PROVISIONAL PROGRAMME

The**Asia-Pacific Regional Forum for Telecommunication/ICT and Financial Regulators on Digital Financial Inclusion**

26 August 2015
Kuala Lumpur, Malaysia

**Supported by:**

Ministry of Communications and Multimedia, Malaysia

Department of Communications, Government of Australia

Gates Foundation

**Organized by the Malaysian Communications and Multimedia Commission and International Telecommunication Union**

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|  **ITU logo.jpg**  | The Asia-Pacific Regional Forum for Telecommunication/ICT and Financial Regulators on Digital Financial Inclusion |  |
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| 26 August 2015Kuala Lumpur, Malaysia |

1 **BACKGROUND**

Information and Communication Technologies (ICTs) have an immense impact on virtually all aspects of our lives. ICT has become a significant factor for economic and social development in all countries around the world. The rapid progress of these technologies creates new opportunities to attain higher levels of development. The capacity of ICTs to reduce many traditional obstacles, especially those of time, distance and financial status makes it possible to use the potential of these technologies for the benefit of millions of people in all corners of the world. Under favourable conditions, these technologies can be a powerful instrument, increasing productivity, generating economic growth, job creation and employability and improving the quality of life of all.

Unfortunately, the benefits of the information technology revolution are today unevenly distributed between the developed and developing countries and within societies. World leaders at the World Summit Information Society (WSIS) committed to turning this digital divide into a digital opportunity for all, particularly for those who risk being left behind and being further marginalized.

**The Financially Excluded**

Globally, more than 2.5 billion adults, mostly in developing economies, are considered “financially excluded” as they do not access to basic financial services such as formal bank account at a financial institution and operate almost entirely in cash.

Lack or limited access to financial services represents a barrier to socio-economic development in particular for developing countries. Mobile money can be a game changer for people of limited income and an enabler for financial inclusion in developing countries. The recent growth of digital financial services has allowed millions of people who are otherwise excluded from the formal financial system to perform financial transactions relatively cheaply, securely, and reliably.

Financial inclusion is a must in a digital world as it allows access to all aspects of the digital economy (payment, education, health, etc.). Its overarching and cross-cutting nature has been recognized by leaders of the G20 Summit in Seoul who included it as one of the main pillars for the global development agenda.

Achieving financial inclusion would require commitments and engagement from political leaders, regulators, the private sector and other stakeholders from various sectors.

In this connection and in commemoration of the ITU’s 150th anniversary, the International Telecommunication Union, the Ministry of Communications and Multimedia of Malaysia and the Malaysian Communications and Multimedia Commission are jointly organizing the “Asia-Pacific Regional Forum for Telecommunication/ICT and Financial Regulators on Digital Financial Inclusion” to be held in Kuala Lumpur, Malaysia on 26 August 2015. The Forum is in line with the ITU’s August anniversary theme: 'Innovation to Bridge the Digital Divide'.

**2 Objectives**

Asia-Pacific Regional Forum for Telecommunication/ICT and Financial Regulators on Digital Financial Inclusion will be organized immediately after the ITU-MCMC Asia-Pacific Regulators Roundtable where respective regulators from the telecommunication/ICT and financial/banking sectors, together with relevant service providers and stakeholders will be invited to participate in said Forum.

The Forum will contribute to ongoing global activities related to ensuring that people who are “financially excluded”, including people with the lowest incomes are targeted by efforts to bridge the digital divide.

Specific objectives of the Forum are to:

(i) Provide a platform where financial and telecommunication regulators would discuss and address current and emerging opportunities, issues and challenges related to digital financial services, share their specialized knowledge and experience and analyze ways in which they can cooperate to promote these services in their respective countries.

(ii) Support financial and telecommunication regulators to understand the current state of digital financial services, to clarify/define their roles and responsibilities, discuss possible regulatory approach to best fit the market context (to avoid overlap or gap).

(iii) Establish liaisons and relationships with other relevant organizations which could contribute to the promotion of reliable, safe and affordable digital financial services

(iv) Plan for a regular regional platform for promoting continuing dialogue and longer term cooperation.

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| 26 August 2015 |
| **08:30−09:00** | **Registration**  |
| **09:00−09:20** | **Opening Session****Welcome Remarks by MCMC****Opening Address by ITU** **Address by the Alliance for Financial Inclusion (AFI)** |
| **09:20 – 09:30** |  **GROUP PHOTO** |
| **09:30 – 10:45** | **Bridging the digital divide: Targeting the “financially excluded”**Ensuring full digital financial inclusion is of utmost importance in a digital world where more people have a mobile phone than a bank account. Reducing not only the digital divide but also the financial/banking divide will empower the population with the lowest income to be part of the digital society and ultimately foster socio and economic growth. Different digital and mobile banking ecosystems and models have been developed, following different regulatory and policy approaches leading to various experiences and degrees of successes. Learning from these experiences, the regulatory frameworks in place, the various roles of financial and ICT regulators and the views of the market players will help shape the discussions on means to achieve digital financial inclusion.* Regulatory environment for digital financial services
* Bank-Led and/or non-bank-led (operator and third party) approaches
* Roles of financial regulators (central banks) and ICT regulators: How to build synergies at the national level?

Speakers:* Mr. Sacha Polverini, Senior Programme Officer, Gates Foundation
* Mr. Nachiket Mor, Board Chair, CARE India

**Open Discussion follows.** |
| **10:45 − 12:00** |  **Performing digital financial transactions relatively cheaply, securely, and reliably*** What kinds of digital financial services are available? Sending and receiving payments, micro-credits and loans, international remittances, etc
* Technology trends in digital financial services over the coming years and how the role of various stakeholders in this ecosystem will evolve
* Promoting safe and secure payments
* Interoperability

Speakers:* Mr. Justin Ho, VP and Head of Products / Solutions for MFS, Amdocs
* Ms. Lara Gidvani, Regulatory Specialist, GSMA Mobile Money

**Open Discussion follows** |
| **12:00 – 12:20** | **Issues, Challenges and Opportunities: SETTING IT RIGHT**This Session will provide participants with opportunities to hold concluding discussions on forward looking approaches to strengthen national and regional collaboration on digital financial inclusion. |
| **12:20 – 12:30** | **Closing Session**  |