



Money goes mobile: Committed to banking the unbanked

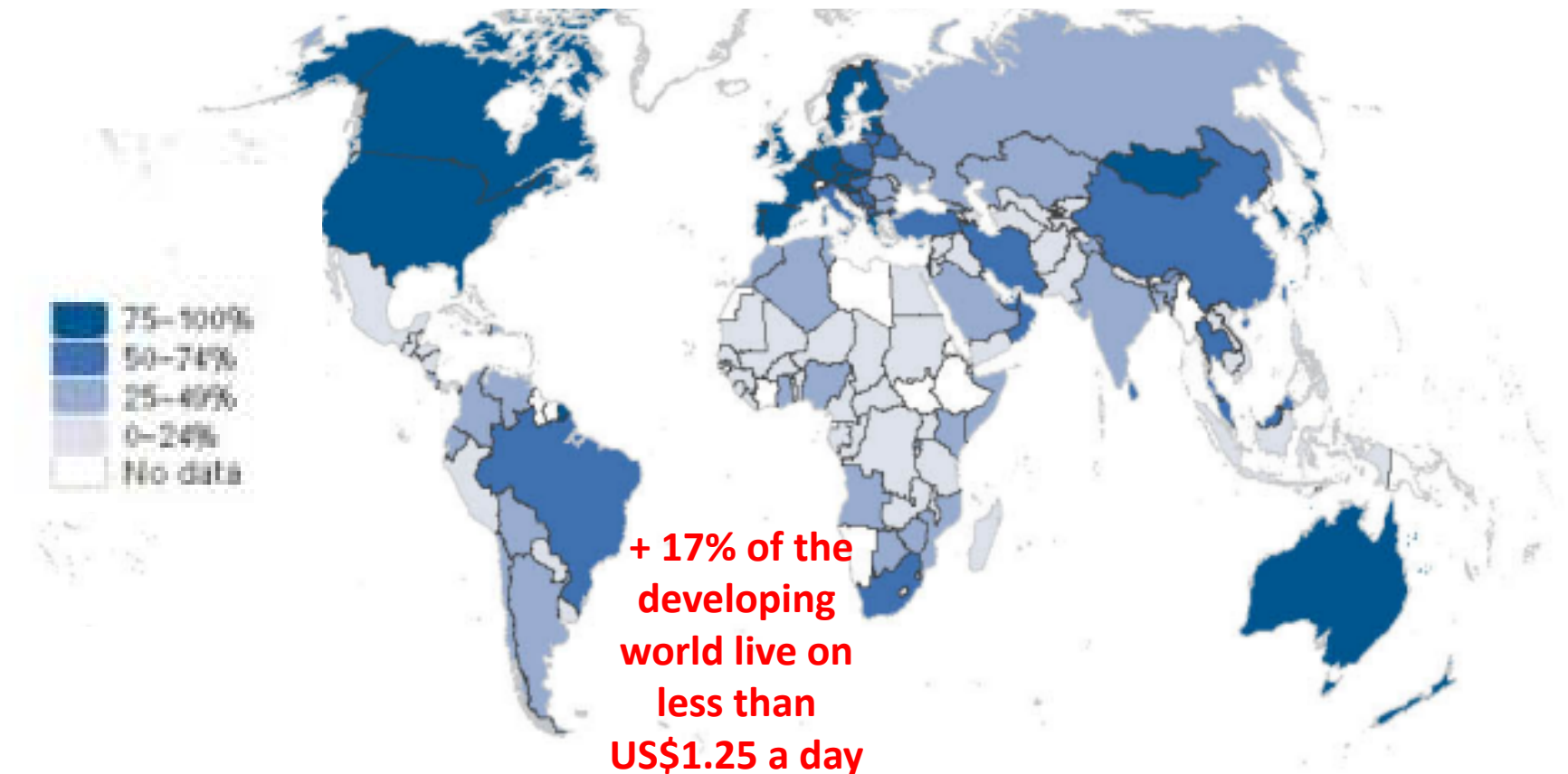


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Financial 'exclusion' is a reality in many parts of the world

