid.
- 16 "E-money regulation in Colombia," Digital Economy Outlook, BBVA Research, September 2015, https://www.bbva.com/wp-content/uploads/2015/09/Digital_Economy_Outlook_sep15-Cap4.pdf.
- 17 "Reporte de inclusión financiera 2014," Superintendencia Financiera de Colombia, Accessed May 2016, <https://www.superfinanciera.gov.co/jsp/10085394>.
- 18 "Reporte Trimestral de Inclusión Financiera," Banca de las Oportunidades, December 2015, <http://www.bancadelasoportunidades.com/contenido/contenido.aspx?catID=343&conID=1373>.
- 19 "Estudio de demanda," Superintendencia Financiera de Colombia, 2015, <https://www.superfinanciera.gov.co/jsp/10084717>.
- 20 "Plan Nacional de Desarrollo 2014-2018," Departamento Nacional de Planeación and Todos por un Nuevo País, 2015, 154, <https://colaboracion.dnp.gov.co/CDT/PND/PND%202014-2018%20Tomo%201%20internet.pdf>.
- 21 "2015 Maya Declaration Progress Report: Commitments into Action," Alliance for Financial Inclusion, December 2015, 19, http://www.afi-global.org/sites/default/files/publications/2015_maya_report_rev1_low_res.pdf.
- 22 Santiago Fernandez de Lis, Maria Claudia Llanes, Carlos Lopez-Moctezuma, Juan Carlos Rojas, and David Tuesta, "Financial Inclusion and the role of mobile banking in Colombia: developments and potential," Working Paper No. 14/04, BBVA, February 2014, 14, https://www.bbva.com/wp-content/uploads/migrados/WP_1404_tcm348-420839.pdf.
- 23 Santiago Fernandez de Lis, Maria Claudia Llanes, Carlos Lopez-Moctezuma, Juan Carlos Rojas, and David Tuesta, "Financial Inclusion and the role of mobile banking in Colombia: developments and potential," Working Paper No. 14/04, BBVA Research, February 2014, 15, https://www.bbva.com/wp-content/uploads/migrados/WP_1404_tcm348-420839.pdf.
- 24 Ibid.
- 25 Santiago Fernandez de Lis, Maria Claudia Llanes, Carlos Lopez-Moctezuma, Juan Carlos Rojas, and David Tuesta, "Financial Inclusion and the role of mobile banking in Colombia: developments and potential," Working Paper No. 14/04, BBVA Research, February 2014, 16, https://www.bbva.com/wp-content/uploads/migrados/WP_1404_tcm348-420839.pdf.
- 26 Note that SMLLV is a term for the current legal minimum monthly wage.
- 27 Email correspondence with representatives of the Superintendencia Financiera de Colombia on April 7, 2016.
- 28 de Lis et al. 2014, 16.
- 29 Note that values are generally rounded.
- 30 "Boletín Trimestral De Las Tic," Ministerio de Tecnologías de la Información y las Comunicaciones, November 2015, 16, http://colombiatic.mintic.gov.co/602/articles-14228_archivo_pdf.pdf.
- 31 Email correspondence with representatives of the Superintendencia Financiera de Colombia on April 7, 2016.
- 32 "Encuesta de demanda de Inclusión Financiera," Banca de las Oportunidades, 2015, <http://www.bancadelasoportunidades.com/contenido/contenido.aspx?catID=344&conID=1322>.
- 33 Email correspondence with representatives of the Superintendencia Financiera de Colombia on April 7, 2016. Also see <https://www.superfinanciera.gov.co/jsp/loader.jsf?IServicio=Publicaciones&ITipo=publicaciones&IFuncion=loa>.
- 34 Email correspondence with representatives of the Superintendencia Financiera de Colombia on April 7, 2016.
- 35 Ibid.
- 36 José Sanin, "Understanding the new mobile money regulation in Colombia: An interview with María Galindo of the Colombian Financial Regulation Agency," GSMA, 17 September 2015, <http://www.gsma.com/mobilefordevelopment/programme/mobile-money/understanding-the-new-mobile-money-regulation-in-colombia-an-interview-with-maria-galindo-of-the-colombian-financial-regulation-agency>.
- 37 Ibid; Email correspondence with representatives of the Superintendencia Financiera de Colombia on April 7, 2016.

DOMINICAN REPUBLIC ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 7 Ibid.
- 8 Financial Access Survey (2014), International Monetary Fund, 2015, <http://fas.imf.org>.
- 9 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 10 Financial Access Survey (2014), International Monetary Fund, 2015, <http://fas.imf.org>.
- 11 Ibid.
- 12 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 13 Ibid.
- 14 Ibid.
- 15 Rebecca Ruf, "How 3 banks in emerging economies are banking women," The World Bank, 19 November 2015, <http://blogs.worldbank.org/psd/how-3-banks-emerging-economies-are-banking-women>.
- 16 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 17 Ibid.
- 18 "Partnering with Governments to Transform Payments," Visa, 2012, 18, http://www.visa.com/visagovernmentsolutions/docs/Visa_Government_Solutions_Brochure_View.pdf.
- 19 Ibid.
- 20 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 21 Ibid.
- 22 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 23 Ibid.
- 24 Claire Scharwatt, Arunjay Katakam, Jennifer Frydrych, Alex Murphy, and Nika Naghavi, "2014 State of the Industry: Mobile Financial Services for the Unbanked," GSMA, 14, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/03/SOTIR_2014.pdf.
- 25 Mobile Money Deployment Tracker, GSMA, May 2016, <http://www.gsma.com/mobilefordevelopment/m4d-tracker/mobile-money-deployment-tracker>.
- 26 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 27 Ibid.
- 28 Ibid.
- 29 Ibid.
- 30 "Dominican Republic's SB, Kenya's SASRA push AFI membership to 99 overall," Alliance for Financial Inclusion, 19 March 2013, <http://www.afi-global.org/news/2013/3/19/dominican-republics-sb-kenyas-sasra-push-afi-membership-99-overall>.
- 31 Email correspondence with representatives of La Superintendencia de Bancos de la República Dominicana on June 6, 2016.
- 32 "Global Microscope 2015: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, December 2015, 72, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 33 "ESTRATEGIA NACIONAL DE DESARROLLO 2030," Ministerio de Economía, Planificación & Desarrollo, Undated, <http://economia.gob.do/mepyd/estrategia-nacional-de-desarrollo-2030/>.
- 34 Email correspondence with representatives of the Banco Central de la República Dominicana on June 6, 2016.
- 35 Ibid.
- 36 See the downloadable Excel document associated with the Economist Intelligence Unit's "Global Microscope 2015: The Enabling Environment for Financial Inclusion" report, available at http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 37 Email correspondence with representatives of the Banco Central de la República Dominicana on June 6, 2016.
- 38 Ibid.
- 39 "Global Microscope 2015: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, December 2015, 73, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 40 Rebecca Ruf, "How 3 banks in emerging economies are banking women," The World Bank, 19 November 2015, <http://blogs.worldbank.org/psd/how-3-banks-emerging-economies-are-banking-women>.
- 41 "Global Microscope 2015: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, December 2015, 73, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 42 Conversion referenced for September 30, 2015 via Oanda.com.
- 43 Figures provided in email correspondence with representatives of the Banco Central de la República Dominicana on June 6, 2016.
- 44 "Global Microscope 2015: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, December 2015, 73, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 45 Information provided in email correspondence with representatives of the Banco Central de la República Dominicana on June 6, 2016. Also see <http://www.sib.gob.do/prousuario/phponline/client.php>.
- 46 "Educación para tu salud financiera," La Superintendencia de Bancos (SB) de la República Dominicana, Undated, <http://educacionfinanciera.sib.gob.do/>.
- 47 See http://www.bancentral.gov.do/aula_central/.

EGYPT ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 7 Ibid.
- 8 "Egypt five years after the uprising," *The Economist*, 25 January 2016, <http://www.economist.com/blogs/economist-explains/2016/01/economist-explains-15>.
- 9 Financial Access Survey (2014), International Monetary Fund, 2015, <http://fas.imf.org>.
- 10 Asli Demircuc-Kunt, Leora Klapper, Dorothe Singer, and Peter Van Oudheusden, "The Global Findex Database 2014: Measuring Financial Inclusion around the World," Policy Research Working Paper 7255, April 2015, World Bank Group, 5, http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2015/10/19/090224b08315413c/2_0/Rendered/PDF/The0Global0Fin0ion0around0the0world.pdf.
- 11 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 12 Ibid.
- 13 Ibid.
- 14 Ibid.
- 15 Ibid.
- 16 Ibid.
- 17 Note that individuals could hold more than one subscription.
- 18 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 19 Mobile Money Deployment Tracker, GSMA, May 2016, <http://www.gsma.com/mobilefordevelopment/m4d-tracker/mobile-money-deployment-tracker>.
- 20 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 21 Shireen Santosham and Dominica Lindsey, "Bridging the gender gap: Mobile access and usage in low and middle-income countries," GSMA Connected Women, 2015, 53, http://www.gsma.com/connectedwomen/wp-content/uploads/2015/02/GSM0001_02252015_GSMAReport_FINAL-WEB-spreads.pdf.
- 22 Note that the 2015 International Monetary Fund Financial Access Survey did not contain data on the number of registered and active agents in Egypt. See Financial Access Survey (2014), International Monetary Fund, 2015, <http://fas.imf.org>.
- 23 Shireen Santosham and Dominica Lindsey, "Bridging the gender gap: Mobile access and usage in low and middle-income countries," GSMA Connected Women, 2015, 26, http://www.gsma.com/connectedwomen/wp-content/uploads/2015/02/GSM0001_02252015_GSMAReport_FINAL-WEB-spreads.pdf.
- 24 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 25 Shireen Santosham and Dominica Lindsey, "Bridging the gender gap: Mobile access and usage in low and middle-income countries," GSMA Connected Women, 2015, 46, http://www.gsma.com/connectedwomen/wp-content/uploads/2015/02/GSM0001_02252015_GSMAReport_FINAL-WEB-spreads.pdf.
- 26 Shireen Santosham and Dominica Lindsey, "Bridging the gender gap: Mobile access and usage in low and middle-income countries," GSMA Connected Women, 2015, 100, http://www.gsma.com/connectedwomen/wp-content/uploads/2015/02/GSM0001_02252015_GSMAReport_FINAL-WEB-spreads.pdf.
- 27 "AFI Official Members," Alliance for Financial Inclusion, 12 January 2016, http://www.afi-global.org/sites/default/files/publications/afi_official_members.pdf.
- 28 See the downloadable Excel document associated with the Economist Intelligence Unit's "Global Microscope 2015: The Enabling Environment for Financial Inclusion" report, available at http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 29 "Micro Finance," Egyptian Financial Supervisory Authority, 2014, http://www.efsa.gov.eg/content/efsa_en/micro_pages_en/main_micro_page_en.htm.
- 30 "Regulations Governing Provision of Payment Orders through Mobile Phones," [Unofficial translation], Central Bank of Egypt, Undated, <http://www.cbe.org.eg/en/PaymentSystems/RegulationsDL/MobilePayments.pdf>.
- 31 Janine Firpo, Cherine El Sayed, and Philippe Breul, "IFC Mobile Money Scoping Country Report: Egypt," International Finance Corporation, 2011, <http://www.ifc.org/wps/wcm/connect/451998804a052ab38ad5ffdd29332b51/Egypt+Scoping+Report+Public.pdf?MOD=AJPERES>.
- 32 Ibid.
- 33 Claire Scharwatt, Arunjay Katakam, Jennifer Frydrych, Alix Murphy, and Nika Naghavi, "2014 State of the Industry: Mobile Financial Services for the Unbanked," GSMA, 2015, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/03/SOTIR_2014.pdf.
- 34 See the downloadable Excel document associated with the Economist Intelligence Unit's "Global Microscope 2015: The Enabling Environment for Financial Inclusion" report, available at http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 35 Janine Firpo, Cherine El Sayed, and Philippe Breul, "IFC Mobile Money Scoping Country Report: Egypt," International Finance Corporation, 2011, <http://www.ifc.org/wps/wcm/connect/451998804a052ab38ad5ffdd29332b51/Egypt+Scoping+Report+Public.pdf?MOD=AJPERES>.
- 36 Ibid.

- 37 “Egyptian Government and MasterCard Collaborate to Extend Financial Inclusion to 54 Million Citizens through Digital National ID Program (Press Release),” MasterCard, 3 March 2015, <http://newsroom.mastercard.com/press-releases/egyptian-government-and-mastercard-collaborate-to-extend-financial-inclusion-to-54-million-citizens-through-digital-national-id-program-2/>.
- 38 “Egypt: Central bank conducts financial inclusion survey,” *Asia Insurance Review*, 27 September 2015, <http://www.asiainsurance.com/News/View-NewsLetter-Article?id=33901&Type=MiddleEast>.
- 39 Mona el Baradei, “Financial Literacy for Financial Inclusion, Egypt Case,” Central Bank of Egypt, 2014, <http://www.slideshare.net/ChildFinance/financial-inclusion-mona-el-baradei-united-nations-23-may-2014>.
- 12 Ibid.
- 13 Ibid.
- 14 Ibid.
- 15 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 16 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 17 Ibid.
- 18 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 19 Ibid.
- 20 Ibid.
- 21 Ibid.
- 22 Financial Access Survey (2014), International Monetary Fund, 2015, <http://fas.imf.org>.
- 23 Ibid.
- 24 “Expanding Access to Financial Services through New Technological Channels in El Salvador,” The World Bank, 21 October 2014, <http://www.worldbank.org/en/results/2014/10/21/expanding-access-to-financial-services-through-new-technological-channels-in-el-salvador>.
- 25 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 26 Ibid.
- 27 Ibid.
- 28 Individuals could hold more than one mobile cellular subscription.
- 29 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 30 Guillermo Babatz, “Sustained Effort, Saving Billions: Lessons from the Mexican Government’s Shift to Electronic Payments,” Better Than Cash Alliance, November 2013, <https://responsiblefinanceforum.org/wp-content/uploads/WEB-UNCDF-BTCA-Mexico-LongVersion-English-20150624.pdf>.
- 31 See <http://www.mobilemoney.com.sv/>. (According to the Superintendencia del Sistema Financiero, the formal name of the provider of this service is Mobile Money Centroamérica, S.A. de C.V.)
- 32 See <http://www.tigo.com.sv/tigomoney>. (According to the Superintendencia del Sistema Financiero, the formal name of the provider of this service is Mobile Cash, S.A. de C.V.)
- 33 See www.pagos724.com. (According to the Superintendencia del Sistema Financiero, the formal name of this service is Servicios Tecnológicos de El Salvador, S.A. de C.V.)
- 34 Email correspondence with a representative of M-Banco (known as MoMo Mobile Money in El Salvador) on April 7, 2016 and with a representative of the Banco Central de Reserva de El Salvador on April 22, 2016. According to the representative for M-Banco, as of April 2016 these companies were in the process of being formally approved under the Ley para Facilitar la inclusión Financiera. Also see Mobile Money Deployment Tracker, GSMA, May 2016, <http://www.gsma.com/mobilefordevelopment/m4d-tracker/mobile-money-deployment-tracker>.

EL SALVADOR ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 7 “Global Microscope 2015: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, December 2015, 76, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 8 “Active” is defined in this context as usage within the previous 90 days. See Mireya Almazán and Jennifer Frydrych, “Mobile financial services in Latin America & the Caribbean: State of play, commercial models, and regulatory approaches,” GSMA, May 2015, 12, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/09/2015_GSMA_Mobile-financial-services-in-Latin-America-the-Caribbean.pdf.
- 9 Mireya Almazán and Jennifer Frydrych, “Mobile financial services in Latin America & the Caribbean: State of play, commercial models, and regulatory approaches,” GSMA, May 2015, 12, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/09/2015_GSMA_Mobile-financial-services-in-Latin-America-the-Caribbean.pdf.
- 10 “Asamblea Legislativa aprueba Ley para Facilitar la Inclusión Financiera,” [English translation by Google Translate], 19 August 2015, Banco Central de Reserva de El Salvador, http://www.bcr.gob.sv/esp/index.php?option=com_k2&view=item&id=666:asamblea-legislativa-aprueba-ley-para-facilitar-la-inclusi%C3%B3n-financiera&Itemid=168.
- 11 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.

- 35 “Spotlight on Central America: Mobile money enhances financial inclusion,” GSMA, 24 April 2015, <http://www.gsma.com/latinamerica/spotlight-on-central-america-mobile-money-enhances-financial-inclusion>. Also see “Remittances to Latin America and The Caribbean In 2013: Still Below PreCrisis Levels,” Inter-American Development Bank and Multilateral Investment Fund, Undated, <http://idbdocs.iadb.org/wsdocs/getDocument.aspx?DOCNUM=38842219>.
- 36 “Spotlight on Central America: Mobile money enhances financial inclusion,” GSMA, 24 April 2015, <http://www.gsma.com/latinamerica/spotlight-on-central-america-mobile-money-enhances-financial-inclusion>.
- 37 Email correspondence with a representative of M-Banco on April 7, 2016.
- 38 “AFI Member Institutions,” Alliance for Financial Inclusion, Undated, http://www.afi-global.org/afi-network/members?field_member_title_computed_value=el+salvador&field_member_type_tid=All&field_member_country_tid=All.
- 39 “2015 Maya Declaration Progress Report: Commitments into Action,” Alliance for Financial Inclusion, 2015, 20, http://www.afi-global.org/sites/default/files/publications/2015_maya_report_rev1_low_res.pdf.
- 40 Ibid.
- 41 Ibid.
- 42 “Global Microscope 2015: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, December 2015, 77, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 43 “El Salvador Congress approves ‘Legislative Decree 72’ facilitating financial inclusion efforts throughout the country,” Alliance for Financial Inclusion, 30 September 2015, <http://www.afi-global.org/news/2015/9/30/el-salvador-congress-approves-legislative-decree-72-facilitating-financial-inclusion>.
- 44 Email correspondence with a representative of the Banco Central de Reserva de El Salvador on April 22, 2016.
- 45 “El Salvador Congress approves ‘Legislative Decree 72’ facilitating financial inclusion efforts throughout the country,” Alliance for Financial Inclusion, 30 September 2015, <http://www.afi-global.org/news/2015/9/30/el-salvador-congress-approves-legislative-decree-72-facilitating-financial-inclusion>.
- 46 “Expanding Access to Financial Services through New Technological Channels in El Salvador,” The World Bank, 21 October 2014, <http://www.worldbank.org/en/results/2014/10/21/xpanding-access-to-financial-services-through-new-technological-channels-in-el-salvador>.
- 47 Ibid.
- 48 “El Salvador Congress approves ‘Legislative Decree 72’ facilitating financial inclusion efforts throughout the country,” Alliance for Financial Inclusion, 30 September 2015, <http://www.afi-global.org/news/2015/9/30/el-salvador-congress-approves-legislative-decree-72-facilitating-financial-inclusion>.
- 49 Email correspondence with a representative of the Banco Central de Reserva de El Salvador on April 22, 2016.
- 50 “Expanding Access to Financial Services through New Technological Channels in El Salvador,” The World Bank, 21 October 2014, <http://www.worldbank.org/en/results/2014/10/21/xpanding-access-to-financial-services-through-new-technological-channels-in-el-salvador>.
- 51 “Decree No. 72,” Legislative Assembly of the Republic of El Salvador, 2015, Available at http://www.afi-global.org/sites/default/files/news/decree-72_eng.pdf.
- 52 Email correspondence with a representative of M-banco on April 7, 2016. Also see <http://www.bcr.gov.sbcrsite/uploaded/content/category/930721012.pdf>; <http://www.bcr.gov.sbcrsite/uploaded/content/category/919785772.pdf>; and <http://www.bcr.gov.sbcrsite/uploaded/content/category/1006286489.pdf>.
- 53 “Global Microscope 2015: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, December 2015, 76, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.

ETHIOPIA ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 7 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 8 “National Financial Inclusion Strategies Database,” The World Bank, 2014, <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTGLOBALFINREPORT/0,,contentMDK:23491959-pagePK:64168182-piPK:64168060-theSitePK:8816097,00.html>.
- 9 Ibid.
- 10 “Press Release: Data Services and Mobile Money Solutions to Drive Mobile Communications Markets of the DRC and Ethiopia,” Frost & Sullivan, 24 July 2014, <http://www.frost.com/prod/servlet/press-release.pag?docid=291589016>.
- 11 “The Federal Democratic Republic of Ethiopia: IMF Country Report No. 14/303,” International Monetary Fund, October 2014, 4, <http://www.imf.org/external/pubs/ft/scr/2014/cr14303.pdf>.
- 12 “Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 9 September 2014, 23, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 13 “Ethiopia’s central bank sets up Financial Inclusion Council,” Making Finance Work for Africa, 17 December 2014, http://www.mfw4a.org/news/news-details/select_category/54/article/ethiopias-central-bank-sets-up-financial-inclusion-council.html.

- 14 "Proclamation No. 657/2009 (amended through 2009)," Financial Inclusion Guide, Boston University Center for Finance, Law & Policy, Accessed January 2015, <http://www.bu.edu/bucflp/laws/proclamation-no-6572009/>.
- 15 "Proclamation No. 718/2011," National Bank of Ethiopia, 2011, <http://www.nbe.gov.et/pdf/Proclamation/nationalpaymentsystem.pdf>.
- 16 "Licensing and Supervision of the Business of Financial Institutions: Regulation of Mobile and Agent Banking Services: Directives No. FIS/01/2012," National Bank of Ethiopia, 2012, <http://www.nbe.gov.et/pdf/directives/microfinancebusiness/FIS-01-2012.pdf>.
- 17 Ibid.
- 18 "Licensing and Supervision of the Business of Financial Institutions: Regulation of Mobile and Agent Banking Services: Directives No. FIS/01/2012," National Bank of Ethiopia, 2012, 3, <http://www.nbe.gov.et/pdf/directives/microfinancebusiness/FIS-01-2012.pdf>.
- 19 Kevin Mwanza, "Ethiopia Cautiously Opens Up Financial Sector To Regional Banks," *AFK Insider*, 29 October 2015, <http://afkinsider.com/105691/ethiopia-cautiously-opens-up-financial-sector-to-regional-banks>.
- 20 "Overview: National Financial Inclusion Strategies," The World Bank, 11 November 2015, <http://www.worldbank.org/en/topic/financialinclusion/brief/national-financial-inclusion-strategies>.
- 21 Yared Gebremeden, "Ethiopia: Electronic Cash Payment, Transfer and Transaction Easing Life in Ethiopia," *The Ethiopian Herald* via *AllAfrica*, 22 April 2016, <http://allafrica.com/stories/201604221118.html>.
- 22 "National Bank of Ethiopia Quarterly Bulletin (Volume 33, Quarter 2)," National Bank of Ethiopia, 2015, 4, <http://www.nbe.gov.et/pdf/quarterlybulletin/Vol33%20Q2/2015-16%20%20QII%20%20Qtr%20finally%20edited.pdf>.
- 23 Samrawit Lemma, "M-Birr for Easy Access to Banking Services," *Addis Fortune*, 4 January 2016, <http://addisfortune.net/articles/m-birr-for-easy-access-to-banking-services/>.
- 24 "Ethiopian banks attain ATM, POS interoperability with SmartVista," *ATM Marketplace*, 12 May 2016, <http://www.atmmarketplace.com/news/ethiopian-banks-attain-atm-pos-interoperability-with-smartvista/>.
- 25 Getnet Alemu Zwedu, "Financial inclusion, regulation, and inclusive growth in Ethiopia," Working paper 408, Overseas Development Institute, November 2014, 47, <http://www.odi.org/sites/odi.org.uk/files/odi-assets/publications-opinion-files/9278.pdf>.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Olivier Laurent, "Haiti Earthquake: Five Years After," *Time*, 12 January 2015, <http://time.com/3662225/haiti-earthquake-five-year-after/>.
- 7 Mary Barton-Dock, "Haiti 2030: A country without extreme poverty," The World Bank, 15 July 2014, <http://www.worldbank.org/en/news/opinion/2014/07/16/haiti-2030-un-pays-sans-pauvrete-extreme-catastrophes-naturelles>.
- 8 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 9 Mireya Almazán and Jennifer Frydrych, "Mobile financial services in Latin America & the Caribbean: State of play, commercial models, and regulatory approaches," GSMA, May 2015, 5, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/09/2015_GSMA_Mobile-financial-services-in-Latin-America-the-Caribbean.pdf.
- 10 Note that 2014 data for these commercial bank branch and ATM indicators were not available for Haiti via the International Monetary Fund's Financial Access Survey.
- 11 Financial Access Survey (2013), International Monetary Fund, 2015, <http://fas.imf.org>.
- 12 Ibid.
- 13 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 14 As noted by a representative of the Banque de la République d'Haiti in email correspondence on May 8, 2016, the Global Findex figures for Haiti are expected to be adjusted in the future, as the legal age in Haiti to open an account is 18.
- 15 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 16 Ibid.
- 17 Ibid.
- 18 Ibid.
- 19 Ibid.
- 20 Email correspondence with a representative of the Banque de la République d'Haiti on May 8, 2016.
- 21 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 22 Ibid.
- 23 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 24 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 25 Ibid.
- 26 Jamie M. Zimmerman, Kristy Bohling, and Sarah Rotman Parker, "Electronic G2P Payments: Evidence from Four Lower Income Countries," Focus Note No. 93, CGAP, April 2014, 6, <http://www.cgap.org/sites/default/files/Focus-Note-Electronic-G2P-Payments-April-2014.pdf>.
- 27 "Digicel 'Tchotchco' Becomes 'Mon Cash'," Digicel, 6 August 2015, <http://www.digicelhaiti.com/en/about/news/mon-cash-la-nouvelle-marque-didentit>.

HAITI ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.

- 28 Mobile Money Deployment Tracker, GSMA, May 2016, <http://www.gsma.com/mobilefordevelopment/m4d-tracker/mobile-money-deployment-tracker>.
- 29 Ibid.
- 30 Financial Access Survey (2013), International Monetary Fund, 2015, <http://fas.imf.org>.
- 31 A revised version of the program, now titled “Ti Manman Cheri Tou Nèf,” was launched in fall 2015. See “Lancement à Jérémie de ‘Yon Ti Manman Cheri tou Nèf,’” *Le Nouvelliste*, 29 September 2015, <http://lenouvelliste.com/lenouvelliste/article/150412/Lancement-a-Jeremie-de-Yon-Ti-Manman-Cheri-tou-Nef>.
- 32 Jamie M. Zimmerman, Kristy Bohling, and Sarah Rotman Parker, “Electronic G2P Payments: Evidence from Four Lower Income Countries,” Focus Note No. 93, CGAP, April 2014, 2, <http://www.cgap.org/sites/default/files/Focus-Note-Electronic-G2P-Payments-April-2014.pdf>.
- 33 Ibid.
- 34 Jamie M. Zimmerman, Kristy Bohling, and Sarah Rotman Parker, “Electronic G2P Payments: Evidence from Four Lower Income Countries,” Focus Note No. 93, CGAP, April 2014, 4, <http://www.cgap.org/sites/default/files/Focus-Note-Electronic-G2P-Payments-April-2014.pdf>.
- 35 Jamie M. Zimmerman, Kristy Bohling, and Sarah Rotman Parker, “Electronic G2P Payments: Evidence from Four Lower Income Countries,” Focus Note No. 93, CGAP, April 2014, 6, <http://www.cgap.org/sites/default/files/Focus-Note-Electronic-G2P-Payments-April-2014.pdf>.
- 36 Jamie M. Zimmerman, Kristy Bohling, and Sarah Rotman Parker, “Electronic G2P Payments: Evidence from Four Lower Income Countries,” Focus Note No. 93, CGAP, April 2014, 7, <http://www.cgap.org/sites/default/files/Focus-Note-Electronic-G2P-Payments-April-2014.pdf>.
- 37 Jamie M. Zimmerman, Kristy Bohling, and Sarah Rotman Parker, “Electronic G2P Payments: Evidence from Four Lower Income Countries,” Focus Note No. 93, CGAP, April 2014, 9, <http://www.cgap.org/sites/default/files/Focus-Note-Electronic-G2P-Payments-April-2014.pdf>.
- 38 Jamie M. Zimmerman, Kristy Bohling, and Sarah Rotman Parker, “Electronic G2P Payments: Evidence from Four Lower Income Countries,” Focus Note No. 93, CGAP, April 2014, 11, <http://www.cgap.org/sites/default/files/Focus-Note-Electronic-G2P-Payments-April-2014.pdf>.
- 39 “Maya Declaration Commitments,” Alliance for Financial Inclusion, Undated, <http://www.afi-global.org/maya-declaration-commitments>.
- 40 Stratégie Nationale d’Inclusion Financière,” Banque de la République d’Haiti (in collaboration with the World Bank), Undated, http://www.brh.net/documents/strategie_inclusion_fin.pdf.
- 41 “Global Microscope 2015: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, December 2015, 12, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 42 Email correspondence with a representative of the World Bank on May 4, 2016.
- 43 “Global Microscope 2015: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, December 2015, 80-81, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 44 See the downloadable Excel document associated with the Economist Intelligence Unit’s “Global Microscope 2015: The Enabling Environment for Financial Inclusion” report, available at http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 45 “Lignes Directrices Relatives À La Banque À Distance,” Banque de la République d’Haiti, 2010, <http://www.brh.net/circulaires/Ild.pdf>. Also see analysis within the downloadable Excel document associated with the Economist Intelligence Unit’s “Global Microscope 2015: The Enabling Environment for Financial Inclusion” report, available at http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 46 See the downloadable Excel document associated with the Economist Intelligence Unit’s “Global Microscope 2015: The Enabling Environment for Financial Inclusion” report, available at http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 47 Ibid.
- 48 Ignacio Mas and Claire Alexandre, “Mexico, Indonesia and Haiti Advance Financial Inclusion with Bold Approaches to Account Opening,” Center for Financial Inclusion at Accion Blog, 19 January 2012, <http://cfi-blog.org/2012/01/19/mexico-indonesia-and-haiti-advance-financial-inclusion-with-bold-approaches-to-account-opening/>.
- 49 “Client Protection in Haiti,” Center for Financial Inclusion at Accion, Undated, Accessed 17 February 2016, <http://www.centerforfinancialinclusion.org/publications-a-resources/client-protection-library/104-summary-of-client-protection-in-haiti>.
- 50 Ibid.
- 51 Ibid.
- 52 Email correspondence with a World Bank representative on May 4, 2016.

INDIA ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 “Pradhan Mantri Jan Dhan Yojana,” PMJDY, Undated, Accessed May 2016, <http://www.pmjdy.gov.in/about>.

- 7 Asli Demircug-Kunt, Leora Klapper, Dorothe Singer, and Peter Van Oudheusden, "The Global Findex Database 2014: Measuring Financial Inclusion around the World," Policy Research Working Paper 7255, World Bank, April 2015, 26, http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2015/04/15/090224b082dca3aa/1_0/Rendered/PDF/TheGlobalFindexDatabase2014.pdf#page=3.
- 8 Asli Demircug-Kunt, Leora Klapper, Dorothe Singer, and Peter Van Oudheusden, "The Global Findex 2014: Measuring Financial Inclusion around the World," The World Bank Group, April 2015, 59, http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2015/04/15/090224b082dca3aa/1_0/Rendered/PDF/TheGlobalFindexDatabase2014.pdf#page=3.
- 9 Aakash Mehrotra and Denny George, "Agent Network Accelerator Survey: India Country Report 2015," Helix Institute of Digital Finance, August 2015, 17, http://www.helix-institute.com/sites/default/files/Publications/Agent%20Network%20Accelerator%20Survey%20-%20India%20Country%20Report%202015_0.pdf.
- 10 "FM: Record Number of 11.50 Crore Bank Accounts Opened Under Pradhan Mantri Jan Dhan Yojana (PMJDY) as on 17th January 2015 against the original Target of 7.5 Crore by 26th January, 2015," Press Information Bureau, 20 January 2015, <http://pib.nic.in/newsite/PrintRelease.aspx?relid=114810>.
- 11 Vrishti Beniwal, "India Goes Postal in Bid to Give Bank Accounts to the Masses," *Bloomberg*, 6 January 2016, <http://www.bloomberg.com/news/articles/2016-01-06/india-goes-postal-in-quest-to-open-bank-accounts-for-the-masses>.
- 12 "Progress Report: Accounts Opened as on 11 May 2016," PMJDY, 11 May 2016, <http://pmjdy.gov.in/account>.
- 13 A "full-service bank account" in this context refers to accounts with banks that offer a full suite of financial services, including formal savings. See "India: Wave Report FII Tracker Survey: Conducted June-October 2015," Financial Inclusion Insights, InterMedia, March 2016, 19, <http://finclusion.org/uploads/file/reports/InterMedia%20FII%20Wave%203%202015%20India.pdf>.
- 14 "India: Wave Report FII Tracker Survey: Conducted June-October 2015," Financial Inclusion Insights, InterMedia, March 2016, 19, <http://finclusion.org/uploads/file/reports/InterMedia%20FII%20Wave%203%202015%20India.pdf>.
- 15 "Scheme Details," PMJDY, Undated, Accessed May 2016, <http://www.pmjdy.gov.in/scheme>.
- 16 "Financial Inclusion Strategy Peer Learning Group," Alliance for Financial Inclusion (AFI), 2014, <http://www.afi-global.org/about-us/how-we-work/about-working-groups/financial-inclusion-strategy-peer-learning-group-fisplg>.
- 17 "AFI members," Alliance for Financial Inclusion, Undated, Accessed May 2016, <http://www.afi-global.org/afi-members>.
- 18 "India Announces New Partnership to Accelerate Financial Inclusion for Everyone," Better Than Cash Alliance, 1 September 2015, <https://www.betterthancash.org/news/media-releases/india-announces-new-partnership-to-accelerate-financial-inclusion-for-everyone>.
- 19 "Pradhan Mantri Jan Dhan Yojana," Undated, Accessed May 2016, <http://www.pmjdy.gov.in/about>.
- 20 Ibid.
- 21 Asit Ranjan Mishra, "India has started linking Jan Dhan scheme, Aadhaar and mobile numbers: Arun Jaitley," *Livemint*, 2 April 2016, <http://www.livemint.com/Politics/PRmaclHkzL6fGJEUlVLo3H/India-has-started-linking-Jan-Dhan-scheme-Aadhaar-and-mobil.html>.
- 22 "IFC Mobile Money Scoping Country Report: India," International Finance Corporation, June 2013, 36, <http://www.ifc.org/wps/wcm/connect/49a11580407b921190f790cdd0ee9c33/India+Scoping+report+063013+for+publication.pdf?MOD=AJPERES>.
- 23 IFC Mobile Money Scoping Country Report: India," International Finance Corporation, June 2013, 8, <http://www.ifc.org/wps/wcm/connect/49a11580407b921190f790cdd0ee9c33/India+Scoping+report+063013+for+publication.pdf?MOD=AJPERES>.
- 24 "RBI releases Guidelines for Licensing of Payments Banks," Reserve Bank of India, 27 November 2014, https://rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=32615.
- 25 "Guidelines for Licensing of Payments Banks," Reserve Bank of India, 27 November 2014, https://rbi.org.in/scripts/bs_viewcontent.aspx?lId=2900.
- 26 Kabir Kumar and Dan Radcliffe, "2015 Set to Be Big Year for Digital Financial Inclusion in India," CGAP, 15 January 2015, <http://www.cgap.org/blog/2015-set-be-big-year-digital-financial-inclusion-india>.
- 27 According to a 2013 report by the International Finance Corporation, business correspondents (BCs) are defined as "representative[s] authorized to offer services such as cash transactions where the lender does not have a branch." See "IFC Mobile Money Scoping Country Report: India," International Finance Corporation, June 2013, 32, <http://www.ifc.org/wps/wcm/connect/49a11580407b921190f790cdd0ee9c33/India+Scoping+report+063013+for+publication.pdf?MOD=AJPERES>.
- 28 "Financial Inclusion by Extension of Banking Services – Use of Business Correspondents," Reserve Bank of India, 24 June 2014, https://www.rbi.org.in/scripts/BS_CircularIndexDisplay.aspx?lId=8955.
- 29 "Progress Report: Accounts Opened as on 11 May 2016," PMJDY, 11 May 2016, <http://pmjdy.gov.in/account>.
- 30 There are three major agent network models, including banks that directly manage agent networks, business correspondent network managers, and MNOs that manage agent networks. See Aakash Mehrotra and Denny George, "Agent Network Accelerator Survey: India Country Report 2015," Helix Institute of Digital Finance, August 2015, 6, http://www.helix-institute.com/sites/default/files/Publications/Agent%20Network%20Accelerator%20Survey%20-%20India%20Country%20Report%202015_0.pdf.
- 31 Aakash Mehrotra and Denny George, "Agent Network Accelerator Survey: India Country Report 2015," Helix Institute of Digital Finance, August 2015, 4, http://www.helix-institute.com/sites/default/files/Publications/Agent%20Network%20Accelerator%20Survey%20-%20India%20Country%20Report%202015_0.pdf.
- 32 Graham Wright, "Digital Financial Inclusion In India – A Long Road To Take-Off?," MicroSave, September 2015, <http://blog.microsave.net/digital-financial-inclusion-in-india-a-long-road-to-take-off/>.
- 33 Akhand Tiwari, Lokesh K Singh, Mukesh Sadana and Puneet Chopra, "The Curious Case of Missing Agents in Rural India," MicroSave India Focus Note 105, January 2014, http://www.microsave.net/files/pdf/IFN_105_The_Curious_Case_of_Missing_Agents_in_Rural_India_MicroSave.pdf.
- 34 Aakash Mehrotra and Denny George, "Agent Network Accelerator Survey: India Country Report 2015," Helix Institute of Digital Finance, August 2015, 10, 42, http://www.helix-institute.com/sites/default/files/Publications/Agent%20Network%20Accelerator%20Survey%20-%20India%20Country%20Report%202015_0.pdf.

- 35 Aakash Mehrotra and Denny George, "Agent Network Accelerator Survey: India Country Report 2015," Helix Institute of Digital Finance, August 2015, 11, http://www.helix-institute.com/sites/default/files/Publications/Agent%20Network%20Accelerator%20Survey%20-%20India%20Country%20Report%202015_0.pdf.
- 36 "India: Driving Digital Financial Inclusion Wave 2," Financial Inclusion Insights, InterMedia, June 2015, 45, <http://finclusion.org/wp-content/uploads/2014/05/FII-India-2014-Wave-2-Wave-Report.pdf>.
- 37 "Beyond Cash: Why India Loves Cash and Why That Matters for Financial Inclusion," USAID and the U.S. Global Development Lab, January 2016, <https://www.globalinnovationexchange.org/beyond-cash>.
- 38 Ibid.
- 39 "RBI grants 'in-principle' approval to 11 Applicants for Payments Banks," Reserve Bank of India, 19 August 2015, https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=34754.
- 40 Nils Clotteau, "Can India Post rise up to the digital payments and financial inclusion challenge?," Better Than Cash Alliance, 8 October 2015, <https://www.betterthancash.org/news/blogs-stories/can-india-post-rise-up-to-the-digital-payments-and-financial-inclusion-challenge>.
- 41 Vrishti Beniwal, "India Goes Postal in Bid to Give Bank Accounts to the Masses," *Bloomberg*, 6 January 2016, <http://www.bloomberg.com/news/articles/2016-01-06/india-goes-postal-in-quest-to-open-bank-accounts-for-the-masses>.
- 42 "A Partnership to Support Financial Inclusion Through Expanded Payments Acceptance Networks and Other Efforts: Compendium of merchant and consumer quantitative survey insights," USAID, 17 November 2015, 11, https://giexchange-www.s3.amazonaws.com/s3fs-public/asset/document/1.%20USAID%20India%20Digital%20Payments%20Quantitative%20Research%20Findings_1.pdf?MRNJETeewvi3m9sjZA2lzH0xGjAMluc.
- 43 "A Partnership to Support Financial Inclusion Through Expanded Payments Acceptance Networks and Other Efforts: Compendium of merchant and consumer quantitative survey insights," USAID, 17 November 2015, 12, https://giexchange-www.s3.amazonaws.com/s3fs-public/asset/document/1.%20USAID%20India%20Digital%20Payments%20Quantitative%20Research%20Findings_1.pdf?MRNJETeewvi3m9sjZA2lzH0xGjAMluc.
- 44 Ibid.
- 45 "A Partnership to Support Financial Inclusion Through Expanded Payments Acceptance Networks and Other Efforts: Compendium of merchant and consumer quantitative survey insights," USAID, 17 November 2015, 76, https://giexchange-www.s3.amazonaws.com/s3fs-public/asset/document/1.%20USAID%20India%20Digital%20Payments%20Quantitative%20Research%20Findings_1.pdf?MRNJETeewvi3m9sjZA2lzH0xGjAMluc.
- 46 "A Partnership to Support Financial Inclusion Through Expanded Payments Acceptance Networks and Other Efforts: Compendium of merchant and consumer quantitative survey insights," USAID, 17 November 2015, 77, https://giexchange-www.s3.amazonaws.com/s3fs-public/asset/document/1.%20USAID%20India%20Digital%20Payments%20Quantitative%20Research%20Findings_1.pdf?MRNJETeewvi3m9sjZA2lzH0xGjAMluc.
- 47 Rachel Chitra, "NPCI aims at financial inclusion: 74% of RuPay card-holders first-time users," *The Times of India*, 12 January 2016, <http://timesofindia.indiatimes.com/business/india-business/NPCI-aims-at-financial-inclusion-74-of-RuPay-card-holders-first-time-users/articleshow/50551312.cms>.
- 48 Saurabh Kumar, "E-payments surpass paper clearances," *Livemint*, 14 January 2016, <http://www.livemint.com/Industry/bmXMIPwPmL7RfEwajjAXQP/Epayments-surpass-paper-clearances.html>.
- 49 "Report of the Committee on Medium-term Path on Financial Inclusion," Reserve Bank of India, 28 December 2015, <https://rbi.org.in/Scripts/PublicationReportDetails.aspx?UrlPage=&ID=836>.
- 50 Ibid.
- 51 Pranay Lakshminarasimhan, "NPCI's interface to not include wallet accounts," *The Financial Express*, 1 April 2016, <http://www.financialexpress.com/article/markets/indian-markets/npcis-interface-to-not-include-wallet-accounts/231449/>.
- 52 Ibid.
- 53 See <http://www.indiastack.org/About-Digital-India> for more information.
- 54 Kabir Kumar and Sanjay Jain, "India Stack to bridge the digital divide in our country," *The Economic Times*, 29 February 2016, <http://blogs.economicstimes.indiatimes.com/et-commentary/india-stack-to-bridge-the-digital-divide-in-our-country/>.
- 55 "What is the India Stack?," CGAP, 15 March 2016, 12, <http://www.slideshare.net/CGAP/what-is-the-india-stack>.
- 56 See <https://uidai.gov.in/what-is-aadhaar.html> for more information.
- 57 Kabir Kumar and Sanjay Jain, "India Stack to bridge the digital divide in our country," *The Economic Times*, 29 February 2016, <http://blogs.economicstimes.indiatimes.com/et-commentary/india-stack-to-bridge-the-digital-divide-in-our-country/>.
- 58 Jay Pullar, "India Stack takes the Digital India campaign to a whole new level," *ProductNation*, 21 December 2015, <http://pn.ispirit.in/india-stack-takes-the-digital-india-campaign-to-a-whole-new-level/>.
- 59 "What is the India Stack?," CGAP, 15 March 2016, 12, <http://www.slideshare.net/CGAP/what-is-the-india-stack>.
- 60 Kabir Kumar and Dan Radcliffe, "Can India Achieve Universal Digital Financial Inclusion?," CGAP, 20 January 2015, <http://www.cgap.org/blog/can-india-achieve-universal-digital-financial-inclusion>.
- 61 Kabir Kumar and Sanjay Jain, "India Stack to bridge the digital divide in our country," *The Economic Times*, 29 February 2016, <http://blogs.economicstimes.indiatimes.com/et-commentary/india-stack-to-bridge-the-digital-divide-in-our-country/>.
- 62 Aakash Mehrotra and Denny George, "Agent Network Accelerator Survey: India Country Report 2015," Helix Institute of Digital Finance, August 2015, 16, http://www.helix-institute.com/sites/default/files/Publications/Agent%20Network%20Accelerator%20Survey%20-%20India%20Country%20Report%202015_0.pdf.
- 63 "Financial Literacy," PMJDY, Undated, Accessed May 2016, <http://www.pmjdy.gov.in/literacy>.
- 64 "NABARD, J&K Bank to Join Hands for Financial Literacy Campaign," *Daily Excelsior*, 21 January 2016, <http://www.dailyexcelsior.com/nabard-jk-bank-to-join-hands-for-financial-literacy-campaign/>.
- 65 "Report of the Committee on Medium-term Path on Financial Inclusion," Reserve Bank of India, 28 December 2015, <https://rbi.org.in/Scripts/PublicationReportDetails.aspx?UrlPage=&ID=836>.
- 66 Nils Clotteau, "Can India Post rise up to the digital payments and financial inclusion challenge?," Better Than Cash Alliance, 8 October 2015, <https://www.betterthancash.org/news/blogs-stories/can-india-post-rise-up-to-the-digital-payments-and-financial-inclusion-challenge>.