% Adults using a bank account in a typical month

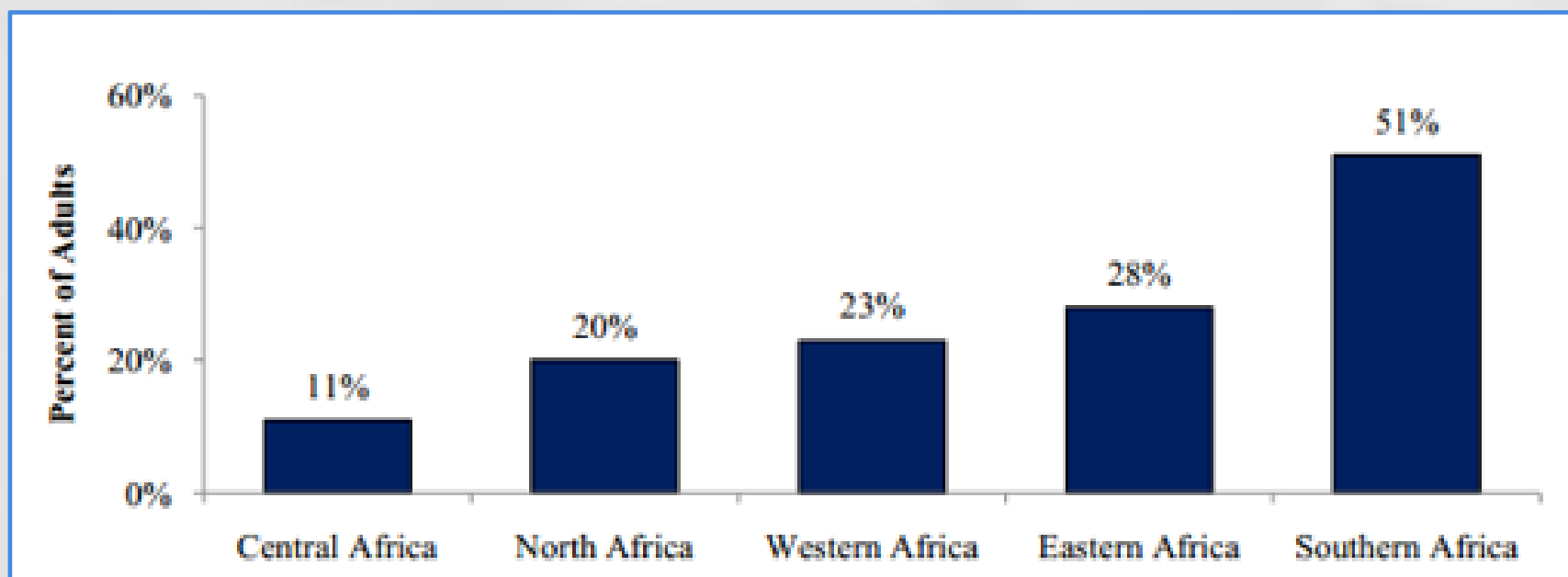


Source: Global Financial Inclusion (Global Findex) Database, World Bank, Washington, DC, <http://www.worldbank.org/globalfindex>.


Note: Percentage of adults (age 15 years or older) depositing to or withdrawing from an account with a formal financial institution at least once in a typical month.