- 67 “Fifty-Eight Percent of Women in India Report Difficulty Accessing Credit, Savings, or Jobs Because of their Gender,” The Center for Financial Inclusion, 22 May 2015, <http://cfi-blog.org/2015/05/22/fifty-eight-percent-of-women-in-india-report-difficulty-accessing-credit-savings-or-jobs-because-of-their-gender/>.
- 68 “Govt policies fail to protect migrants: Gandhigram VC,” *The Times of India*, 11 February 2016, <http://timesofindia.indiatimes.com/city/madurai/Govt-policies-fail-to-protect-migrants-Gandhigram-VC/articleshow/50940559.cms>.
- 69 TNN, “No ID proof prevents many from opening Jan Dhan accounts,” *The Times of India*, 28 October 2015, <http://timesofindia.indiatimes.com/city/pune/No-ID-proof-prevents-many-from-opening-Jan-Dhan-accounts/articleshow/49560538.cms>.
- 70 Leora Klapper, “The gender gap in financial inclusion and the 2014 Global Findex,” *Reuters*, 21 April 2015, <http://news.trust.org/item/20150421184902-4usvh/>.
- 71 “A Partnership to Support Financial Inclusion Through Expanded Payments Acceptance Networks and Other Efforts: Compendium of merchant and consumer quantitative survey insights,” United States Agency For International Development (USAID), 17 November 2015, https://giexchange-www.s3.amazonaws.com/s3fs-public/asset/document/1.%20USAID%20India%20Digital%20Payments%20Qualitative%20Research%20Findings_1.pdf?MRNJTEewvi3m9sjZA2lzH0xGjAMlUc.
- 72 “A Partnership to Support Financial Inclusion Through Expanded Payments Acceptance Networks and Other Efforts: Research findings from human-centered design (HCD) research,” USAID, 20 October 2015, https://giexchange-www.s3.amazonaws.com/s3fs-public/asset/document/2.%20USAID%20India%20Digital%20Payments%20Qualitative%20Research%20Findings_2.pdf?YG2PVRlrfj91CXiFYCmclqiy2N3kbso.
- 8 “Global Microscope 2014: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 27, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 9 “Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 9 September 2014, 24, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 10 Grace D. Amianti, “OJK invites more players to join branchless banking program,” *The Jakarta Post*, 17 May 2016, <http://www.thejakartapost.com/news/2016/01/05/ojk-invites-more-players-join-branchless-banking-program.html>.
- 11 “Maya Declaration: Commitment made by the Bank Indonesia,” Alliance for Financial Inclusion, 2012, <http://www.afi-global.org/library/publications/maya-declaration-commitment-made-bank-indonesia>.
- 12 Maha Khan and Ghiyazuddin Mohammad, “Indonesia: The Quiet Before the Storm,” e-MITRA, 3 March 2015, <http://www.emitraindonesia.org/indonesia-the-quiet-before-the-storm/>.
- 13 “OJK Launches Digital Financial Services Program ‘Laku Pandai,’” e-MITRA, 9 April 2015, <http://www.emitraindonesia.org/ojk-launches-digital-financial-services-program-laku-pandai/>.
- 14 Maha Khan and Ghiyazuddin Mohammad, “Indonesia: The Quiet Before the Storm,” e-MITRA, 3 March 2015, <http://www.emitraindonesia.org/indonesia-the-quiet-before-the-storm/>.
- 15 Michael Mori and Trevor Zimmer, “Mobilizing Banking for Indonesia’s Poor,” 2014, <http://fletcher.tufts.edu/-/media/Fletcher/Microsites/IBGC/Student%20Research/Mobilizing%20Banking%20for%20Indonesias%20Poor.pdf>.
- 16 Gunnar Camner, “Snapshot: Implementing Mobile Money Interoperability in Indonesia,” GSMA, 2013, 5, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2013/10/Implementing-mobile-money-interoperability-in-Indonesia.pdf>.
- 17 Leesa Shrader, “Latest on Branchless Banking from Indonesia,” CGAP, 12 July 2013, <http://www.cgap.org/blog/latest-branchless-banking-indonesia>.
- 18 Gunnar Camner, “Snapshot: Implementing Mobile Money Interoperability in Indonesia,” GSMA, 2013, 6, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2013/10/Implementing-mobile-money-interoperability-in-Indonesia.pdf>.
- 19 Note that these pilots ended in November 2013.
- 20 Leesa Shrader, “Latest on Branchless Banking from Indonesia,” CGAP, 12 July 2013, <http://www.cgap.org/blog/latest-branchless-banking-indonesia>.
- 21 Michael Joyce, “New e-money regulations in Indonesia,” Mobile Money Asia, 17 April 2014, <http://www.mobilemoneyasia.org/2014/04/new-e-money-regulations-in-indonesia.html>.
- 22 Ghiyazuddin A Mohammad, “Digital Financial Services in Indonesia – Findings from the Agent Network Accelerator Research,” ITU, MicroSave, and Helix Institute of Digital Finance, October 2015, https://www.itu.int/en/ITU-T/Workshops-and-Seminars/bsg/201510/Documents/Presentations/S5P5_Ghiyazuddin_Ali_Mohammad.pdf.
- 23 Michael Joyce, “New e-money regulations in Indonesia,” Mobile Money Asia, 17 April 2014, <http://www.mobilemoneyasia.org/2014/04/MobileMoneyAsianew-e-money-regulations-in-indonesia.html>.

INDONESIA ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Yvonne Chen, “Indonesia’s Booming Mobile Money Market,” American Chamber of Commerce in Indonesia, 12 March 2014, <http://www.amcham.or.id/nf/features/4510-indonesia-s-booming-mobile-money-market>.
- 7 “2015 State of the Industry Report: Mobile Money,” GSMA, 2016, 15, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/04/SOTIR_2015.pdf.

- 24 Ghiyazuddin Mohammad and Grace Retnowati, "Draft Branchless Banking Regulations in Indonesia – A Review," MicroSave, September 2014, <http://blog.microsave.net/do-the-new-regulations-in-indonesia-foster-growth-of-branchless-banking-well-almost/>.
- 25 Fauzan Jamaludin, "New Phase Development of Branchless Banking," *The Citizen Daily*, 11 July 2014, <http://en.citizendaily.net/new-phase-development-of-branchless-banking/>.
- 26 Michael Joyce, "Indonesian regulations favor the four biggest banks," *Mobile Money Asia*, 25 April 2014, <http://www.mobilemoneyasia.org/2014/04/indonesian-regulations-favour-four.html>.
- 27 Michael Joyce, "New e-money regulations in Indonesia," *Mobile Money Asia*, 17 April 2014, <http://www.mobilemoneyasia.org/2014/04/new-e-money-regulations-in-indonesia.html>.
- 28 Ibid.
- 29 Email correspondence with a representative of TNP2K on April 14, 2015.
- 30 "Indonesia's New Financial Services Authority," January 2012, <http://www.worldservicesgroup.com/publications.asp?action=article&artid=4305>.
- 31 Ghiyazuddin Mohammad, "Branchless Banking Regulatory Environment in Indonesia," MicroSave, 28 January 2015, http://www.microsave.net/resource/branchless_banking_regulatory_environment_in_indonesia#.VWMmwPPD9Qs.
- 32 "OJK Launches Digital Financial Services Program 'Laku Pandai,'" e-MITRA, 9 April 2015, <http://www.emitraindonesia.org/ojk-launches-digital-financial-services-program-laku-pandai/>.
- 33 "New Indonesia Branchless Banking and Microfinance Laws – a catalyst for microfinance growth?," KPMG, Undated, <http://www.kpmg.com/ID/en/IssuesAndInsights/ArticlesPublications/Documents/Financial%20Inclusion%20in%20Indonesia.pdf>.
- 34 Ghiyazuddin Mohammad, "Branchless Banking Regulatory Environment in Indonesia," MicroSave, 28 January 2015, http://www.microsave.net/resource/branchless_banking_regulatory_environment_in_indonesia#.VWMmwPPD9Qs.
- 35 Ibid.
- 36 Grace D. Amianti, "Four major banks launch branchless banking program," *The Jakarta Post*, 27 March 2015, <http://www.thejakartapost.com/news/2015/03/27/four-major-banks-launch-branchless-banking-program.html>.
- 37 Ghiyazuddin A Mohammad, "Digital Financial Services in Indonesia – Findings from the Agent Network Accelerator Research," ITU, MicroSave, and Helix Institute of Digital Finance, October 2015, https://www.itu.int/en/ITU-T/Workshops-and-Seminars/bsg/201510/Documents/Presentations/S5P5_Ghiyazuddin_Ali_Mohammad.pdf.
- 38 Email correspondence with a representative of MicroSave on April 20, 2016.
- 39 Grace D. Amianti, "OJK invites more players to join branchless banking program," *The Jakarta Post*, 17 May 2016, <http://www.thejakartapost.com/news/2016/01/05/ojk-invites-more-players-join-branchless-banking-program.html>.
- 40 Ibid.
- 41 Ibid.
- 42 Email correspondence with a representative of MicroSave on April 20, 2016.
- 43 Mochammad Gungun, "Telkomsel and Financial Services Bank Presents Connected TCASH-Bank's Wow!" [English translation via Google Translate], 18 April 2016, <http://www.aksi.co/2016/04/18/technology/telkomsel-dan-btpn-hadirkan-layanan-keuangan-terhubung-tcash-btpn-wow/>.
- 44 Email correspondence with a representative of MicroSave on April 20, 2016.
- 45 Shelley Spencer, Joey Mendoza, Eky Amrullah, Afandy Djauhari, Anita Dwipuspita, and Rahmi Nydiasari, "Digital Financial Services in Indonesia," USAID, NetHope, GBI, and e-MITRA, December 2015, http://solutionscenter.nethope.org/assets/collaterals/MFS_eMITRAIndonesia-December20151.pdf.
- 46 Call with a representative of Bank Indonesia on May 8, 2016.
- 47 See <http://finclusion.org/country/indonesia.html#dataAtAGlance> for more information.
- 48 Shelley Spencer, Joey Mendoza, Eky Amrullah, Afandy Djauhari, Anita Dwipuspita, and Rahmi Nydiasari, "Digital Financial Services in Indonesia," USAID, NetHope, GBI, and e-MITRA, December 2015, http://solutionscenter.nethope.org/assets/collaterals/MFS_eMITRAIndonesia-December20151.pdf.
- 49 "Indonesia: Wave Report FII Tracker Survey Conducted August-November 2015," Financial Inclusion Insights, InterMedia, February 2016, 10, <http://finclusion.org/uploads/file/reports/Indonesia%20Wave%20%20Wave%20Report.pdf>.
- 50 Bejoy Das Gupta and Desmond Dahlberg, "Indonesia: Getting Serious About Financial Inclusion," Institute of International Finance, 6 August 2015, <https://www.iif.com/publication/country-report/indonesia-getting-serious-about-financial-inclusion>.

KENYA ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 "Kenya witnesses 50% increase in financial inclusion in last decade," FSD Kenya, 18 February 2016, <http://fsdkenya.org/news/kenya-witnesses-50-increase-in-financial-inclusion-in-last-decade/>.
- 7 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 8 "Connected Women: Women and Mobile Money – Insights from Kenya," GSMA, February 2016, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/02/Connected-Women-Women-and-Mobile-Money-Insights-from-Kenya-Nov15.pdf>.

- 9 "National Financial Inclusion Strategies Database," The World Bank, 2014, <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTGLOBALFINREPORT/0,,contentMDK:23491959-pagePK:64168182-piPK:64168060-theSitePK:8816097,00.html>.
- 10 "Members," Better Than Cash Alliance, 2016, <https://www.betterthancash.org/members/government/page/2>.
- 11 "Alliance for Financial Inclusion (AFI) official member list," Alliance for Financial Inclusion, 14 April 2016, <http://www.afi-global.org/library/publications/alliance-financial-inclusion-afi-official-member-list>.
- 12 "Global Financial Development Report 2014: Financial Inclusion," The World Bank, 2014, 98, http://siteresources.worldbank.org/EXTGLOBALFINREPORT/Resources/8816096-1361888425203/9062080-1364927957721/GFDR-2014_Complete_Report.pdf.
- 13 "Kenya Vision 2030," Republic of Kenya, 2007, 10, http://thereddesk.org/sites/default/files/vision_2030_brochure___july_2007.pdf.
- 14 "National Payment System Regulations, 2014," Kenya Gazette Supplement No. 119, 1 August 2014, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2014/08/NPSRegulationsLegalNoticeNo-2-109.pdf>.
- 15 "Digital Pathways to Financial Inclusion: Findings from the First FII Tracker Survey in Kenya," InterMedia, July 2014, 9, <http://finclusion.org/uploads/file/reports/FII-Kenya-Wave-One-Wave-Report.pdf>.
- 16 Brian Muthiora, "Enabling Mobile Money Policies in Kenya: Fostering a Digital Financial Revolution," GSMA, January 2015, 2-3, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/02/2015_MMU_Enabling-Mobile-Money-Policies-in-Kenya.pdf.
- 17 "IFC Mobile Money Study 2011: Summary Report," International Finance Corporation, 2011, 18, <http://www.ifc.org/wps/wcm/connect/fad057004a052eb88b23ffdd29332b51/MobileMoneyReport-Summary.pdf?MOD=AJPERES>.
- 18 Antony Langat, "Agent banking key to local financial inclusion," *CAJ News Africa*, 28 July 2014, <http://cajnewsafrica.com/2014/07/28/agent-banking-key-to-local-financial-inclusion/>.
- 19 Brian Muthiora, "Enabling Mobile Money Policies in Kenya: Fostering a Digital Financial Revolution," GSMA, January 2015, 20, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/02/2015_MMU_Enabling-Mobile-Money-Policies-in-Kenya.pdf.
- 20 "Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report," Alliance for Financial Inclusion, 12 September 2013, 27, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 21 "National Payment System Act No. 39 of 2011" (Revised Edition 2012), National Council for Law Reporting, http://kenyalaw.org/kl/fileadmin/pdfdownloads/Acts/NationalPaymentSystemsAct__No39of2011.pdf.
- 22 "National Payment System Regulations, 2014," Kenya Gazette Supplement No. 119, 1 August 2014, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2014/08/NPSRegulationsLegalNoticeNo-2-109.pdf>.
- 23 "2015 State of the Industry Report: Mobile Money," GSMA, 2016, 15, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/04/SOTIR_2015.pdf.
- 24 "Services," eCitizen, 2014, <https://www.ecitizen.go.ke/service.html>.
- 25 "Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report," Alliance for Financial Inclusion, 12 September 2013, 27, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 26 Rafe Mazer, "Fixing the Hidden Charges in Lipa na M-Pesa," CGAP, 17 August 2015, <http://www.cgap.org/blog/fixing-hidden-charges-lipa-na-m-pesa>.
- 27 "Competition Authority orders Safaricom to create billing transparency to Lipa na Mpesa customers," *Standard Digital*, 13 August 2015, <http://www.standardmedia.co.ke/business/article/2000172706/competition-authority-orders-safaricom-to-create-billing-transparency-to-lipa-na-mpesa-customers>.
- 28 Rafe Mazer, "Fixing the Hidden Charges in Lipa na M-Pesa," CGAP, 17 August 2015, <http://www.cgap.org/blog/fixing-hidden-charges-lipa-na-m-pesa>.
- 29 "2015 State of the Industry Report: Mobile Money," GSMA, 2016, 32, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/04/SOTIR_2015.pdf.
- 30 "Kenya: Digital Pathways to Financial Inclusion: 2014 Survey report," Financial Inclusion Insights, InterMedia, February 2015, 76, <http://finclusion.org/uploads/file/reports/InterMedia-FII-Kenya-2014-Wave-2-summary-report.pdf>.
- 31 "Digital Pathways to Financial Inclusion: Findings from the First FII Tracker Survey in Kenya," Financial Inclusion Insights, InterMedia, July 2014, 9, <http://finclusion.org/uploads/file/reports/FII-Kenya-Wave-One-Wave-Report.pdf>.
- 32 Benjamin Muriuki, "Here are the Features of Equity Bank's New Thin Sim Card," 20 July 2015, <http://www.kenyans.co.ke/news/here-are-features-equity-banks-new-thin-sim-card>.
- 33 Ibid.
- 34 Hilary Heuler, "Africa's new thin SIM cards: The line between banks and telcos just got thinner," 19 November 2014, <http://www.zdnet.com/article/africas-new-thin-sim-cards-the-line-between-banks-and-telcos-just-got-thinner/>.
- 35 "KCB M-PESA Account," Safaricom, Undated, Accessed May 2016, <http://www.safaricom.co.ke/personal/m-pesa/do-more-with-m-pesa/kcb-m-pesa-account>.
- 36 "M-Shwari," Safaricom, Undated, Accessed May 2016, <http://www.safaricom.co.ke/personal/m-pesa/do-more-with-m-pesa/m-shwari>.
- 37 Email correspondence with a representative of FSD Kenya on April 25, 2016.
- 38 "Safaricom to switch M-Pesa off to test major upgrade," *Business Daily*, 15 April 2016, <http://www.businessdailyafrica.com/Corporate-News/Safaricom-begins-moving-M-Pesa-servers-to-Kenya/-/539550/2686674/-/ud3nqi/-/index.html>.
- 39 Olga Morawczynski, "Just How Open is Safaricom's Open API?," CGAP, 30 October 2015, <http://www.cgap.org/blog/just-how-open-safaricom%E2%80%99s-open-api>.
- 40 Email correspondence with a representative of FSD Kenya on April 25, 2016.
- 41 Shadrack Kavilu, "Safaricom in Kenya ties in MTN Rwanda," *East African Business Week*, 29 November 2015, <http://www.busiweek.com/index1.php?Ctp=2&p=4489&pLv=3&sr=47&spl=28&cl=10>.
- 42 "Safaricom Partners with Vodacom for Financial Inclusion in Kenya and Tanzania," CGAP Microfinance Gateway, 10 March 2015, <http://www.microfinancegateway.org/announcement/safaricom-partners-vodacom-financial-inclusion-kenya-and-tanzania>.

- 43 “The 2016 FinAccess household survey,” Central Bank of Kenya, Kenya National Bureau of Statistics and FSD Kenya, 18 February 2016, 6, <http://fsdkenya.org/publication/finaccess2016/>.
- 44 “Kenya: Wave 3 Report FII Tracker Survey Conducted September 2015,” Financial Inclusion Insights, InterMedia, April 2016, 6, <http://finclusion.org/uploads/file/reports/InterMedia%20FII%20Kenya%20Findings%20Wave%203%2022%20April%202016.pdf>.
- 45 “Global Microscope 2015: The enabling environment for financial inclusion,” Economist Intelligence Unit, 2015, 118-119, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 46 “The 2016 FinAccess household survey,” Central Bank of Kenya, Kenya National Bureau of Statistics and FSD Kenya, 18 February 2016, 6, <http://fsdkenya.org/publication/finaccess2016/>.
- 47 “Connected Women: Women and Mobile Money – Insights from Kenya,” GSMA, February 2016, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/02/Connected-Women-Women-and-Mobile-Money-Insights-from-Kenya-Nov15.pdf>.
- 48 “Kenya: Wave 3 Report FII Tracker Survey Conducted September 2015,” Financial Inclusion Insights, InterMedia, April 2016, 39, <http://finclusion.org/uploads/file/reports/InterMedia%20FII%20Kenya%20Findings%20Wave%203%2022%20April%202016.pdf>.
- 49 “Connected Women: Women and Mobile Money – Insights from Kenya,” GSMA, February 2016, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/02/Connected-Women-Women-and-Mobile-Money-Insights-from-Kenya-Nov15.pdf>.
- 9 Jamie M. Zimmerman, Kristy Bohling, Brian Le Sar, Brian Loeb, Neil Nyirongo, and Titus Kavalo, “Country Diagnostic: Malawi,” Bankable Frontier Associates and Better Than Cash Alliance, March 2015, <https://www.betterthancash.org/tools-research/case-studies/country-diagnostic-malawi>.
- 10 “Commitment made by the Reserve Bank of Malawi,” Alliance for Financial Inclusion, 30 September 2011, http://www.afi-global.org/sites/default/files/publications/maya_declaration_malawi.pdf.
- 11 “Members,” Better Than Cash Alliance, 2016, <https://www.betterthancash.org/members/government/page/2>.
- 12 “Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 9 September 2014, 25, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 13 “FinScope Consumer Survey Malawi 2014 (Brochure),” FinMark Trust, August 2014, 5, <http://www.finmark.org.za/finscope-malawi-2014-survey-results/>.
- 14 “Policy Frameworks to Support Women’s Financial Inclusion,” Alliance for Financial Inclusion and Women’s World Banking, March 2016, 15, http://www.afi-global.org/sites/default/files/publications/2016-02-womenfi_0.pdf.
- 15 “The Malawi National Strategy for Financial Inclusion (2010–2014),” Ministry of Finance Financial Sector Development Unit, Economic Affairs Division, January 2010, 14, <http://www.finance.gov.mw/fspu/index.php/financial-sector-laws/strategy-documents/49-2010-2014-national-strategy-for-financial-inclusion/file>.
- 16 “The Malawi National Strategy for Financial Inclusion (2010–2014),” Ministry of Finance Financial Sector Development Unit, Economic Affairs Division, January 2010, 32, <http://www.finance.gov.mw/fspu/index.php/financial-sector-laws/strategy-documents/49-2010-2014-national-strategy-for-financial-inclusion/file>.

MALAWI ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 “UNCDF in Malawi,” UNCDF, Undated, Accessed May 2016, <http://www.uncdf.org/en/Malawi>.
- 7 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 8 Jeremy Gray, Catherine Denoon-Stevens, Mia Thom, Albert van der Linden, and Tyler Tappendorf, “Making Access Possible (MAP) Malawi,” Centre for Financial Regulation and Inclusion (Cenfri), 2015, <http://cenfri.org/making-access-possible/map-malawi>.
- 17 Ibid.
- 18 Jeremy Gray, Catherine Denoon-Stevens, Mia Thom, Albert van der Linden, and Tyler Tappendorf, “Making Access Possible (MAP) Malawi,” Cenfri, 2015, <http://cenfri.org/making-access-possible/map-malawi>.
- 19 “Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 2014, 25, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 20 “Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 12 September 2013, 28, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 21 “Supply side study of financial inclusion in Malawi: Final Report,” Oxford Policy Management and Kadale Consultants, December 2009, <http://www.mamw.mw/images/resources/2.pdf>.
- 22 Email correspondence with a representative of the Reserve Bank of Malawi on April 30, 2015.
- 23 “Supply side study of financial inclusion in Malawi: Final Report,” Oxford Policy Management and Kadale Consultants, December 2009, xvi, <http://www.mamw.mw/images/resources/2.pdf>.
- 24 FSTAP is a five year program that was launched in 2011 with funding from the World Bank. Its objective is to increase access to finance for underserved populations by advancing enabling regulation and supervision, financial infrastructure, consumer protection and financial literacy, and financial sector policy. See “Malawi – Financial Sector Technical Assistance Project,” The World Bank, 2011, <http://www.worldbank.org/projects/P122616/malawi-financial-sector-technical-assistance-project?lang=en>.

- 25 Email correspondence with a representative of the Reserve Bank of Malawi on April 30, 2015.
- 26 Jeremy Gray, Catherine Denoon-Stevens, Mia Thom, Albert van der Linden, and Tyler Tappendorf, "Malawi: Demand, Supply, Policy, and Regulation: Malawi Country Diagnostic Report 2015," MAP, Cenfri, Finmark Trust, and UNCDF, 2015, 31, <http://cenfri.org/documents/MAP/2015/Malawi/MAP%20Malawi%20Diagnostic%20Report.pdf>.
- 27 Jonathan Greenacre, Louise Malady, and Ross Buckley, "The Regulation of Mobile Money in Malawi: Project Report," UNCDF, March 2014, 28, http://www.uncdf.org/sites/default/files/Documents/the_regulation_of_mobile_money_in_malawi_project_report_final_version.pdf.
- 28 "The Malawi Gazette Supplement, Payment Systems Bill 2015," 30 October 2015, Parliament of Malawi, http://www.parliament.gov.mw/docs/bills/BILL22_2015.pdf.
- 29 "Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report," Alliance for Financial Inclusion, 12 September 2013, 27, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 30 Jonathan Greenacre, Louise Malady, and Ross Buckley, "The Regulation of Mobile Money in Malawi: Project Report," UNCDF, March 2014, 19, http://www.uncdf.org/sites/default/files/Documents/the_regulation_of_mobile_money_in_malawi_project_report_final_version.pdf.
- 31 Ibid. (Note: A representative of the Reserve Bank of Malawi provided an updated estimated date in email correspondence on April 30, 2015.)
- 32 Jonathan Greenacre, Louise Malady, and Ross Buckley, "The Regulation of Mobile Money in Malawi: Project Report," UNCDF, March 2014, 35, http://www.uncdf.org/sites/default/files/Documents/the_regulation_of_mobile_money_in_malawi_project_report_final_version.pdf.
- 33 Ibid.
- 34 Jeremy Gray, Catherine Denoon-Stevens, Mia Thom, Albert van der Linden, Tyler Tappendorf, "Malawi: Demand, Supply, Policy, and Regulation: Malawi Country Diagnostic Report 2015," MAP, Cenfri, Finmark Trust, and UNCDF, 2015, xvii, <http://cenfri.org/documents/MAP/2015/Malawi/MAP%20Malawi%20Diagnostic%20Report.pdf>.
- 35 "Scaling Usage of Mobile Money to Boost Financial Inclusion in Malawi: Summary Action Plan," USAID and Financial Sector Knowledge Sharing, 30 November 2011, 16, http://egateg.usaidallnet.gov/sites/default/files/Malawi_MM_Action_Plan_FINAL.pdf.
- 36 Harold Kapindu, "Malawi launches 2016 World Development Report: World Bank's influential publication," *Nyasa Times*, 28 April 2016, <http://www.nyasatimes.com/malawi-launches-2016-world-development-report-world-banks-influential-publication/>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 "Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report," Alliance for Financial Inclusion, 12 September 2013, 2, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 7 "Payment, Clearing and Settlement Systems in Mexico," CPSS, 2011, 258, http://www.bis.org/cpmi/publ/d97_mx.pdf.
- 8 Ibid.
- 9 "Update on Branchless Banking Policy and Regulation in Mexico," CGAP, January 2010, 9, <http://www.cgap.org/sites/default/files/CGAP-Regulation-of-Branchless-Banking-in-Mexico-Jan-2010.pdf>.
- 10 "Bansefi," Bansefi, 2014, <http://www.bansefi.gob.mx/AcercaDe/Pages/English.aspx>.
- 11 Email correspondence with representatives of Bansefi on April 8, 2016.
- 12 "Reaching the Rural Poor," World Council of Credit Unions, 2016, <http://reachruralpoor.woccu.org/mexico/>.
- 13 Juan Manuel Valle, "Mexico's National Council for Financial Inclusion," CGAP, 16 February 2012, <http://www.cgap.org/blog/mexico%E2%80%99s-national-council-financial-inclusion>.
- 14 "Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report," Alliance for Financial Inclusion, 2014, 26, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 15 Email correspondence with a representative of the Secretaría de Hacienda y Crédito Público de México on April 30, 2015.
- 16 Juan Manuel Valle, "Mexico's National Council for Financial Inclusion," CGAP, 16 February 2012, <http://www.cgap.org/blog/mexico%E2%80%99s-national-council-financial-inclusion>.
- 17 "Financial Inclusion Report 5: 2013," Consejo Nacional de Inclusión Financiera, 2013, 183, <http://www.cnbv.gob.mx/en/Inclusion/Documents/Reportes%20de%20IF/Financiamiento%20Report%205.pdf>.
- 18 Ibid.
- 19 "Global Microscope 2014: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 53, http://www.eiu.com/public/thankyou_download.aspx?activity=download&campaignid=microscope2014.

MEXICO ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 20 "Mexico's Financial Inclusion Strategy," Presentation for Global Payments Week 2010, http://siteresources.worldbank.org/FINANCIALSECTOR/Resources/282044-1260476242691/Mexico_Financial_Inclusion.pdf.
- 21 "Disposiciones de carácter general a que se refiere el artículo 115 de la ley de instituciones de crédito," 2011, https://www.imolin.org/doc/amlid/Mexico/Disposiciones_de_Carater_General_a_que_se_refiere_Articulo_115_de_la_Ley_de_Instituciones_de_Credito.pdf.
- 22 Xavier Faz, "Mexico's Tiered KYC: An Update on Market Response," CGAP, 25 June 2013, <http://www.cgap.org/blog/mexicos-tiered-kyc-update-market-response>.

- 23 GSMA Intelligence, GSMA, April 2016, <https://gsmaintelligence.com/>.
- 24 “IFC Mobile Money Scoping Country Report: Mexico,” International Finance Corporation, 29 July 2011, 7, <http://www.ifc.org/wps/wcm/connect/37512b004a052b268adeffdd29332b51/Mexico+Public.pdf?MOD=AJPERES>.
- 25 Ibid.
- 26 “Payment, Clearing and Settlement Systems in Mexico,” CPSS, 2011, 263, http://www.bis.org/cpmi/publ/d97_mx.pdf.
- 27 “Kueski Secures Largest Capital Funding for FinTech Startup in Mexico,” *Business Wire*, 21 April 2016, <http://www.businesswire.com/news/home/20160421005166/en/Kueski-Secures-Largest-Capital-Funding-FinTech-Startup>.
- 28 “Reporte Nacional de Inclusión Financiera 7,” Consejo Nacional de Inclusión Financiera, 2016, 7, <http://www.cnbv.gob.mx/Inclusi%C3%B3n/Documents/Reportes%20de%20IF/Reporte%20de%20Inclusion%20Financiera%207.pdf>.
- 29 Ibid.
- 30 “Mexico advances in financial inclusion: SHCP” [Translation by Google Translate], 6 November 2015, <http://www.informador.com.mx/economia/2015/631009/6/mexico-avanza-en-inclusion-financiera-shcp.htm>.
- 31 Email correspondence with representatives of Bansefi on April 8, 2016.
- 32 See <http://www.creditojoven.gob.mx/portalcj/content/index.html> for more information.
- 33 Email correspondence with representatives of Bansefi on April 8, 2016.
- 34 Caitlin Sanford, “Estirando el Gasto: Findings from the Mexico Financial Diaries,” Bankable Frontier Associates, Financial Diaries, and MetLife Foundation, March 2016, <http://financialdiaries.com/wp-content/uploads/2016/03/ESTIRANDO-English-compressed-1.pdf>.
- 35 Caitlin Sanford, “Estirando el Gasto: Findings from the Mexico Financial Diaries,” Bankable Frontier Associates, Financial Diaries, and MetLife Foundation, March 2016, 4, <http://financialdiaries.com/wp-content/uploads/2016/03/ESTIRANDO-English-compressed-1.pdf>.
- 36 “2015 Maya Declaration Progress Report: Commitments Into Action,” Alliance for Financial Inclusion, December 2015, 28, http://www.afi-global.org/sites/default/files/publications/2015_maya_report_rev.1_low_res.pdf.
- 37 Email correspondence with a representative of the Inter-American Development Bank on April 20, 2016.
- 38 “2015 State of the Industry Report: Mobile Money,” GSMA, 2016, 15, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/04/SOTIR_2015.pdf.
- 39 “Global Microscope 2014: The enabling environment for financial inclusion,” Sponsored by MIF/IDB, CAF, ACCION and Citi,” Economist Intelligence Unit, 2014, 53, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 40 “Global Microscope 2015: The enabling environment for financial inclusion,” Economist Intelligence Unit, 2015, 87, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 41 “Digital inclusion and mobile sector taxation in Mexico,” GSMA, 2015, 6, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/09/GSMA_Mexico-Report_WEB.pdf.

NIGERIA ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 7 “Did You Know Series: Mobile Money,” EFINA, Undated, Accessed May 2016, <http://www.efina.org.ng/publications/did-you-know-series/mobile-money/>.
- 8 “2015 Maya Declaration Progress Report: Commitments Into Action,” Alliance for Financial Inclusion, December 2015, http://www.afi-global.org/sites/default/files/publications/2015_maya_report_rev.1_low_res.pdf.
- 9 “National Financial Inclusion Strategy: Summary Report,” Central Bank of Nigeria, 20 January 2012, <http://www.cenbank.org/Out/2012/publications/reports/dfd/CBN-Summary%20Report%20of-Financial%20Inclusion%20in%20Nigeria-final.pdf>.
- 10 “Global Financial Development Report 2014: Financial Inclusion,” The World Bank, 2014, 101, http://siteresources.worldbank.org/EXTGLOBALFINREPORT/Resources/8816096-1361888425203/9062080-1364927957721/GFDR-2014_Complete_Report.pdf.
- 11 “National Financial Inclusion Strategy: Summary Report,” Central Bank of Nigeria, 20 January 2012, <http://www.cenbank.org/Out/2012/publications/reports/dfd/CBN-Summary%20Report%20of-Financial%20Inclusion%20in%20Nigeria-final.pdf>.
- 12 “Agent banking in Nigeria: Factors that would motivate merchants to engage – September 2013,” EFINA, 2013, <http://www.efina.org.ng/our-work/research/other-research/agent-banking-in-nigeria-factors-that-would-motivate-merchants-to-engage-sep-2013/>.
- 13 “Circular to all banks and other financial institutions: Introduction of Three-Tiered Know Your Customer (KYC) Requirements,” Central Bank of Nigeria, 18 January 2013, <http://www.cenbank.org/out/2013/ccd/3%20tiered%20kyc%20requirements.pdf>.
- 14 “Payments System Vision 2020: Release 2.0,” Central Bank of Nigeria, September 2013, 13, [http://www.cbn.gov.ng/icps2013/papers/NIGERIA_PAYMENTS_SYSTEM_VISION_2020\[v2\].pdf](http://www.cbn.gov.ng/icps2013/papers/NIGERIA_PAYMENTS_SYSTEM_VISION_2020[v2].pdf).
- 15 “2015 State of the Industry Report: Mobile Money,” GSMA, 2016, 15, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/04/SOTIR_2015.pdf.
- 16 “Regulatory Framework for Mobile Payments Services in Nigeria,” Central Bank of Nigeria, 2009, <http://www.cenbank.org/OUT/CIRCULARS/BOD/2009/REGULATORY%20FRAMEWORK%20FOR%20MOBILE%20PAYMENTS%20SERVICES%20IN%20NIGERIA.PDF>.

- 17 "Payments System Vision 2020: Release 2.0," Central Bank of Nigeria, September 2013, 20, [http://www.cbn.gov.ng/icps2013/papers/NIGERIA_PAYMENTS_SYSTEM_VISION_2020\[v2\].pdf](http://www.cbn.gov.ng/icps2013/papers/NIGERIA_PAYMENTS_SYSTEM_VISION_2020[v2].pdf).
- 18 "IFC Mobile Money Study 2011: Summary Report," International Finance Corporation, 2011, 7-8, <http://www.ifc.org/wps/wcm/connect/fad057004a052eb88b23ffdd29332b51/MobileMoneyReport-Summary.pdf?MOD=AJPERES>.
- 19 Prateek Shrivastava, "The Hold-Up with Mobile Money in Nigeria," Center for Financial Inclusion at Accion, 13 August 2015, <http://cfi-blog.org/2015/08/13/the-hold-up-with-mobile-money-in-nigeria/>.
- 20 "Regulatory Framework for Licensing Super-Agents in Nigeria," Central Bank of Nigeria, 2015, <http://www.cenbank.org/out/2015/bpsd/regulatory%20framework%20for%20licensing%20super-agents%20in%20nigeria.pdf>.
- 21 Ibid.
- 22 Chima Akwaja, "Nigeria: Financial Inclusion – Glo XChange Rolls Out Super Agent Network," *All Africa*, 9 September 2015, <http://allafrica.com/stories/201509090178.html>.
- 23 Prateek Shrivastava, "The Hold-Up with Mobile Money in Nigeria," Center for Financial Inclusion at Accion, 13 August 2015, <http://cfi-blog.org/2015/08/13/the-hold-up-with-mobile-money-in-nigeria/>.
- 24 Ibid.
- 25 "Guidelines on Mobile Money Services in Nigeria," Central Bank of Nigeria, 2015, <http://www.cenbank.org/out/2015/bpsd/guidelinesonmobilemoneyservicesinnigeria.pdf>.
- 26 Ibid.
- 27 "Mobile Money gets boost as CBN loosens restriction on telcos," *Business News*, 3 September 2015, <http://businessnews.com.ng/2015/09/03/mobile-money-gets-boost-as-cbn-loosens-restriction-on-telcos/>.
- 28 Mobile Money Deployment Tracker, GSMA, May 2016, <http://www.gsma.com/mobilefordevelopment/m4d-tracker/mobile-money-deployment-tracker>.
- 29 "Exposure Draft on the Standards and Guidelines on Electronic Channels Operations in Nigeria," Central Bank of Nigeria, 9 September 2015, [http://www.cenbank.org/out/2015/bpsd/exposure%20draft%20on%20the%20standards%20and%20guidelines%20on%20electronic%20channels%20operations%20in%20nigeria%20\(2\).pdf](http://www.cenbank.org/out/2015/bpsd/exposure%20draft%20on%20the%20standards%20and%20guidelines%20on%20electronic%20channels%20operations%20in%20nigeria%20(2).pdf).
- 30 <http://www.cenbank.org/Out/2015/BPSD/EXPOSURE%20DRAFT%20ON%20THE%20GUIDELINES%20ON%20TRANSACTION%20SWITCHING%20IN%20NIGERIA.pdf>.
- 31 <https://www.cbn.gov.ng/out/2015/ccd/consumer%20protection%20frameworkvcomplete%20draft%20-%20cenbank.pdf>.
- 32 Email correspondence with a representative of EFINA on April 22, 2016.
- 33 "LBS, Gates Foundation embark on new research initiative for 80% financial inclusion," *Business Day*, 22 January 2016, <https://businessdayonline.com/2016/01/lbs-gates-foundation-embark-on-new-research-initiative-for-80-financial-inclusion/>.
- 34 Ibid.
- 35 Email correspondence with a representative of the Central Bank of Nigeria on April 22, 2016.
- 36 Ibid.
- 37 Ozioma Uwabukoh, "Financial inclusion: CBN approves Innovectives as super-agent," *Punch*, 4 March 2016, <http://www.punchng.com/financial-inclusion-cbn-approves-innovectives-super-agent/>.
- 38 "Interswitch Obtains CBN Approval in Principle, Kick starts Aggressive Agency Banking Network," *Vanguard*, 3 March 2016, <http://www.vanguardngr.com/2016/03/interswitch-obtains-cbn-approval-principle-kick-starts-aggressive-agency-banking-network/>.
- 39 Ibid.
- 40 "NIPOST to introduce banking services to rural areas — Shittu," *Punch*, 17 April 2016, <http://www.punchng.com/nipost-to-introduce-banking-services-to-rural-areas-shittu/>.
- 41 Bassey Udo, "Fraud in Nigerian banks fell by N3.96 billion in 2015 — CBN," *Premium Times*, 10 February 2016, <http://www.premiumtimesng.com/business/business-news/198264-fraud-nigerian-banks-fell-n3-96-billion-2015-cbn.html>.
- 42 Email correspondence with a representative of the Central Bank of Nigeria on April 22, 2016.