Regional Data

Percentage of adults with a bank account - Africa



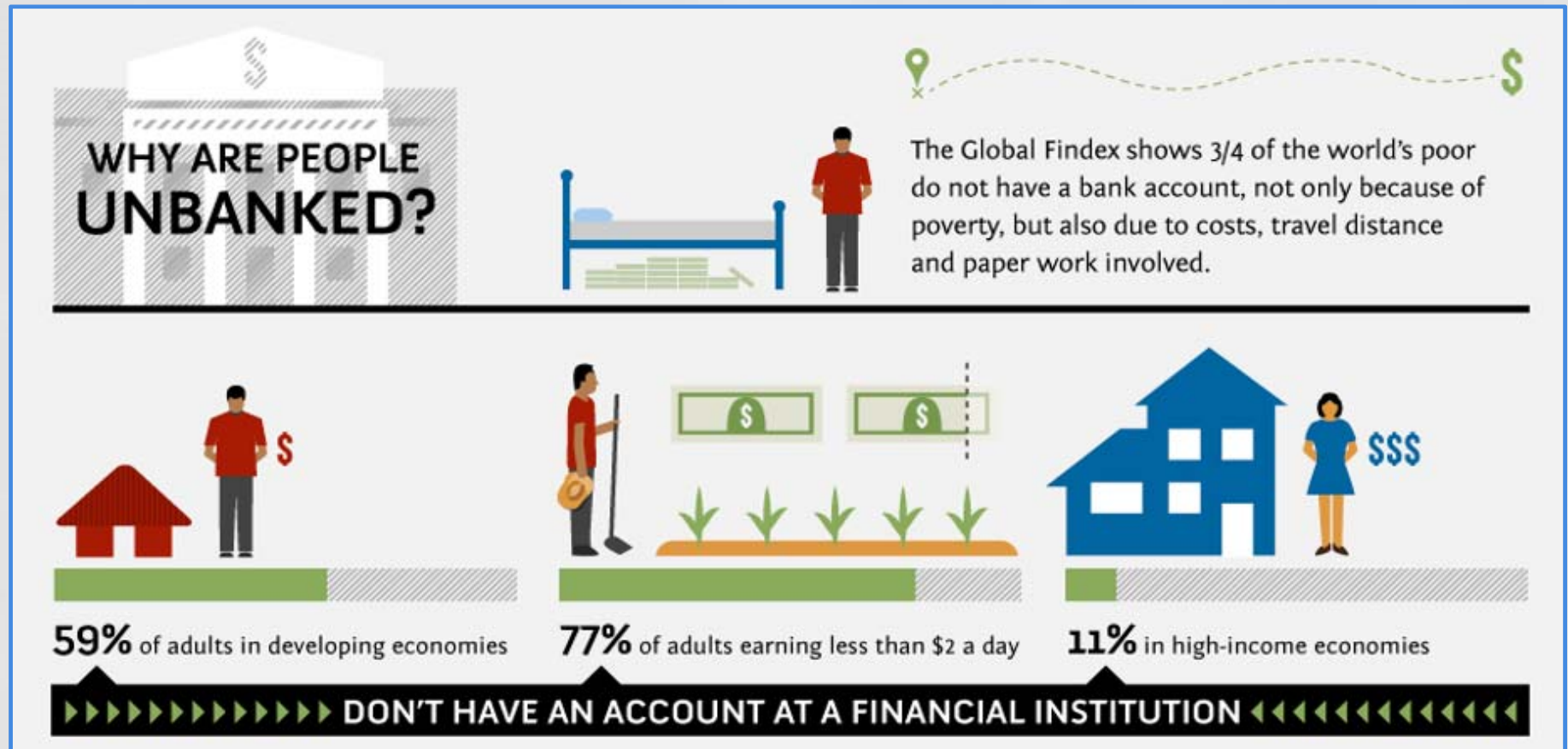
Source: Demirguc-Kunt and Klapper, 2012



Low levels of financial inclusion
are a barrier
to socio-economic
development – and exacerbate
poverty and social exclusion