PAKISTAN ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Simone di Castri, "Mobile Money: Enabling regulatory solutions," Mobile Money for the Unbanked (MMU), GSMA, February 2013, 22, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2013/02/MMU-Enabling-Regulatory-Solutions-di-Castri-2013.pdf>.
- 7 "Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report," Alliance for Financial Inclusion, 9 September 2014, 28, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 8 "Maya Declaration: Commitment Made by the State Bank of Pakistan," Alliance for Financial Inclusion, 2011, <http://www.afi-global.org/library/publications/maya-declaration-commitment-made-state-bank-pakistan>.
- 9 "National Financial Inclusion Strategies Database," The World Bank, 2014, <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTGLOBALFINREPORT/0,,contentMDK:23491959-pagePK:64168182-piPK:64168060-theSitePK:8816097,00.html>.
- 10 Email correspondence with a representative of the State Bank of Pakistan on April 4, 2016.
- 11 "Quarterly Branchless Banking Newsletter, Issue 17: July-September 2015: Leveraging Technologies and Partnerships to Promote Financial Inclusion," State Bank of Pakistan, 2015, <http://www.sbp.org.pk/publications/acd/BranchlessBanking-Jul-Sep-2015.pdf>.

- 12 Email correspondence with a representative of the State Bank of Pakistan on April 4, 2016.
- 13 “Pakistan: FI Survey Wave 1 Report,” Financial Inclusion Insights, InterMedia, September 2014, <http://finclusion.org/uploads/file/reports/Pakistan-Wave-Report-September-2014.pdf>.
- 14 “Quarterly Branchless Banking Newsletter, Issue 17: July-September 2015: Leveraging Technologies and Partnerships to Promote Financial Inclusion,” State Bank of Pakistan, 2015, <http://www.sbp.org.pk/publications/acd/BranchlessBanking-Jul-Sep-2015.pdf>.
- 15 “Access to Finance in Pakistan: Key Indicators on Gender-mix,” State Bank of Pakistan, December 2013, <http://www.sbp.org.pk/acd/Access-Finance-Indicators-mix.pdf>.
- 16 Ibid.
- 17 “Global Microscope 2014: The enabling environment for financial inclusion,” Economist Intelligence Unit, 2014, 30, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 18 Simone di Castri, “Mobile Money: Enabling regulatory solutions,” Mobile Money for the Unbanked, GSMA, February 2013, 22, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2013/02/MMU-Enabling-Regulatory-Solutions-di-Castri-2013.pdf>.
- 19 “Mobile Money for the Unbanked Case Studies: Insights, best practices and lessons from across the globe,” Mobile Money for the Unbanked, GSMA, 31 October 2013, 23, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2014/02/2013_MMU_Compedium-of-case-studies.pdf.
- 20 Simone di Castri, “Mobile Money: Enabling regulatory solutions,” Mobile Money for the Unbanked, GSMA, February 2013, 22, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2013/02/MMU-Enabling-Regulatory-Solutions-di-Castri-2013.pdf>.
- 21 Conversion for May 2016 available from Oanda.com.
- 22 “Asaan Account: Guidelines on Low Risk Bank Accounts with Simplified Due Diligence for Banks & MFBs (Issued via BPRD Circular No. 11 of 2015),” State Bank of Pakistan, 2015, 4, <http://www.sbp.org.pk/bprd/2015/C11-Guidelines.pdf>.
- 23 Kabir Kumar and Dan Radcliffe, “Mobile Money in Pakistan: From OTC to Accounts, Part 2,” CGAP, 14 January 2015, <http://www.cgap.org/blog/mobile-money-pakistan-otc-accounts-part-2>.
- 24 “Press Release: Finance Minister launches National Financial Inclusion Strategy for Pakistan,” State Bank of Pakistan, 22 May 2015, <http://www.sbp.org.pk/press/2015/FM-22-May-2015.pdf>.
- 25 Ibid.
- 26 Email correspondence with a representative of the State Bank of Pakistan on April 4, 2016.
- 27 Ibid.
- 28 “Pakistan Plans to Bring Millions More Citizens into the Economy by Digitizing Payments,” Better Than Cash Alliance, 22 September 2015, <https://www.betterthancash.org/news/media-releases/pakistan-plans-to-bring-millions-more-citizens-into-the-economy-by-digitizing-payments>.
- 29 “Pakistan Access to Finance Portal 2015,” Access to Finance, 2015, <https://www.a2f2015.com/highlights>.
- 30 “What Will It Take for Pakistan to Achieve Financial Inclusion?” The World Bank, 8 February 2016, <http://www.worldbank.org/en/news/feature/2016/02/08/what-will-it-take-for-pakistan-to-achieve-financial-inclusion>.
- 31 “Financial Inclusion Support Framework (FISF),” The World Bank, 13 January 2016, <http://www.worldbank.org/en/topic/financialinclusion/brief/financial-inclusion-support-framework>.
- 32 “State Bank launches universal financial access initiative,” *The News*, 10 February 2016, <http://www.thenews.com.pk/print/97124-State-Bank-launches-universal-financial-access-initiative>.
- 33 “Pakistan unveils first domestic payment gateway,” *The News*, 6 April 2016, <http://www.thenews.com.pk/print/110508-Pakistan-unveils-first-domestic-payment-gateway>.
- 34 See <http://link.net.pk/paypak/> for more information.
- 35 Email correspondence with a representative of the State Bank of Pakistan on April 4, 2016.
- 36 “CPD Circular No. 2 of 2015: Guidelines for Business Conduct for Banks,” State Bank of Pakistan, 2015, <http://www.sbp.org.pk/cpd/2015/C2.htm>.
- 37 Ibid.
- 38 Email correspondence with a representative of the State Bank of Pakistan on April 4, 2016.
- 39 Ibid.

PERU ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 “BiM – the First Fully-Interoperable Mobile Money Platform: Now Live in Peru,” Center for Financial Inclusion at Accion, 17 February 2016, <https://cfi-blog.org/2016/02/17/bim-the-first-fully-interoperable-mobile-money-platform-now-live-in-peru/>.
- 7 “Estrategia Nacional de Inclusión Financiera,” Comisión Multisectorial de Inclusión Financiera, July 2015, <http://www.mef.gob.pe/contenidos/archivos-descarga/ENIF.pdf>.
- 8 “National Financial Inclusion Strategies Database,” The World Bank, 2014, <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTGLOBALFINREPORT/0,,contentMDK:23491959-pagePK:64168182-piPK:64168060-theSitePK:8816097,00.html>.
- 9 Ibid.
- 10 “Members,” Better Than Cash Alliance, 2016, <https://www.betterthancash.org/members/government/page/2>.

- 11 "G20 Leaders Embrace the Alliance for Financial Inclusion (AFI) Peer Learning Model for Advancing Financial Inclusion," Alliance for Financial Inclusion, 19 June 2012, <http://www.afi-global.org/news-events/press-releases/g20-leaders-embrace-alliance-financial-inclusion-afi-peer-learning-model>.
- 12 Email correspondence with representatives of the Ministerio de Economía y Finanzas on May 10, 2016.
- 13 Ibid.
- 14 "Global Microscope 2014: The enabling environment for financial inclusion," The Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION, and Citi, 2014, 56, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 15 Email correspondence with representatives of the Ministerio de Economía y Finanzas on May 10, 2016.
- 16 Email correspondence with representatives of the Ministerio de Economía y Finanzas on April 29, 2016.
- 17 "IFC Mobile Money Scoping Country Report: Peru," International Finance Corporation, 5 September 2011, 8, <http://www.ifc.org/wps/wcm/connect/ff940d804a02ec039d90fdd1a5d13d27/Peru+Public.pdf?MOD=AJPERES>.
- 18 "IFC Mobile Money Scoping Country Report: Peru," International Finance Corporation, 5 September 2011, 7, <http://www.ifc.org/wps/wcm/connect/ff940d804a02ec039d90fdd1a5d13d27/Peru+Public.pdf?MOD=AJPERES>.
- 19 Giovanna Priale Reyes and Denise Dias, "Financial Inclusion and Consumer Protection in Peru: The branchless banking business," CGAP and Superintendencia of Banks, Insurance and AFPs, 15 February 2010, 21, <http://www.cgap.org/publications/financial-inclusion-and-consumer-protection-peru>.
- 20 Giovanna Priale Reyes and Denise Dias, "Financial Inclusion and Consumer Protection in Peru: The branchless banking business," CGAP and Superintendencia of Banks, Insurance and AFPs, 15 February 2010, 16, <http://www.cgap.org/publications/financial-inclusion-and-consumer-protection-peru>.
- 21 Giovanna Priale Reyes and Denise Dias, "Financial Inclusion and Consumer Protection in Peru: The branchless banking business," CGAP and Superintendencia of Banks, Insurance and AFPs, 15 February 2010, 21, <http://www.cgap.org/publications/financial-inclusion-and-consumer-protection-peru>.
- 22 "The Use of Financial Inclusion Data Country Case Study: Peru – Fine-Tuning Based on Access Indicators," Superintendencia de Banca, Seguros y AFP, Peru and the Alliance for Financial Inclusion (AFI) Financial Inclusion Data Working Group, January 2014, 7, http://www.gpfi.org/sites/default/files/documents/The%20Use%20of%20Financial%20Inclusion%20Data%20Country%20Case%20Study_Peru_0.pdf.
- 23 Email correspondence with a representative of the Superintendencia de Banca, Seguros y AFP on April 10, 2015.
- 24 Klaus Prochaska, "Peru leads the way to new approach for digital financial services to promote financial inclusion in Latin America," Alliance for Financial Inclusion, 5 March 2014, <https://blogs.afi-global.org/2014/03/05/peru-leads-the-way-to-new-approach-for-digital-financial-services-to-promote-financial-inclusion-in-latin-america/>.
- 25 "Global Microscope 2014: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 57, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 26 "The Use of Financial Inclusion Data Country Case Study: Peru – Fine-Tuning Regulation Based on Access Indicators," Prepared by Superintendencia de Banca, Seguros y AFP, Peru and the AFI Financial Inclusion Data Working Group on behalf of the Data and Measurement sub-group of the Global Partnership for Financial Inclusion, January 2014, 7, http://www.gpfi.org/sites/default/files/documents/The%20Use%20of%20Financial%20Inclusion%20Data%20Country%20Case%20Study_Peru_0.pdf.
- 27 Mireya Almazan, "Mobile Money Regulation in Latin America: Leveling the Playing Field in Brazil and Peru," Mobile Money for the Unbanked, GSMA, 19 December 2013, <http://www.gsma.com/mobilefordevelopment/programme/mobile-money/mobile-money-regulation-in-latin-america-leveling-the-playing-field-in-brazil-peru>.
- 28 Javier Alonso, Santiago Fernández de Lis, Carlos López-Moctezuma, Rosario Sánchez and David Tuesta, "The potential of mobile banking in Peru as a mechanism for financial inclusion," BBVA Research Working Paper No. 13/25, August 2013, 6, <http://www.rrojasdatabank.info/mobilebanking5.pdf>.
- 29 Javier Alonso, Santiago Fernández de Lis, Carlos López-Moctezuma, Rosario Sánchez and David Tuesta, "The potential of mobile banking in Peru as a mechanism for financial inclusion," BBVA Research Working Paper No. 13/25, August 2013, 3, 10, <http://www.rrojasdatabank.info/mobilebanking5.pdf>.
- 30 "The Use of Financial Inclusion Data Country Case Study: Peru – Fine-Tuning Based on Access Indicators," Superintendencia de Banca, Seguros y AFP, Peru and the AFI Financial Inclusion Data Working Group, January 2014, 5, http://www.gpfi.org/sites/default/files/documents/The%20Use%20of%20Financial%20Inclusion%20Data%20Country%20Case%20Study_Peru_0.pdf.
- 31 "Country Overview: Peru," GSMA, February 2014, 17, <https://gsmaintelligence.com/files/analysis/?file=140224-peru.pdf>.
- 32 "The Use of Financial Inclusion Data Country Case Study: Peru – Fine-Tuning Based on Access Indicators," Superintendencia de Banca, Seguros y AFP, Peru and the AFI Financial Inclusion Data Working Group, January 2014, 5 (footnote 2), http://www.gpfi.org/sites/default/files/documents/The%20Use%20of%20Financial%20Inclusion%20Data%20Country%20Case%20Study_Peru_0.pdf.
- 33 Klaus Prochaska, "Peru leads the way to new approach for digital financial services to promote financial inclusion in Latin America," Alliance for Financial Inclusion, 5 March 2014, <https://blogs.afi-global.org/2014/03/05/peru-leads-the-way-to-new-approach-for-digital-financial-services-to-promote-financial-inclusion-in-latin-america/>.
- 34 Javier Alonso, Santiago Fernández de Lis, Carlos López-Moctezuma, Rosario Sánchez and David Tuesta, "The potential of mobile banking in Peru as a mechanism for financial inclusion," BBVA Research Working Paper No. 13/25, August 2013, 7-8, <http://www.rrojasdatabank.info/mobilebanking5.pdf>.
- 35 "Estrategia Nacional de Inclusión Financiera: Perú," Comisión Multisectorial de Inclusión Financiera, July 2015, <https://mef.gob.pe/contenidos/archivos-descarga/ENIF.pdf>.
- 36 Sonja E. Kelly, "Peru's National Financial Inclusion Strategy Charts New Path," Center for Financial Inclusion at Accion, 24 July 2015, <https://cfi-blog.org/2015/07/24/perus-national-financial-inclusion-strategy-charts-new-path/>.
- 37 "Peru Launches National Financial Inclusion Strategy to Expand Financial Inclusion," The World Bank, 5 August 2015, <http://www.worldbank.org/en/news/feature/2015/08/05/peru-launches-national-financial-inclusion-strategy-to-expand-financial-inclusion>.
- 38 "Ericsson and ASBANC launch connected mobile money service in Peru," Ericsson, 16 February 2016, <http://www.ericsson.com/news/1986139>.

- 39 “Modelo Perú Webinar,” Better Than Cash Alliance, 19 April 2016, <https://www.betterthancash.org/news/blogs-stories/modelo-peru-webinar>.
- 40 Email correspondence with representatives of the Ministerio de Economía y Finanzas on May 10, 2016.

PHILIPPINES ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 “National Financial Inclusion Strategies Database,” The World Bank, 2014, <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTGLOBALFINREPORT/0,,contentMDK:23491959-pagePK:64168182-piPK:64168060-theSitePK:8816097,00.html>.
- 7 “Members,” Better Than Cash Alliance, 2016, <https://www.betterthancash.org/members/government/page/2>.
- 8 “Global Microscope 2014: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 31, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 9 “Report on the State of Financial Inclusion in the Philippines,” Bangko Sentral ng Pilipinas, 2014, 37, <http://www.bsp.gov.ph/downloads/Publications/2014/Financial%20Inclusion.pdf>.
- 10 “The Philippines engagement with the standard-setting bodies and the implications for financial inclusion,” Global Partnership for Financial Inclusion and AFI, 30 September 2011, <http://www.afi-global.org/library/publications/philippines-engagement-standard-setting-bodies-and-implications-financial>.
- 11 “Financial Inclusion Initiatives 2014,” Bangko Sentral ng Pilipinas, 2014, 10, http://www.bsp.gov.ph/downloads/Publications/2014/microfinance_2014.pdf.
- 12 Ibid.
- 13 “Report on the State of Financial Inclusion in the Philippines,” Bangko Sentral ng Pilipinas, 2014, 4, <http://www.bsp.gov.ph/downloads/Publications/2014/Financial%20Inclusion.pdf>.
- 14 “Report on the State of Financial Inclusion in the Philippines,” Bangko Sentral ng Pilipinas, 2014, 6, <http://www.bsp.gov.ph/downloads/Publications/2014/Financial%20Inclusion.pdf>.
- 15 “Country overview: Philippines Growth through innovation,” GSMA Intelligence, December 2014, 6, <https://www.gsmaintelligence.com/research/?file=141201-philippines.pdf&download>.
- 16 “Financial Inclusion Initiatives,” Bangko Sentral ng Pilipinas, 2013, http://www.bsp.gov.ph/downloads/Publications/2013/microfinance_2013.pdf.
- 17 “Report on the State of Financial Inclusion in the Philippines,” Bangko Sentral ng Pilipinas, 2011, 1, <http://www.bsp.gov.ph/downloads/Publications/2011/Financial%20Inclusion.pdf>.
- 18 “Mobile money regulation in the Philippines,” Bankable Frontier Associates, 24 March 2011, 4, <http://www.afi-global.org/library/publications/mobile-money-regulation-philippines>.
- 19 “Mobile money regulation in the Philippines,” Bankable Frontier Associates, 24 March 2011, 9, <http://www.afi-global.org/library/publications/mobile-money-regulation-philippines>.
- 20 “Proportionality in Practice: Bangko Sentral ng Pilipinas (BSP) Experience: GPF Conference on Standard Setting Bodies and Financial Inclusion,” Alliance for Financial Inclusion, 29 October 2012, <http://www.afi-global.org/library/publications/proportionality-practice-bangko-sentral-ng-pilipinas-bsp-experience>.
- 21 “Circular No. 649,” Bangko Sentral ng Pilipinas, 2009, 1, <http://www.bu.edu/bucflp/files/2012/01/Circular-No.-649-issuance-of-electronic-money.pdf>.
- 22 “The Philippines engagement with the standard-setting bodies and the implications for financial inclusion,” Global Partnership for Financial Inclusion and the Alliance for Financial Inclusion, 30 September 2011, 5, <http://www.afi-global.org/library/publications/philippines-engagement-standard-setting-bodies-and-implications-financial>.
- 23 “Mobile money regulation in the Philippines,” Bankable Frontier Associates, 24 March 2011, 2, <http://www.afi-global.org/library/publications/mobile-money-regulation-philippines>.
- 24 Ibid.
- 25 Ibid.
- 26 “National Strategy for Financial Inclusion,” Bangko Sentral ng Pilipinas, 2015, <http://www.bsp.gov.ph/downloads/publications/2015/PhilippinesNSFIBooklet.pdf>.
- 27 “Philippines: Knowledge about Money Can Boost Financial Inclusion,” The World Bank, 21 October 2015, <http://www.worldbank.org/en/news/press-release/2015/10/21/philippines-knowledge-about-money-can-boost-financial-inclusion>.
- 28 “Enhancing Financial Capability and Inclusion in the Philippines - A Demand-side Assessment,” The World Bank Group, July 2015, <http://responsiblefinance.worldbank.org/-/media/GIAWB/FL/Documents/Publications/Enhancing-Financial-Capability-and-Inclusion-in-the-Philippines-FINAL.pdf>.
- 29 James Hokans, “Country Diagnostic: Philippines,” Better Than Cash Alliance, July 2015, https://btca-prod.s3.amazonaws.com/documents/38/english_attachments/UNCDF-BTCA-Philippines-diagnostic-20151014.pdf?1445264531.
- 30 “BSP and Industry Launches the National Retail Payment System,” Bangko Sentral ng Pilipinas, December 2015, <http://www.bsp.gov.ph/publications/media.asp?id=3948>.
- 31 Email correspondence with a representative of the Bangko Sentral ng Pilipinas (BSP) on April 8, 2016.
- 32 “Financial Inclusion in the Philippines: Issue No. 5, First Quarter 2015,” Bangko Sentral ng Pilipinas, 2015, http://www.bsp.gov.ph/downloads/Publications/2015/FIP_1Qtr2015.pdf.
- 33 Ibid.
- 34 “National Baseline Survey on Financial Inclusion,” Bangko Sentral ng Pilipinas, 2015, <http://www.bsp.gov.ph/downloads/publications/2015/NBSFIFullReport.pdf>.
- 35 Ibid.

- 36 “National Baseline Survey on Financial Inclusion,” Bangko Sentral ng Pilipinas, 2015, 6, <http://www.bsp.gov.ph/downloads/publications/2015/NBSFIFullReport.pdf>.
- 37 “BSP expands scope of micro-banking offices,” *Rappler*, 5 January 2016, <http://www.rappler.com/business/industries/209-banking-and-financial-services/118036-bsp-expands-micro-banking-activities>.
- 38 Melissa Luz T. Lopez, “BSP lifts ban on new bank licenses,” *Business World*, 18 May 2016, <http://www.bworldonline.com/content.php?section=TopStory&title=bsp-lifts-ban-on-new-bank-licenses&id=122917>.
- 39 “BSP seeks interagency body for financial inclusion,” *Business World*, 11 April 2016, <http://www.bworldonline.com/content.php?section=Finance&title=bsp-seeks-interagency-body-for-financial-inclusion&id=125794>.
- 40 “National Baseline Survey on Financial Inclusion,” Bangko Sentral ng Pilipinas, 2015, <http://www.bsp.gov.ph/downloads/publications/2015/NBSFIFullReport.pdf>.
- 41 Paolo G. Montecillo, “Filipino adults among least financially literate in the world,” *Business*, 3 December 2015, <http://business.asiaone.com/news/filipino-adults-among-least-financially-literate-the-world>.
- 42 Eden Estopace, “Philippines’ mobile wallet providers announce interoperability,” *Enterprise Innovation*, 21 March 2016, <http://www.enterpriseinnovation.net/article/philippines-mobile-wallet-providers-announce-interoperability-417046081>.
- 43 “USAID lauds PHL for improving e-payment infrastructure,” *BusinessMirror*, 18 November 2015, <http://www.businessmirror.com.ph/usa-id-lauds-phl-for-improving-e-payment-infrastructure/>.
- 44 Email correspondence with a representative of the BSP on April 8, 2016.
- 8 Financial exclusion as defined in this survey refers to individuals who do not use any financial products and services (neither formal nor informal) to manage their financial lives. See “FinScope Rwanda 2016,” Access to Finance Rwanda, March 2016, <http://statistics.gov.rw/publication/finscope-rwanda-2016>.
- 9 “FinScope Rwanda 2016,” Access to Finance Rwanda, March 2016, 33, <http://statistics.gov.rw/publication/finscope-rwanda-2016>.
- 10 “Financial Inclusion in Rwanda 2008-2012,” FinScope, October 2012, 1, <http://www.statistics.gov.rw/publications/finscope-survey-report-2012#main-content-area>.
- 11 “Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 2014, 31, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 12 “Financial Inclusion in Rwanda 2008-2012,” FinScope, October 2012, 1, <http://www.statistics.gov.rw/publications/finscope-survey-report-2012#main-content-area>.
- 13 A. Michael Andrews, Keith Jefferis, Robert Hannah, and Paul Murgatroyd, “Rwanda: Financial Sector Development Program II,” October 2012, 8, http://www.minecofin.gov.rw/fileadmin/templates/documents/Rwanda_Financial_Sector_development_program_II.pdf.
- 14 “Global Microscope 2014: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 69, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 15 “Maya Declaration: Commitment made by the National Bank of Rwanda,” Alliance for Financial Inclusion, 2011, <http://www.afi-global.org/library/publications/maya-declaration-commitment-made-national-bank-rwanda>.
- 16 “Policy Frameworks to Support Women’s Financial Inclusion,” Alliance for Financial Inclusion and Women’s World Banking, March 2016, 13, http://www.afi-global.org/sites/default/files/publications/2016-02-womenfi.1_0.pdf.
- 17 A. Michael Andrews, Keith Jefferis, Robert Hannah, and Paul Murgatroyd, “Rwanda: Financial Sector Development Program II,” October 2012, viii, 11, http://www.minecofin.gov.rw/fileadmin/templates/documents/Rwanda_Financial_Sector_development_program_II.pdf.

RWANDA ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 “How Rwanda became a financial inclusion success story,” Inclusion Hub, 13 October 2015, <http://pulse.com.gh/finance/inclusion-hub-how-rwanda-became-a-financial-inclusion-success-story-id4254282.html>.
- 7 “Members,” Better Than Cash Alliance, 2016, <https://www.betterthancash.org/members/government/page/2>.
- 18 “Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 12 September 2013, 35, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 19 “Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 2014, 31, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 20 “Global Microscope 2015: The enabling environment for financial inclusion,” Economist Intelligence Unit, 2015, 127, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 21 “Global Microscope 2015: The enabling environment for financial inclusion,” Economist Intelligence Unit, 2015, 126, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 22 “Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 12 September 2013, 7, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.

- 23 A. Michael Andrews, Keith Jefferis, Robert Hannah, and Paul Murgatroyd, "Rwanda: Financial Sector Development Program II," October 2012, 16, http://www.minecofin.gov.rw/fileadmin/templates/documents/Rwanda_Financial_Sector_development_program_II.pdf.
- 24 "Guidelines on Agent Banking," Banque Nationale du Rwanda, 2011, http://www.bnr.rw/fileadmin/AllDepartment/FinancialStability/BankingSupervision/AGENT_BANKING_GUIDELINE.pdf.
- 25 Margarete Biallas, John Ngahu, and Scott Stefanski, "IFC Mobile Money Scoping Country Report: Rwanda," International Finance Corporation, 2012, http://www.ifc.org/wps/wcm/connect/Od2862004f1d479fb911fb3eac88a2f8/MobileMoneyScoping_Rwanda.pdf?MOD=AJPERES.
- 26 A. Michael Andrews, Keith Jefferis, Robert Hannah, and Paul Murgatroyd, "Rwanda: Financial Sector Development Program II," October 2012, 16, 19, http://www.minecofin.gov.rw/fileadmin/templates/documents/Rwanda_Financial_Sector_development_program_II.pdf.
- 27 Ibid.
- 28 A. Michael Andrews, Keith Jefferis, Robert Hannah, and Paul Murgatroyd, "Rwanda: Financial Sector Development Program II," October 2012, 17, http://www.minecofin.gov.rw/fileadmin/templates/documents/Rwanda_Financial_Sector_development_program_II.pdf.
- 29 "National Survey Report Rwanda (Conducted December 2014-February 2015)," Financial Inclusion Insights, InterMedia, 2015, 6, <http://finclusion.org/wp-content/uploads/2015/10/CGAP-InterMedia-Rwanda-2015-Final-Report.pdf>.
- 30 "Active" was defined for survey purposes as those who have used services for any transaction type in the previous 90 days, either using his/her account or someone else's account. See "National Survey Report Rwanda (Conducted December 2014-February 2015)," Financial Inclusion Insights, InterMedia, 2015, 5, <http://www.slideshare.net/CGAP/financial-inclusion-insights-rwanda-2015-56173533>.
- 31 "National Survey Report Rwanda (Conducted December 2014-February 2015)," Financial Inclusion Insights, InterMedia, 2015, 5, <http://www.slideshare.net/CGAP/financial-inclusion-insights-rwanda-2015-56173533>.
- 32 "National Survey Report Rwanda (Conducted December 2014-February 2015)," Financial Inclusion Insights, InterMedia, 2015, 44, <http://www.slideshare.net/CGAP/financial-inclusion-insights-rwanda-2015-56173533>.
- 33 "National Survey Report Rwanda (Conducted December 2014-February 2015)," Financial Inclusion Insights, InterMedia, 2015, 7, <http://www.slideshare.net/CGAP/financial-inclusion-insights-rwanda-2015-56173533>.
- 34 "National Survey Report Rwanda (Conducted December 2014-February 2015)," Financial Inclusion Insights, InterMedia, 2015, 8, <http://www.slideshare.net/CGAP/financial-inclusion-insights-rwanda-2015-56173533>.
- 35 Ibid.
- 36 "2015 State of the Industry Report: Mobile Money," GSMA, 2016, 15, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/04/SOTIR_2015.pdf.
- 37 Phyllis Birori, "Rwanda Introduces Mobile Money Interoperability," 8 October 2015, <http://allafrica.com/stories/201510090702.html>.
- 38 "MTN Rwanda deepens financial inclusion with Mobile Money regional remittance," *Biztech Africa*, 15 October 2015, <http://www.biztechafrica.com/article/mtn-rwanda-deepens-financial-inclusion-mobile-mone/10680/?section=mobile#.Vil4wPIVhHx>.
- 39 "FinScope Rwanda 2016," Access to Finance Rwanda, March 2016, 59, <http://statistics.gov.rw/publication/finscope-rwanda-2016>.
- 40 "FinScope Rwanda 2016," Access to Finance Rwanda, March 2016, 33, <http://statistics.gov.rw/publication/finscope-rwanda-2016>.
- 41 "FinScope Rwanda 2016," Access to Finance Rwanda, March 2016, 59, <http://statistics.gov.rw/publication/finscope-rwanda-2016>.
- 42 Ibid.
- 43 "Govt, Ericsson ink deal on financial inclusion drive," *The New Times*, 13 May 2016, <http://www.newtimes.co.rw/section/article/2016-05-13/199839/>.
- 44 Ibid.
- 45 "National Survey Report Rwanda (Conducted December 2014-February 2015)," Financial Inclusion Insights, InterMedia, 2015, 37, <http://finclusion.org/wp-content/uploads/2015/10/CGAP-InterMedia-Rwanda-2015-Final-Report.pdf>.
- 46 "FinScope Rwanda 2016," Access to Finance Rwanda, March 2016, 4, <http://statistics.gov.rw/publication/finscope-rwanda-2016>.
- 47 "National Survey Report Rwanda (Conducted December 2014-February 2015)," Financial Inclusion Insights, InterMedia, 2015, 57, <http://www.slideshare.net/CGAP/financial-inclusion-insights-rwanda-2015-56173533>.

SOUTH AFRICA ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 7 "FinScope South Africa 2015 Consumer Survey Launch Presentation," FinMark Trust, 2015, 18, http://www.finmark.org.za/wp-content/uploads/2015/11/PRES_FSSA2015_Consumersurvey_Launch.pdf.
- 8 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 9 Sibusiso Tshabalala, "Why South Africa's largest mobile network, Vodacom, failed to grow M-PESA," *Quartz Africa*, 3 August 2015, <http://qz.com/467887/why-south-africas-largest-mobile-network-vodacom-failed-to-grow-mpesa/>.

- 10 “Global Microscope 2015: The enabling environment for financial inclusion,” Economist Intelligence Unit, 2015, 130, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 11 “National Financial Inclusion Strategies Database,” The World Bank, 2014, <http://econ.worldbank.org/WBSITE/EXTERNAL/EXTDEC/EXTGLOBALFINREPORT/0,,contentMDK:23491959-pagePK:64168182-piPK:64168060-theSitePK:8816097,00.html>.
- 12 “Alliance for Financial Inclusion (AFI) Official Member List,” Alliance for Financial Inclusion, 4 March 2014, <http://www.afi-global.org/library/publications/alliance-financial-inclusion-afi-official-member-list>.
- 13 Email correspondence with a representative of the National Treasury on February 6, 2015.
- 14 “The Use of Financial Inclusion Data Country Case Study: South Africa: The Mzansi Story and Beyond,” Prepared by The National Treasury, South Africa and the AFI Financial Inclusion Data Working Group on behalf of the Data and Measurement sub-group of the GPFI, January 2014, 3, http://www.gpfi.org/sites/default/files/documents/The%20Use%20of%20Financial%20Inclusion%20Data%20Country%20Case%20Study_South%20Africa.pdf.
- 15 “The Use of Financial Inclusion Data Country Case Study: South Africa: The Mzansi Story and Beyond,” Prepared by The National Treasury, South Africa and the AFI Financial Inclusion Data Working Group on behalf of the Data and Measurement sub-group of the GPFI, January 2014, 8-9, http://www.gpfi.org/sites/default/files/documents/The%20Use%20of%20Financial%20Inclusion%20Data%20Country%20Case%20Study_South%20Africa.pdf.
- 16 “A Safer Financial Sector to Serve South Africa Better,” National Treasury, 23 February 2011, 4, <http://www.treasury.gov.za/documents/national%20budget/2011/A%20safer%20financial%20sector%20to%20serve%20South%20Africa%20better.pdf>.
- 17 According to a 2014 report, “LSM is the acronym for living standards measure, widely used in South Africa as an index of social welfare. It does not include but correlates closely with income. The higher the LSM, the higher the standard of living.” LSM groups number 1-10. See “The Use of Financial Inclusion Data Country Case Study: South Africa: The Mzansi Story and Beyond,” Prepared by The National Treasury, South Africa and the AFI Financial Inclusion Data Working Group on behalf of the Data and Measurement sub-group of the GPFI, January 2014, 3 (footnote 1), http://www.gpfi.org/sites/default/files/documents/The%20Use%20of%20Financial%20Inclusion%20Data%20Country%20Case%20Study_South%20Africa.pdf.
- 18 “The Use of Financial Inclusion Data Country Case Study: South Africa: The Mzansi Story and Beyond,” Prepared by The National Treasury, South Africa and the AFI Financial Inclusion Data Working Group on behalf of the Data and Measurement sub-group of the GPFI, January 2014, 6, http://www.gpfi.org/sites/default/files/documents/The%20Use%20of%20Financial%20Inclusion%20Data%20Country%20Case%20Study_South%20Africa.pdf.
- 19 “South Africa: Economic Update – Focus on Financial Inclusion,” The International Bank for Reconstruction and Development and the World Bank, 2013, 33, <http://www.worldbank.org/content/dam/Worldbank/document/Africa/South%20Africa/Report/south-africa-economic-update-2013.05.pdf>.
- 20 Email correspondence with a representative of the National Treasury on May 4, 2015.
- 21 Financial Access Survey (2014), International Monetary Fund, 2015, <http://fas.imf.org>.
- 22 “FinScope South Africa 2015 Consumer Survey Launch Presentation,” FinMark Trust, 2015, 19, <http://www.finmark.org.za/finscope-south-africa-2015-consumer-survey-launch-presentation/>.
- 23 “Regulation of Branchless Banking in South Africa,” CGAP, 2010, <http://www.cgap.org/sites/default/files/CGAP-Regulation-of-Branchless-Banking-in-South-Africa-Jan-2010.pdf>.
- 24 Email correspondence with a representative of the National Treasury on May 4, 2015.
- 25 Idongesit Williams, “Regulatory frameworks and implementation patterns for Mobile Money in Africa: The Case of Kenya, Ghana, and Nigeria,” Paper presented at Ghana ICT Conference, Accra, Ghana, 2013, https://www.researchgate.net/publication/236863291_Regulatory_frameworks_and_Implementation_patterns_for_Mobile_Money_in_Africa_The_case_of_Kenya_Ghana_and_Nigeria.
- 26 “South Africa Economic Update: Financial Inclusion Critical for South Africa’s Poor,” The World Bank, May 2013, <http://www.worldbank.org/en/country/southafrica/publication/south-africa-economic-update-financial-inclusion-critical-for-south-africa-s-poor>.
- 27 “FinScope South Africa 2015 Consumer Survey Launch Presentation,” FinMark Trust, 2015, <http://www.finmark.org.za/finscope-south-africa-2015-consumer-survey-launch-presentation/>.
- 28 Ibid.
- 29 David Saunders, Neal Estey, and Barry Cooper, “Secure in Exclusion – early warning signs of a less inclusive financial sector in South Africa,” Centre for Financial Regulation and Inclusion, 2016, <http://cenfri.org/aml-cft/secure-in-exclusion-early-warning-signs-of-a-less-inclusive-financial-sector-in-south-africa>.
- 30 Email correspondence with a representative of the Centre for Financial Regulation and Inclusion on May 13, 2016.
- 31 Lerato Mbele, “Why M-Pesa Failed in South Africa,” *BBC News*, 11 May 2016, <http://www.bbc.com/news/world-africa-36260348>.
- 32 Ibid.
- 33 “FinScope South Africa 2015 Consumer Survey Launch Presentation,” FinMark Trust, 2015, 35, <http://www.finmark.org.za/finscope-south-africa-2015-consumer-survey-launch-presentation/>.
- 34 “FinScope South Africa 2015 Consumer Survey Launch Presentation,” FinMark Trust, 2015, <http://www.finmark.org.za/finscope-south-africa-2015-consumer-survey-launch-presentation/>.

TANZANIA ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.

- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 "Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report," Alliance for Financial Inclusion, 9 September 2014, 33, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 7 "2015 State of the Industry Report: Mobile Money," GSMA, 2016, 32, http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2016/04/SOTIR_2015.pdf.
- 8 "The Maya Declaration," Alliance for Financial Inclusion, Undated, <http://www.afi-global.org/maya-declaration>.
- 9 "Maya Declaration: Commitment made by the Bank of Tanzania," Alliance for Financial Inclusion, 28 November 2011, <http://www.afi-global.org/library/publications/maya-declaration-commitment-made-bank-tanzania>.
- 10 "National Financial Inclusion Framework: A Public-Private Stakeholders' Initiative (2014-2016)," Tanzania National Council for Financial Inclusion, 2013, <http://www.afi-global.org/sites/default/files/publications/tanzania-national-financial-inclusion-framework-2014-2016.pdf>.
- 11 "2015 Maya Declaration Progress Report: Commitments Into Action," Alliance for Financial Inclusion, 8, December 2015, http://www.afi-global.org/sites/default/files/publications/2015_maya_report_rev.1_low_res.pdf.
- 12 "National Financial Inclusion Framework: A Public-Private Stakeholders' Initiative (2014-2016)," Tanzania National Council for Financial Inclusion, 2013, 24, <http://www.afi-global.org/sites/default/files/publications/tanzania-national-financial-inclusion-framework-2014-2016.pdf>.
- 13 Tristan Carlyle, "Tanzania hits financial inclusion target early due to mobile surge," Bank of Tanzania, 22 July 2014, <http://www.bot-tz.org/Adverts/Pressrelease/Tanzania%20hits%20FI%20target.pdf>.
- 14 Ibid.
- 15 "2015 Maya Declaration Progress Report: Commitments Into Action," Alliance for Financial Inclusion, December 2015, 8, http://www.afi-global.org/sites/default/files/publications/2015_maya_report_rev.1_low_res.pdf.
- 16 "Monetary Policy Statement: The Mid-Year Review (2015/16)," Governor [of the] Bank of Tanzania, February 2016, 28, <https://www.bot-tz.org/Publications/MonetaryPolicyStatements/MPS%20ENG%20FEB%202016.pdf>.
- 17 Simone di Castri and Lara Gidvani, "Enabling mobile money policies in Tanzania," Mobile Money for the Unbanked, GSMA, February 2014, "Forward," <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2014/03/Tanzania-Enabling-Mobile-Money-Policies.pdf>.
- 18 Simone di Castri and Lara Gidvani, "Enabling mobile money policies in Tanzania," Mobile Money for the Unbanked, GSMA, February 2014, 8, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2014/03/Tanzania-Enabling-Mobile-Money-Policies.pdf>.
- 19 Simone di Castri and Lara Gidvani, "Enabling mobile money policies in Tanzania," Mobile Money for the Unbanked, GSMA, February 2014, 2, <http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2014/03/Tanzania-Enabling-Mobile-Money-Policies.pdf>.
- 20 "Guidelines on Agent Banking for Banking Institutions, 2013," Bank of Tanzania, 2013, <https://www.bot-tz.org/BankingSupervision/GUIDELINES%20ON%20AGENT%20BANKING%20FOR%20BANKING%20INSTITUTIONS%202013.pdf>.
- 21 Email correspondence with in-country experts on April 15, 2015.
- 22 "Tanzania: Central Bank Sets 80 Percent Financial Inclusion Target," *Tanzania Daily News* via *AllAfrica*, 12 February 2016, <http://allafrica.com/stories/201602120505.html>.
- 23 Email correspondence with Financial Sector Deepening Tanzania representative on April 22, 2016 and with independent consultant on April 20, 2016.
- 24 "Monetary Policy Statement: The Mid-Year Review (2015/16)," Governor [of the] Bank of Tanzania, February 2016, 28, <https://www.bot-tz.org/Publications/MonetaryPolicyStatements/MPS%20ENG%20FEB%202016.pdf>.
- 25 Email correspondence with Financial Sector Deepening Tanzania representative on April 22, 2016.
- 26 Henry Lyimo, "Major telecoms attain financial interoperability," *Daily News*, 18 February 2016, <http://dailynews.co.tz/index.php/business/47060-major-telecoms-attain-financial-interoperability>.
- 27 Ibid.
- 28 "Airtel Distributes Tshs 5.3 Billion to its Airtel Money Customers," 30 September 2015, <http://africa.airtel.com/wps/wcm/connect/africarevamp/africa/home/media/press-releases/airtel+distributes+tshs+5.3+billion+to+its+airtel+money+customers>.
- 29 "Tanzania: Vodacom to Dish Out Bonus to M-Pesa Clients," *Tanzania Daily News* via *AllAfrica*, 27 July 2015, <http://allafrica.com/stories/201507271613.html>.
- 30 "Tigo Tanzania pays \$2.1 million in quarterly profit share to customers," *Biztech Africa*, 15 January 2015, http://www.biztechafrika.com/article/tigo-tanzania-pays-21-million-quarterly-profit-sha/10973/?section=telecoms#.Vp5eQ_krLcs.
- 31 "Tanzania's Tigo launches interest-earning mobile money service," *Reuters Africa*, 11 September 2014, <http://af.reuters.com/article/commoditiesNews/idAFILNORB1BT20140911>.
- 32 "Tigo Tanzania launches innovative nano (Tigo Nivushe) lending scheme to its customers," Tigo, 17 March 2016, <http://www.tigo-tanzania.africa-newsroom.com/press/tigo-tanzania-launches-innovative-nano-lending-scheme-to-its-customers>.
- 33 "Welcome to M-Pawa!," Vodacom, Undated, Accessed May 2016, <https://www.vodacom.co.tz/mpesa/mpawa/welcome>.
- 34 "Airtel Tanzania Launches Timiza Loan Facility," *Corporate Digest*, 2015, <http://corporate-digest.com/index.php/airtel-tanzania-launches-timiza-loan-facility>.
- 35 "Tanzania Central Bank partners on financial literacy," *East African Business Week*, 7 February 2016, <http://www.busiweek.com/index1.php?Ctp=2&pl=4858&pLv=3&sr=49&spl=27>.
- 36 Rosemary Mirono, "Tanzania: Framework Unveiled to Raise Financial Literacy," *The Citizen* via *AllAfrica*, 23 February 2016, <http://allafrica.com/stories/201602231013.html>.
- 37 "National Financial Education Framework (2016-2020): A public-private stakeholders' initiative," Bank of Tanzania, February 2016, https://www.bot-tz.org/Adverts/NFEF%202016-2020_%20Web%20Version.pdf.
- 38 "The Mobile Economy 2016," GSMA, 2016, 42, <https://www.gsmaintelligence.com/research/?file=97928efe09cdda2864cdcfd1ad1a2f58c&download>.
- 39 Ibid.