UNDP

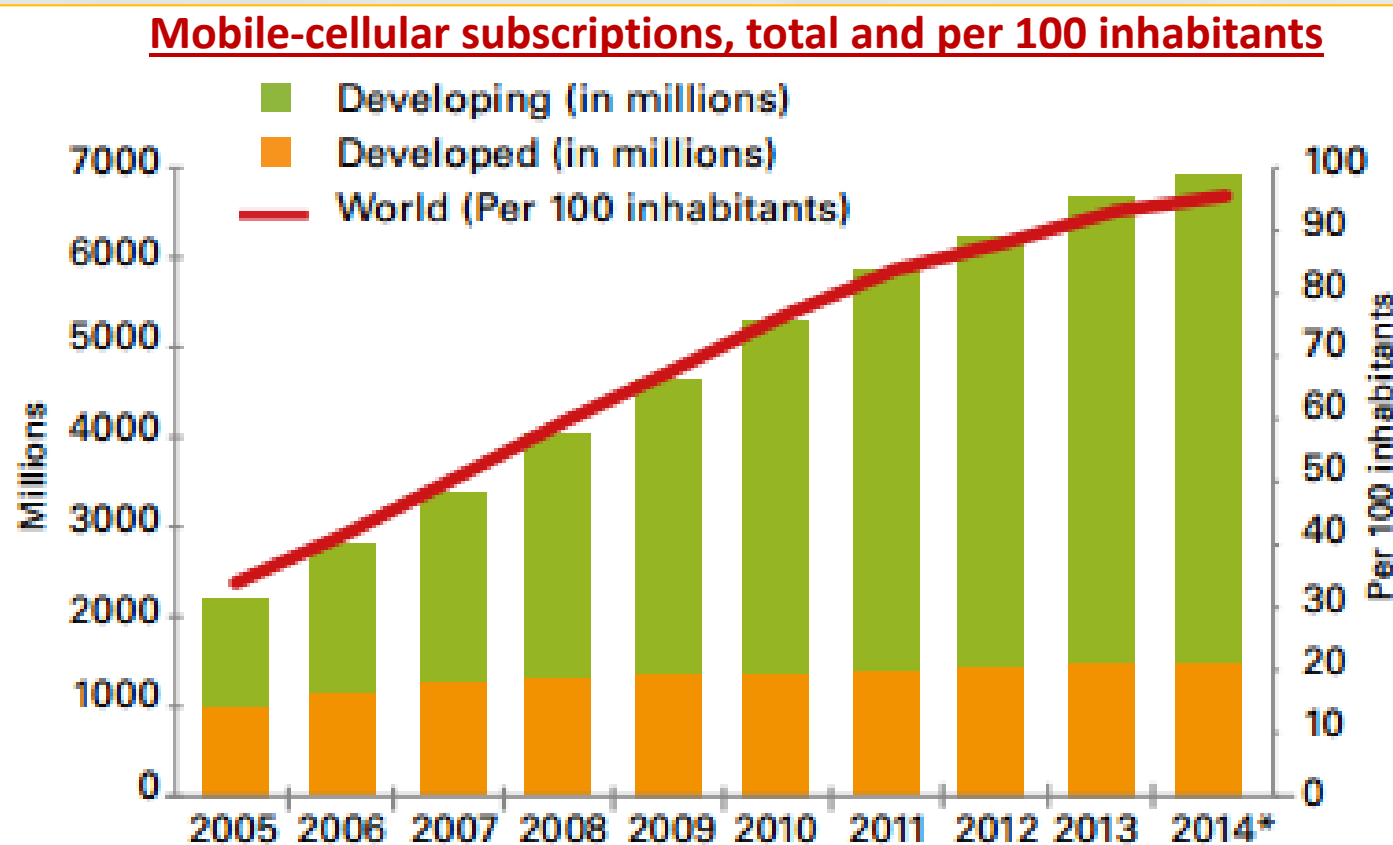
Who doesn't have an account & Why?