TURKEY ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 "Law on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions," 20 June 2013, http://www.tcmb.gov.tr/wps/wcm/connect/3deb8069-ce8d-4ba7-a31d-e075259aa60a/6493_eng.pdf?MOD=AJPERES&CACHEID=ROOTWORKSPACE3deb8069-ce8d-4ba7-a31d-e075259aa60a.
- 7 Burcu Tuzcu Ersin and A. Ülkü Solak, "A Guide to Electronic Payment Regulations in Turkey," Moroglu Arseven, 26 June 2015, <http://www.morogluarseven.com/news/guide-electronic-payment-regulations-turkey>.
- 8 "A Timeline of Achievement," Alliance for Financial Inclusion, August 2013, <http://www.afi-global.org/sites/default/files/publications/fisplg-timeline-achievement.pdf>.
- 9 "Maya Declaration Commitments," Alliance for Financial Inclusion, 2014, <http://www.afi-global.org/maya-declaration-commitments>.
- 10 "AFI Member Institutions," Alliance for Financial Inclusion, Undated, Accessed May 2016, http://www.afi-global.org/afi-network/members?field_member_title_computed_value=&field_membertype_tid=All&field_membercountry_tid=296.
- 11 "About Financial Stability Committee," Republic of Turkey Prime Ministry Undersecretariat of Treasury, Undated, <http://www.treasury.gov.tr/en-US/Pages/About-Financial-Stability-Committee?nm=682>.
- 12 Ibid.
- 13 Ibid.
- 14 "Financial Access, Financial Education, Financial Consumer Protection Strategy and Action Plans," Republic of Turkey Prime Ministry Undersecretariat of Treasury et al., June 2014, <https://hazine.gov.tr/File/?path=ROOT%2F1%2FDocuments%2FGeneral+Content%2FFinancial+Inclusion.pdf>.
- 15 Email correspondence with a representative of the Undersecretariat of Treasury on April 17, 2015.
- 16 "Financial Access, Financial Education, Financial Consumer Protection Strategy and Action Plans," Republic of Turkey Prime Ministry Undersecretariat of Treasury et al., June 2014, 1, <https://hazine.gov.tr/File/?path=ROOT%2F1%2FDocuments%2FGeneral+Content%2FFinancial+Inclusion.pdf>.
- 17 Email correspondence with a representative of the Undersecretariat of Treasury on April 17, 2015.
- 18 "Global Microscope 2015: The enabling environment for financial inclusion," Economist Intelligence Unit, 2015, 59, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 19 "Global Microscope 2014: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 40, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 20 "Global Microscope 2015: The enabling environment for financial inclusion," Economist Intelligence Unit, 2015, 58, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 21 "Law on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions," Central Bank of the Republic of Turkey, 2013, 11, <http://www.tcmb.gov.tr/wps/wcm/connect/3deb8069-ce8d-4ba7-a31d-e075259aa60a/6493.pdf?MOD=AJPERES&CACHEID=3deb8069-ce8d-4ba7-a31d-e075259aa60a>.
- 22 "Global Microscope 2014: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 40, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 23 Ibid.
- 24 "Law on Payment and Securities Settlement Systems, Payment Services and Electronic Money Institutions," Central Bank of the Republic of Turkey, 2013, 11, <http://www.tcmb.gov.tr/wps/wcm/connect/3deb8069-ce8d-4ba7-a31d-e075259aa60a/6493.pdf?MOD=AJPERES&CACHEID=3deb8069-ce8d-4ba7-a31d-e075259aa60a>.
- 25 "Global Microscope 2014: The Enabling Environment for Financial Inclusion," Economist Intelligence Unit, Sponsored by MIF/IDB, CAF, ACCION and Citi, 2014, 40, http://www.eiu.com/public/topical_report.aspx?campaignid=microscope2014.
- 26 Email correspondence with a representative of the Undersecretariat of the Treasury on May 5, 2015.
- 27 "Global Microscope 2015: The enabling environment for financial inclusion," Economist Intelligence Unit, 2015, 59, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 28 Stefan Staschen, "Payment Innovations in Turkey: Not (Yet) Reaching the Unbanked," CGAP, 21 August 2015, <http://www.cgap.org/blog/payment-innovations-turkey-not-yet-reaching-unbanked>.
- 29 Gönenc Gürkaynak, Ceren Yıldız and Ecem Elver, "Countdown For Electronic Payment Services In Turkey: Reminder On The Regulatory Framework On Payment Institutions And Electronic Money Institutions," *Mondaq*, 24 June 2015, <http://www.mondaq.com/turkey/x/407016/Financial+Services/COUNTDOWN+FOR+ELECTRONIC+PAYMENT+SERVICES+IN+TURKEY>.
- 30 Stefan Staschen, "Payment Innovations in Turkey: Not (Yet) Reaching the Unbanked," CGAP, 21 August 2015, <http://www.cgap.org/blog/payment-innovations-turkey-not-yet-reaching-unbanked>.
- 31 "Global Trends: Forced Displacement in 2015," UNHCR, 20 June 2016, 3, <https://s3.amazonaws.com/unhcrsharedmedia/2016/2016-06-20-global-trends/2016-06-14-Global-Trends-2015.pdf>.
- 32 "Policy Frameworks to Support Women's Financial Inclusion," Alliance for Financial Inclusion and Women's World Banking, March 2016, 17, http://www.afi-global.org/sites/default/files/publications/2016-02-womenfi_1_0.pdf.

- 33 Olga Tomilova, "Progress and Opportunities for Financial Inclusion in Turkey," CGAP, August 2015, <http://www.cgap.org/blog/progress-and-opportunities-financial-inclusion-turkey>.

UGANDA ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 7 "Uganda: Wave 3 Report FII Tracker Survey," Financial Inclusion Insights, InterMedia, February 2016, 5-6, 14, <http://finclusion.org/uploads/file/reports/2015%20InterMedia%20FII%20UGANDA%20Wave%20Report.pdf>.
- 8 Mark Keith Muhumuza, "Mobile money shutdown hits businesses hard," *Daily Monitor*, 22 February 2016, <http://www.monitor.co.ug/Business/Mobile-money-shutdown-hits-businesses-hard/-/688322/3087028/-/fhjkOnz/-/index.html>.
- 9 "Uganda: Hackers Strike Bank of Uganda Accounts, Try to Steal Sh2.45 Billion," *Daily Nation* via *AllAfrica*, 17 March 2016, <http://allafrica.com/stories/201603170797.html>.
- 10 "Maya Declaration Commitments," Alliance for Financial Inclusion, Undated, <http://www.afi-global.org/maya-declaration-commitments>.
- 11 "Commitment update made by Bank of Uganda," Bank of Uganda, Undated, https://www.bou.or.ug/bou/bou-downloads/Financial_Inclusion/The-AFI-Network-Commitment-to-Financial-Inclusion.pdf.
- 12 "Digital Pathways to Financial Inclusion: Findings from the Nationally Representative FII Tracker Survey in Uganda (Wave 1), Focus Group Discussions with Lapsed Users and Nonusers of Mobile Money, and Mobile Money Agent Research. Final Report," Financial Inclusion Insights, InterMedia, October 2014, 12, <http://finclusion.org/uploads/file/reports/FII-Uganda-Wave-One-Wave-Report.pdf>.
- 13 "Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report," Alliance for Financial Inclusion, 12 September 2013, 39, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 14 "Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report," Alliance for Financial Inclusion, 2014, 34, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 15 "Financial Inclusion Project," Bank of Uganda, Undated, https://www.bou.or.ug/bou/supervision/Financial_Inclusion/Financial_Inclusion_Project.html.
- 16 Ibid.
- 17 "Digital Pathways to Financial Inclusion: Findings from the Nationally Representative FII Tracker Survey in Uganda (Wave 1), Focus Group Discussions with Lapsed Users and Nonusers of Mobile Money, and Mobile Money Agent Research. Final Report," Financial Inclusion Insights, InterMedia, October 2014, 8, <http://finclusion.org/uploads/file/reports/FII-Uganda-Wave-One-Wave-Report.pdf>.
- 18 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 19 "Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report," Alliance for Financial Inclusion, 2014, 34, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 20 "Financial Inclusion: Key Facts Documents," Bank of Uganda, Undated, https://www.bou.or.ug/opencms/bou/supervision/Financial_Inclusion/Key_Facts_Docs.html.
- 21 "Bank of Uganda Issues Mobile Money Guidelines," Bank of Uganda, 2016, https://www.bou.or.ug/bou/media/statements/Mobile_Money_Guidelines_2013.html.
- 22 "Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report," Alliance for Financial Inclusion, 2014, 9, 34, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 23 "Digital Pathways to Financial Inclusion: Findings from the Nationally Representative FII Tracker Survey in Uganda (Wave 1), Focus Group Discussions with Lapsed Users and Nonusers of Mobile Money, and Mobile Money Agent Research. Final Report," Financial Inclusion Insights, InterMedia, October 2014, 12, <http://finclusion.org/uploads/file/reports/FII-Uganda-Wave-One-Wave-Report.pdf>.
- 24 Email correspondence with a representative of the Bank of Uganda on July 2, 2015.
- 25 "Digital Pathways to Financial Inclusion: Findings from the Nationally Representative FII Tracker Survey in Uganda (Wave 1), Focus Group Discussions with Lapsed Users and Nonusers of Mobile Money, and Mobile Money Agent Research. Final Report," Financial Inclusion Insights, InterMedia, October 2014, 12, <http://finclusion.org/uploads/file/reports/FII-Uganda-Wave-One-Wave-Report.pdf>.
- 26 Moses Walubiri, "Central Bank governor wants mobile money business regulated," *New Vision*, 26 February 2015, <http://www.newvision.co.ug/news/665306-central-bank-governor-wants-mobile-money-business-regulated.html>.
- 27 Chris Bold, "New Bill, Big Changes in Digital Financial Services in Uganda," CGAP, 10 March 2016, <http://www.cgap.org/blog/new-bill-big-changes-digital-financial-services-uganda>.
- 28 Mark Keith Muhumuza, "Uganda: How Amended Financial Law Could Revolutionise Banking," *Sunday Monitor*, 11 January 2016, <http://www.monitor.co.ug/Business/How-amended-financial-law-could-revolutionise-banking/-/688322/3027954/-/pomeOiz/-/index.html>.
- 29 Chris Bold, "New Bill, Big Changes in Digital Financial Services in Uganda," CGAP, 10 March 2016, <http://www.cgap.org/blog/new-bill-big-changes-digital-financial-services-uganda>.
- 30 Email correspondence with a representative of the Consultative Group to Assist the Poor on March 15, 2016.
- 31 Email correspondence with a representative of WMC Africa on April 22, 2016.

- 32 Peter Mushangwe and Akin Majekodunmi, "Moody's Credit Outlook," 10 March 2016, 11, <http://web1.amchouston.com/flexshare/001/cfa/Moody's/MCO%202016%2003%2010.pdf>.
- 33 "National Identification and Registration Authority," NIRA, 2015, <http://www.nira.go.ug>.
- 34 "Uganda: Wave 3 Report FII Tracker Survey," Financial Inclusion Insights, InterMedia, February 2016, 43, <http://fininclusion.org/uploads/file/reports/2015%20InterMedia%20FII%20UGANDA%20Wave%20Report.pdf>.
- 35 Email correspondence with a representative of WMC Africa on April 22, 2016.
- 36 Benon Herbert Oluka, "Govt to public servants: No national IDs, no pay," *The Observer*, 11 April 2016, <http://www.observer.ug/news-headlines/43612-govt-to-public-servants-no-national-ids-no-pay>.
- 37 Chris Bold and Rashmi Pillai, "The Impact of Shutting Down Mobile Money in Uganda," CGAP, 7 March 2016, <http://www.cgap.org/blog/impact-shutting-down-mobile-money-uganda>.
- 38 Ibid.
- 39 Mark Keith Muhumuza, "Mobile money shutdown hits businesses hard," *Daily Monitor*, 22 February 2016, <http://www.monitor.co.ug/Business/Mobile-money-shutdown-hits-businesses-hard/-/688322/3087028/-/fhjkOnz/-/index.html>.
- 40 Olga Morawczynski, "Fraud in Uganda: How Millions Were Lost to Internal Collusion," CGAP, 11 March 2015, <http://www.cgap.org/blog/fraud-uganda-how-millions-were-lost-internal-collusion>.
- 41 "Uganda: Hackers Strike Bank of Uganda Accounts, Try to Steal Sh2.45 Billion," *Daily Nation* via *AllAfrica*, 17 March 2016, <http://allafrica.com/stories/201603170797.html>.
- 42 "Uganda: Wave 3 Report FII Tracker Survey," Financial Inclusion Insights, InterMedia, February 2016, 43, <http://fininclusion.org/uploads/file/reports/2015%20InterMedia%20FII%20UGANDA%20Wave%20Report.pdf>.
- 8 Ibid.
- 9 Ibid.
- 10 Ibid.
- 11 Ibid.
- 12 Ibid.
- 13 Ibid.
- 14 Ibid.
- 15 "The Road to Inclusion: A Look at the Financially Excluded and Underserved," MasterCard, 2Q 2014, 9, http://www.mastercardadvisors.com/_assets/pdf/MasterCard-Road-to-Inclusion-Report.pdf.
- 16 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 17 Ibid.
- 18 Ibid.
- 19 Financial Access Survey (2014), International Monetary Fund, 2015, <http://fas.imf.org>.
- 20 Ibid.
- 21 Ibid.
- 22 See <http://www.icarebenefits.com/>.
- 23 Individuals could hold more than one subscription.
- 24 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 25 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.
- 26 "Vietnam's Mobile Payments App MoMo With 50% Transaction Volume Growth per Month," *Fintechnews Singapore*, 28 September 2015, http://fintechnews.sg/728/mobilepayments/momo_vietnams-mobile-payments-app-experiences-30-50-transaction-volume-growth-per-month/.
- 27 Mobile Money Deployment Tracker, GSMA, May 2016, <http://www.gsma.com/mobilefordevelopment/m4d-tracker/mobile-money-deployment-tracker>.
- 28 Ibid.
- 29 "Mobile commerce in Emerging Asia," Ericsson, August 2014, 3, <http://www.ericsson.com/res/docs/2014/consumerlab/m-commerce-asia.pdf>.
- 30 Ibid.
- 31 "Mobile commerce in Emerging Asia," Ericsson, August 2014, 5, <http://www.ericsson.com/res/docs/2014/consumerlab/m-commerce-asia.pdf>.
- 32 "AFI Member Institutions," Alliance for Financial Inclusion, Undated, <http://www.afi-global.org/afi-network/members>.
- 33 "Maya Declaration Commitments," Alliance for Financial Inclusion, Undated, <http://www.afi-global.org/maya-declaration-commitments>.
- 34 "2010 Law on Credit Institutions," Mayer Brown, 13 August 2010, <https://www.mayerbrown.com/files/Publication/fe81c1a3-4740-4ed9-bf6f-98cb1b631712/Presentation/PublicationAttachment/71bfe980-02a8-42e1-b094-e29ff782bea4/2010LawonCreditInstitutions.pdf>.
- 35 Eric Duflos, "Opportunities for a Big Leap for Financial Inclusion in Vietnam?," CGAP, 11 May 2011, <http://www.cgap.org/blog/opportunities-big-leap-financial-inclusion-vietnam>.

VIETNAM ENDNOTES

- 1 See the World Bank's World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank's World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA's GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA's definition of unique mobile subscribership.
- 4 See the World Bank's 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank's 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 Eric Duflos, "Opportunities for a Big Leap for Financial Inclusion in Vietnam?," CGAP, 11 May 2011, <http://www.cgap.org/blog/opportunities-big-leap-financial-inclusion-vietnam>.
- 7 Global Findex (2014), The World Bank, 2015, <http://datatopics.worldbank.org/financialinclusion/>.

- 36 “VIETNAM MICROFINANCE DEVELOPMENT STRATEGY 2011-2020,” Asian Development Bank, 6 December 2011, <http://www.adb.org/sites/default/files/linked-documents/42235-023-sd-02.pdf>.
- 37 “Global Microscope 2015: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, December 2015, 48, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 38 “Global Microscope 2015: The Enabling Environment for Financial Inclusion,” Economist Intelligence Unit, December 2015, 49, http://www.eiu.com/public/topical_report.aspx?campaignid=MicroscopeDec2015.
- 39 Mobile Money Deployment Tracker, GSMA, May 2016, <http://www.gsma.com/mobilefordevelopment/m4d-tracker/mobile-money-deployment-tracker>.
- 40 “Responsible Finance in Vietnam,” International Finance Corporation, August 2014, 25, http://www.ifc.org/wps/wcm/connect/62dc148045270d65b271bec66d9c728b/IFC+Responsible+Finance+Diagnostic_FINAL.pdf?MOD=AJPERES.
- 41 World Development Indicators (2014), The World Bank, 2015, <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 42 Sunil Sachdev, “Closing the Financial Services Gap in Vietnam,” GlobeOne, 2 December 2015, <https://blog.globeone.com/cents-and-sensibility/closing-the-financial-services-gap-in-vietnam/>.
- 43 “Responsible Finance in Vietnam,” International Finance Corporation, August 2014, 26, http://www.ifc.org/wps/wcm/connect/62dc148045270d65b271bec66d9c728b/IFC+Responsible+Finance+Diagnostic_FINAL.pdf?MOD=AJPERES.
- 44 Ibid.
- 45 “Responsible Finance in Vietnam,” International Finance Corporation, August 2014, 14, http://www.ifc.org/wps/wcm/connect/62dc148045270d65b271bec66d9c728b/IFC+Responsible+Finance+Diagnostic_FINAL.pdf?MOD=AJPERES.
- 46 “Responsible Finance in Vietnam,” International Finance Corporation, August 2014, 23, http://www.ifc.org/wps/wcm/connect/62dc148045270d65b271bec66d9c728b/IFC+Responsible+Finance+Diagnostic_FINAL.pdf?MOD=AJPERES.
- 47 “Responsible Finance in Vietnam,” International Finance Corporation, August 2014, 36, http://www.ifc.org/wps/wcm/connect/62dc148045270d65b271bec66d9c728b/IFC+Responsible+Finance+Diagnostic_FINAL.pdf?MOD=AJPERES.
- 48 “Diagnostic Review of Consumer Protection and Financial Literacy: Volume 1: Vietnam,” The World Bank, May 2015, 6, <http://responsiblefinance.worldbank.org/-/media/GIAWB/FL/Documents/Diagnostic-Reviews/Vietnam-CPFL-DiagReview-Volume-1-20150506-FINAL.pdf>.
- 2 Adult population figures for 2015 were calculated using data from the World Bank’s World Development Indicators database, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.
- 3 See the GSMA’s GSMA Intelligence database, available (with subscription) at <https://gsmaintelligence.com>. Figures reflect Q1 2016 GSMA Intelligence data. See the methodology section of this report for the GSMA’s definition of unique mobile subscribership.
- 4 See the World Bank’s 2014 Global Financial Inclusion (Global Findex) database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 5 See the World Bank’s 2014 Global Findex database, available at <http://datatopics.worldbank.org/financialinclusion/>.
- 6 “Zambia,” The World Factbook, Central Intelligence Agency, 2015, <https://www.cia.gov/library/publications/the-world-factbook/geos/za.html>.
- 7 “Financially included” adults are defined in the survey as the percentage of individuals 16 years old or older who have/use financial services from formal and informal financial service providers. See “FinScope Zambia 2015,” Bank of Zambia, 2015, “Quick facts,” http://www.boz.zm/Publishing/77/77_FSD_Zambia_Final%20II.pdf.
- 8 Formal inclusion is defined in the study as the percentage of individuals 16 years old or older who have/use financial services provided by a regulated or officially supervised financial service provider. See “FinScope Zambia 2015,” Bank of Zambia, 2015, “Quick Facts,” http://www.boz.zm/Publishing/77/77_FSD_Zambia_Final%20II.pdf.
- 9 “FinScope Zambia 2015,” Bank of Zambia, 2015, 6, http://www.boz.zm/Publishing/77/77_FSD_Zambia_Final%20II.pdf.
- 10 “FinScope Zambia 2015,” Bank of Zambia, 2015, 10, http://www.boz.zm/Publishing/77/77_FSD_Zambia_Final%20II.pdf.
- 11 Maimbolwa Mulikelela and Natasha Kana, “Zambia: Narrow Financial Inclusion Gender Gap – BoZ,” *Times of Zambia* via *AllAfrica*, 2 February 2016, <http://allafrica.com/stories/201602030105.html>.
- 12 “FinScope Zambia 2015,” Bank of Zambia, 2015, 8, http://www.boz.zm/Publishing/77/77_FSD_Zambia_Final%20II.pdf.
- 13 Ibid.
- 14 Audrey Linthorst, “Zambia Map of Financial Inclusion: National efforts tackle financial inclusion goals,” Microfinance Information Exchange (MIX), August 2013, <http://finclusionlab.org/blog/zambia-map-financial-inclusion-national-efforts-tackle-financial-inclusion-goals>.
- 15 Colleen Learch and Nandini Harihareswara, “Opportunities Abound: Zambian Consumers Want and Need Digital Financial Services,” InterMedia, 24 February 2016, <http://www.intermedia.org/opportunities-abound-zambian-consumers-want-and-need-digital-financial-services/>.
- 16 “FinScope Zambia 2015,” Bank of Zambia, 2015, 8, http://www.boz.zm/Publishing/77/77_FSD_Zambia_Final%20II.pdf.
- 17 “Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 12 September 2013, 8, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 18 “Opening Remarks by Dr. Michael Gondwe, Bank of Zambia Governor: Women’s Access to Financial Services in Zambia - Dissemination and Consultation Conference,” Bank of Zambia, 24 June 2014, 7, [http://www.boz.zm/\(S\(jzw3zy55wx53b45vvlod5fk\)\)/%5Cpublishing%5CSpeeches%5CGovernors_Remarks_Women_Conference_2014_AWES.pdf](http://www.boz.zm/(S(jzw3zy55wx53b45vvlod5fk))/%5Cpublishing%5CSpeeches%5CGovernors_Remarks_Women_Conference_2014_AWES.pdf).

ZAMBIA ENDNOTES

- 1 See the World Bank’s World Development Indicators data for GDP at market prices (current USD) as of 2014, available at <http://data.worldbank.org/data-catalog/world-development-indicators>.

- 19 “Zambia: Bank of Zambia - Financial Sector Development Plan,” FIRST Initiative, 2003, <http://www.firstinitiative.org/Projects/projectdisplay.cfm?ProjectID=162>.
- 20 Norbert Mumba, “Collaborating with Multiple Stakeholders to Measure Financial Inclusion - the Case for Zambia,” Published by the Alliance for Financial Inclusion, 29 March 2011, http://www.afi-global.org/sites/default/files/fidwg_collaboratingstakeholders_zambia_mumba_0.pdf.
- 21 “FinScope Zambia 2009,” FinScope, 2009, http://www.boz.zm/FSDP/FinScope_Zambia_Brochure.pdf.
- 22 “Opening Remarks by Dr. Michael Gondwe, Bank of Zambia Governor: Women’s Access to Financial Services in Zambia – Dissemination and Consultation Conference,” 24 June 2014, 8, [http://www.boz.zm/\(S\(jzw3zy55wx53b45vvlod5fk\)\)/%5Cpublishing%5Cspeeches%5CGovernors_Remarks_Women_Conference_2014_AWES.pdf](http://www.boz.zm/(S(jzw3zy55wx53b45vvlod5fk))/%5Cpublishing%5Cspeeches%5CGovernors_Remarks_Women_Conference_2014_AWES.pdf).
- 23 Norbert Mumba, “Collaborating with Multiple Stakeholders to Measure Financial Inclusion - the Case for Zambia,” Published by the Alliance for Financial Inclusion, 29 March 2011, http://www.afi-global.org/sites/default/files/fidwg_collaboratingstakeholders_zambia_mumba_0.pdf.
- 24 “Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 2014, 34, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 25 “Putting Financial Inclusion on the Global Map: 2013 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 12 September 2013, 40, <http://www.afi-global.org/library/publications/2013-maya-declaration-progress-report>.
- 26 “Measurable Goals with Optimal Impact: 2014 Maya Declaration Progress Report,” Alliance for Financial Inclusion, 2014, 34, http://www.afi-global.org/sites/default/files/publications/2014_maya_declaration_progress_report_final_low_res.pdf.
- 27 Denny Kalyalya, “Remarks at the Launch of the World Bank Financial Inclusion Support Framework,” Bank of Zambia, 2 November 2015, 3, <http://www.boz.zm/Publishing/Speeches/BOZGovernorsSpeech-World%20bankFISFLaunch.pdf>.
- 28 Email correspondence with a representative of the Bank of Zambia on May 15, 2015.
- 29 “Improving Financial Inclusion in Zambia: Remarks by Dr. Caleb Fundanga, Governor of the Bank of Zambia, at the Celpay Mobile Banking Conference, Lusaka, 16-17 September 2009,” September 2009, 2, <http://www.bis.org/review/r090922c.pdf>.
- 30 “The National Payments Systems Directives on Electronic Money Issuance, 2015,” Republic of Zambia Government Gazette, 26 June 2015, <http://www.boz.zm/publishing/speeches/GovernmentGazetteNPS.pdf>.
- 31 Morris Banda and Luke Lumano, “Zambia records an increase in financial inclusion,” *Lusaka Star*, 21 August 2015, <http://lusaka-star.com/e-money-card-and-payments-solution-innovation-and-development-zambia>.
- 32 “2015 Maya Declaration Progress Report: Commitments into Action,” Alliance for Financial Inclusion, December 2015, 48, http://www.afi-global.org/sites/default/files/publications/2015_maya_report_rev1_low_res.pdf.
- 33 “FinScope Zambia 2015,” Bank of Zambia, 2015, http://www.boz.zm/Publishing/77/77_FSD_Zambia_Final%20II.pdf.
- 34 Akhand Tiwari and Irene Wagaki, “Agent Network Accelerator Survey: Zambia Country Report 2015,” Helix Institute of Digital Finance, January 2016, 6, [http://www.helix-institute.com/sites/default/files/Publications/160126%20Zambia%20Country%20Report%20UNCDF%20Helix%20FINAL%20\(1\)_0.pdf](http://www.helix-institute.com/sites/default/files/Publications/160126%20Zambia%20Country%20Report%20UNCDF%20Helix%20FINAL%20(1)_0.pdf).
- 35 “The National Payments Systems Directives on Electronic Money Issuance, 2015,” Republic of Zambia Government Gazette, 26 June 2015, <http://www.boz.zm/publishing/speeches/GovernmentGazetteNPS.pdf>.
- 36 Carol Schmidt, “Policy into Practice: Zambia Advances Women’s Financial Inclusion,” CGAP, 15 February 2016, <http://www.cgap.org/blog/policy-practice-zambia-advances-women%E2%80%99s-financial-inclusion>.
- 37 Michael Malakata, “Zambia govt slow on financial inclusion,” *IT Web Africa*, 8 January 2016, <http://www.itwebafrica.com/ict-and-governance/271-zambia/235672-zambia-govt-slow-on-financial-inclusion-says-analyst>.
- 38 Colleen Leach and Nandini Harihareswara, “Opportunities Abound: Zambian Consumers Want and Need Digital Financial Services,” *InterMedia*, 24 February 2016, <http://www.intermedia.org/opportunities-abound-zambian-consumers-want-and-need-digital-financial-services/>.

METHODOLOGY ENDNOTES

- 1 We did not receive responses from financial inclusion experts in Egypt regarding our request for engagement.
- 2 For long-form citations for specific publications (e.g., the Alliance for Financial Inclusion’s “2015 Maya Declaration Progress Report: Commitments into Action”), please consult the endnotes section of the report.
- 3 We recognize that consumer protection is a complex and vitally important issue within the financial inclusion space, and that a full assessment of consumer protection goes beyond identifying the existence (or absence) of formal consumer protection frameworks. However, data constraints regarding certain consumer protection issues (e.g., the extent of consumer over-indebtedness) and the need to incorporate and balance a multitude of financial inclusion indicators within the scorecard limited the scope of consumer protection indicators we are able to integrate within the 2016 scorecard.
- 4 “Global Survey on Consumer Protection and Financial Literacy: Oversight Frameworks and Practices in 114 Economies,” The World Bank, 2014, <http://responsiblefinance.worldbank.org/-/media/GIAWB/FL/Documents/Publications/CPFL-Global-Survey-114econ-Oversight-2014.pdf>. In September 2015, the World Bank also produced a global mapping of financial consumer protection and financial literacy efforts, available at <http://responsiblefinance.worldbank.org/-/media/GIAWB/FL/Documents/Publications/Global-CPFL-Mapping-2015-FINAL.pdf>.
- 5 “Beyond Cash: Why India Loves Cash and Why That Matters for Financial Inclusion,” USAID and U.S. Global Development Lab, January 2016, <https://www.globalinnovationexchange.org/beyond-cash>.
- 6 Ibid.
- 7 Ibid.
- 8 “The Mobile Economy 2016,” GSMA, 2016, 2, <https://www.gsmaintelligence.com/research/?file=97928efe09cda2864cdcflad1a2f58c&download>.
- 9 With respect to establishing metrics for effective financial capability interventions, the Center for Financial Inclusion at Accion noted the following outputs: “increased product uptake, reduced dormancy, higher savings balances, and the like.” While the frequency of withdrawals is an imperfect proxy for measuring the prevalence of financially capable consumers, assessing the frequency of withdrawals reflects our belief in the importance of considering the usage dimension of financial

- inclusion, which is a component of financial capability. See Julia Arnold and Elisabeth Rhyne, “A Change in Behavior: Innovations in Financial Capability,” Center for Financial Inclusion at Accion and JP Morgan Chase & Co., April 2016, <https://centerforfinancialinclusionblog.files.wordpress.com/2016/04/a-change-in-behavior-final.pdf>.
- 10 Robin Newnham, “Financial Inclusion Strategies: Global Trends and Lessons Learnt from the AFI Network,” Presented in Bogota, Colombia, 28-29 April 2014, 13, <http://www.afi-global.org/sites/default/files/publications/nationalstrategies.pdf>.
 - 11 Martin Cihak and Parabal Singh, “An Analysis of National Financial Inclusion Strategies,” All About Finance Blog, The World Bank, 2 December 2013, <http://blogs.worldbank.org/allaboutfinance/analysis-national-financial-inclusion-strategies>.
 - 12 Note that all GSMA Intelligence Database data reflects Q1 2016 figures. GSMA Mobile Money for the Unbanked Deployment Tracker data was current as of April 2016. Data points from these sources were accessed on May 9, 2016.
 - 13 “How do you forecast unique subscribers?,” GSMA Intelligence, Undated, <https://gsmaintelligence.com/help/172/>.
 - 14 “Data: Metrics,” GSMA Intelligence, 2014-2016, Accessed May 2016, <https://www.gsmaintelligence.com/metrics/308/>.
 - 15 Ibid.
 - 16 Consistent with the GSMA’s consideration of enabling mobile money environments, we consider regulatory landscapes in which mobile network operators are permitted to lead mobile money services directly, through a dedicated subsidiary, as a payments bank (or equivalent), or through a “letter of no objection” to the non-bank or its partner bank, to constitute an “enabling” environment (note that the GSMA has additional criteria relating to cash-in/cash-out at agents, interoperability, and capital requirements). Therefore, countries that fit these criteria are awarded a 3 for this indicator. See http://www.gsma.com/mobilefordevelopment/wp-content/uploads/2015/03/SOTIR_2014.pdf (page 71). We recognize that there are many non-bank mobile money providers beyond simply mobile network operators (MNOs); however, since data show that leadership of MNOs is generally associated with faster growing deployments, we focus on MNOs for the purposes of this study. See <http://www.gsma.com/mobilefordevelopment/is-regulation-holding-back-financial-inclusion-a-look-at-the-evidence> and http://papers.ssrn.com/sol3/papers.cfm?abstract_id=2578312 for further information.
 - 17 Kabir Kumar and Michael Tarazi, “Interoperability in Branchless Banking and Mobile Money,” Consultative Group to Assist the Poor, 9 January 2012, <http://www.cgap.org/blog/interoperability-branchless-banking-and-mobile-money-0>.
 - 18 For the purposes of this study, we consider proportionate “know your customer” processes to be such requirements that may be relaxed depending upon the level of perceived risk posed by the customer. The Financial Action Task Force states that a “progressive” know your customer/customer due diligence approach allows transaction/payment limits to vary based on the level of documentation available from the customer confirming his/her identity. See “Anti-money laundering and terrorist financing measures,” Financial Action Task Force Guidance, June 2011, 27, <http://www.fatf-gafi.org/media/fatf/content/images/AML%20CFT%20measures%20and%20financial%20inclusion.pdf>.
 - 19 By “inclusive,” here we mean that the array of entities that financial service providers are permitted to contract as agents are diverse, and regulations regarding agent selection are consistent with the types of services those agents offer, regardless of the category of financial service provider.
 - 20 Note that all scores for the indicators in the adoption dimension are based on data from the 2014 Global Financial Inclusion database (Global Findex).
 - 21 In this example, the subranges are equal; however, for instances where this was not the case, the subranges were adapted so that the subranges at the high and low ends of the overall range were equal, while the middle subrange was slightly wider. See the individual indicator descriptions for further details.
 - 22 2014 Global Findex data for this indicator was not available for Tanzania, Ethiopia, and Haiti. Our approach to missing numerical data was to assign the respective countries a composite indicator score comprising the average of all country scores for the indicator—therefore, for the percentage of wage earners who used a mobile phone to receive their salary or wages, Tanzania, Ethiopia, and Haiti each received a score of 1.
 - 23 2014 Global Findex data for this indicator was not available for Malawi and Haiti. As noted above, our approach to missing numerical data was to assign the respective countries a composite indicator score comprising the average of all country scores for the indicator—therefore, for the percentage of adults who used a mobile phone to make utility payments (among adults who regularly made bill payments), Malawi and Haiti received a composite score of 1.
 - 24 2014 Global Findex data for this indicator was not available for Afghanistan and Pakistan. As noted above, our approach to missing numerical data was to assign the respective countries a composite indicator score comprising the average of all country scores for the indicator—therefore, for the percentage of adults with an account at a bank or another type of financial institution who report that money is withdrawn from their account three or more times in a typical month, Afghanistan and Pakistan each received a composite score of 2.

ACKNOWLEDGMENTS

In an effort to capture as complete and accurate a picture as possible of the rapidly evolving financial inclusion environment in each of our 26 focus countries and beyond, the Financial and Digital Inclusion Project (FDIP) team reached out to government representatives in each of the 26 countries, as well as to many other domestically and internationally-based financial inclusion experts.

We benefited from high levels of engagement among many of these contacts and are grateful for their insights regarding financial inclusion within our country sample and/or the global financial inclusion landscape more generally. We would like to extend our appreciation to these diverse financial inclusion authorities, including:

Alwaleed F. Alatabani; Ahmed Rostom; Juan Buchenau; Sarah Iqbal; Leora Klapper; and Peer Stein, *World Bank Group*

Angela Lyons, *University of Illinois at Urbana-Champaign*

Anne Wallwork and Rachel Fredman, *United States Department of the Treasury*

Balakrishnan Mahadevan, *National Payments Corporation of India (Former)*

Bhaskar Chakravorti, *Tufts University*

Brian Forde and Michael Casey, *MIT Media Lab*

Christine Robson, *World Economic Forum*

Daniel Lafeté Machado, *Banco Central do Brasil*

Daryl Collins; David Porteous; and Jamie Zimmerman, *Bankable Frontier Associates*

Douglas Chamberlain; Hennie Bester; Barry Cooper; Jeremy Gray; and David Saunders, *Centre for Financial Regulation and Inclusion (Cenfri)*

Elisabeth Rhyne and Sonja Kelly, *Center for Financial Inclusion at Accion*

Eric Parrado Herrera, *Superintendencia de Bancos e Instituciones Financieras (Chile)*

Ernest Wasake, *WMC Africa*

Ernesto Murillo León; Juliana Lagos; Kelly Granados; and Santiago Jordan, *Superintendencia Financiera de Colombia*

Fernando de Ollóqui and Gabriela Andrade, *Inter-American Development Bank*

Francis Gwer, *Financial Sector Deepening Kenya*

Franklin Alberto Castro, *Mobile Money Américas Corp.*

Gabriela Zapata Alvarez, *Independent Consultant*

Gary Novis, *United States Department of the Treasury (Financial Crimes Enforcement Network)*

Ghiyazuddin Mohammad and Graham Wright, *MicroSave*

Gustavo A. Del Angel, *Hoover Institution and CIDE*

Inclusive Finance Advocacy Staff, Bangko Sentral ng Pilipinas (Philippines)

Inez Murray and Rebecca Ruf, *Global Banking Alliance for Women*

Jacob Mkandawire, *Bank of Zambia*

Jeremiah Grossman, *GSMA (Former)*

Jessica Schnabel, *International Finance Corporation*

Juan Carlos Zamalloa Llerena; Oscar Graham; and Oscar Orcon, *Ministerio de Economía y Finanzas (Peru)*

Gerhard Coetzee; Katharine McKee; Rashmi Pillai; and Silvia Baur, *Consultative Group to Assist the Poor (CGAP)*

Kennedy Komba, *Bank of Tanzania*

Kristen Silverberg and Tomás Conde, *Institute of International Finance*

Loretta Michaels, *Independent Consultant (Current) and United States Department of the Treasury (Former)*

Martin Warioba, *WS Technology Consulting*

Mary Ellen Iskenderian and Karen Miller, *Women's World Banking*

Matthew Gamser, *SME Finance Forum, International Finance Corporation*

Matthew Homer, *United States Agency for International Development*

Ministerio de Hacienda de la República Dominicana; Superintendencia de Bancos de la República Dominicana; and Banco Central de la República Dominicana

Nils Clotteau, *Universal Postal Union*

Njuguna Ndung'u, *Blavatnik School of Government, Oxford University and School of Economics, University of Nairobi*

Noor Ahmed, *State Bank of Pakistan*

Otto Boris Rodríguez and Clemente Alfredo Blanco, *Banco Central de Reserva de El Salvador*

Ricky Satria, *Bank Indonesia*

Robert Durante, *S&P Global*

Robert Holman, *United States Secret Service*

Rubayat Chowdhury, *Bangladesh Bank*

Sarah Morgenstern and Tilman Ehrbeck, *Omidyar Network*

Shashi Raghunandan, *MasterCard*

Sosthenes Kewe, *Financial Sector Deepening Trust Tanzania*

Stephen Francis Pirozzi, *World Bank Group (IFC)*

Susy Cheston, *Independent Consultant*

Syed Mohsin Ahmed, *Pakistan Microfinance Network*

Temitope Akin-Fadeyi, *Financial Inclusion Secretariat, Central Bank of Nigeria* and Mr. Joseph A. A. Attah, *Strategy Coordination Office, Financial Inclusion Secretariat, Central Bank of Nigeria*

Tessy Vásquez Baos, *International Monetary Fund*

Tidhar Wald, *Better Than Cash Alliance*

Trung Dung, *iCare Benefits*

Victoria Kao, *United States Department of Commerce*

We would also like to recognize the contributions of the Brookings team, including Eric Abalahin, Ashley Bennett, Robert Brier, George Burroughs, Anna Goodbaum, Robin Lewis, Nick McClellan, Yohann Paris, Jessica Pavone, Elizabeth Sablich, Lauren Shaw, Beth Stone, Tracy Viselli, Rebecca Viser, and Cameron Zotter. Our thanks go to co-author Robin Lewis for research support and project management for FDIP. We are also grateful for the efforts of Neal Cox and Jennifer Kaczor of the MillerCox Design team for layout and production of the FDIP report.

The Brookings Institution is a nonprofit organization devoted to independent research and policy solutions. Its mission is to conduct high-quality, independent research and, based on that research, to provide innovative, practical recommendations for policymakers and the public. The conclusions and recommendations of any Brookings publication are solely those of its author(s), and do not reflect the views of the Institution, its management, or its other scholars.

This publication is based on research funded by the Bill & Melinda Gates Foundation. The findings, methodology, conclusions, and recommendations contained within are those of the authors and do not necessarily reflect positions or policies of the Bill & Melinda Gates Foundation.

Brookings recognizes that the value it provides is in its absolute commitment to quality, independence, and impact. Activities supported by its donors reflect this commitment.

John D. Villasenor and Darrell M. West

Co-Directors, Brookings Financial and Digital Inclusion Project (FDIP)

ABOUT THE AUTHORS



John D. Villasenor

John D. Villasenor is a nonresident senior fellow in Governance Studies and the Center for Technology Innovation at Brookings. Along with Darrell West, he serves as co-director of the Brookings Financial and Digital Inclusion Project. He is also a professor of electrical engineering, public policy, and management at UCLA. He has worked on digital technologies for over two decades, and recently led the development of a mobile money smartphone app. He is the author of “Smartphones for the Unbanked: How Mobile Money Will Drive Digital Inclusion in Developing Countries,” which discusses the growing impact of smartphones on financial and digital inclusion.



Darrell M. West

Darrell M. West is vice president and director of Governance Studies and founding director of the Center for Technology Innovation at Brookings. Along with John Villasenor, he serves as co-director of the Brookings Financial and Digital Inclusion Project. He is the author of *Going Mobile: How Wireless Technology is Reshaping Our Lives* and *Digital Government: Technology and Public Sector Performance*. He has undertaken work on digital and mobile innovation in China, India, Indonesia, Nigeria, Turkey, and the United States.



Robin J. Lewis

Robin J. Lewis is a research analyst and associate fellow with the Center for Technology Innovation in the Governance Studies program at Brookings. She holds an MSc in comparative politics, with a specialization in conflict studies, from the London School of Economics and Political Science and a B.A. in political science from Furman University.

The authors can be reached at FDIPComments@brookings.edu.





B | Center for
Technology Innovation
at BROOKINGS

BROOKINGS
1775 Massachusetts Avenue, NW
Washington, DC 20036
202-797-6000
www.brookings.edu/FDIP