55% of borrowers in developing economies use only informal sources of credit

At the same time, there's a mobile revolution in the developing world:

Reaching 78% of world's total in 2014



Note: * Estimate

Source: ITU World Telecommunication/ICT Indicators database

LEVERAGING THE MOBILE REVOLUTION

Although 59% of adults in developing countries don't have formal bank account, most of them do have a mobile phone

**Today, 43% of Kenya's GDP
flows through its mobile
banking service
M-Pesa!**

Albany Associates

The mobile money race

By 2017, global mobile payment transactions are expected to quadruple to \$1.3 trillion annually* Juniper Research

And there are many contenders...



Mobile Operators

Tech companies

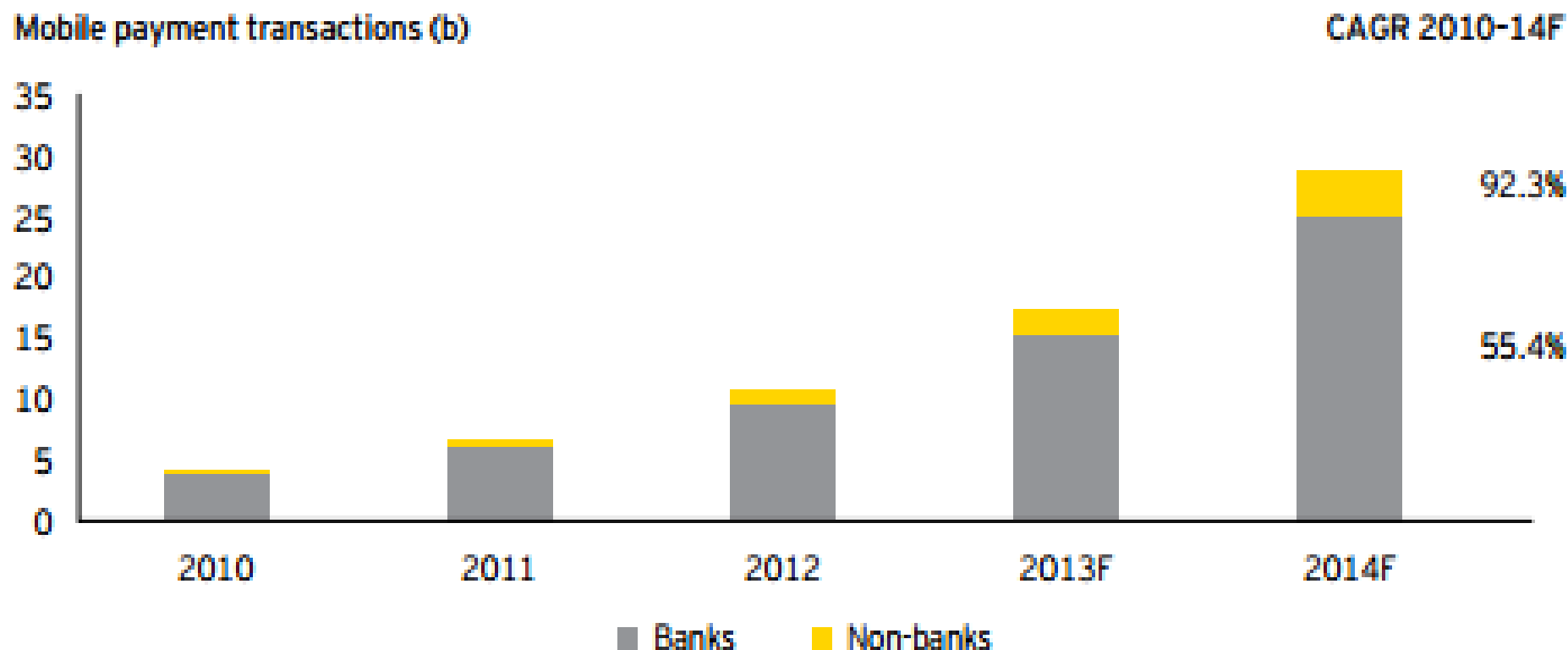
Retailers

Credit Card Companies

Banks

Traditional & non-traditional players...

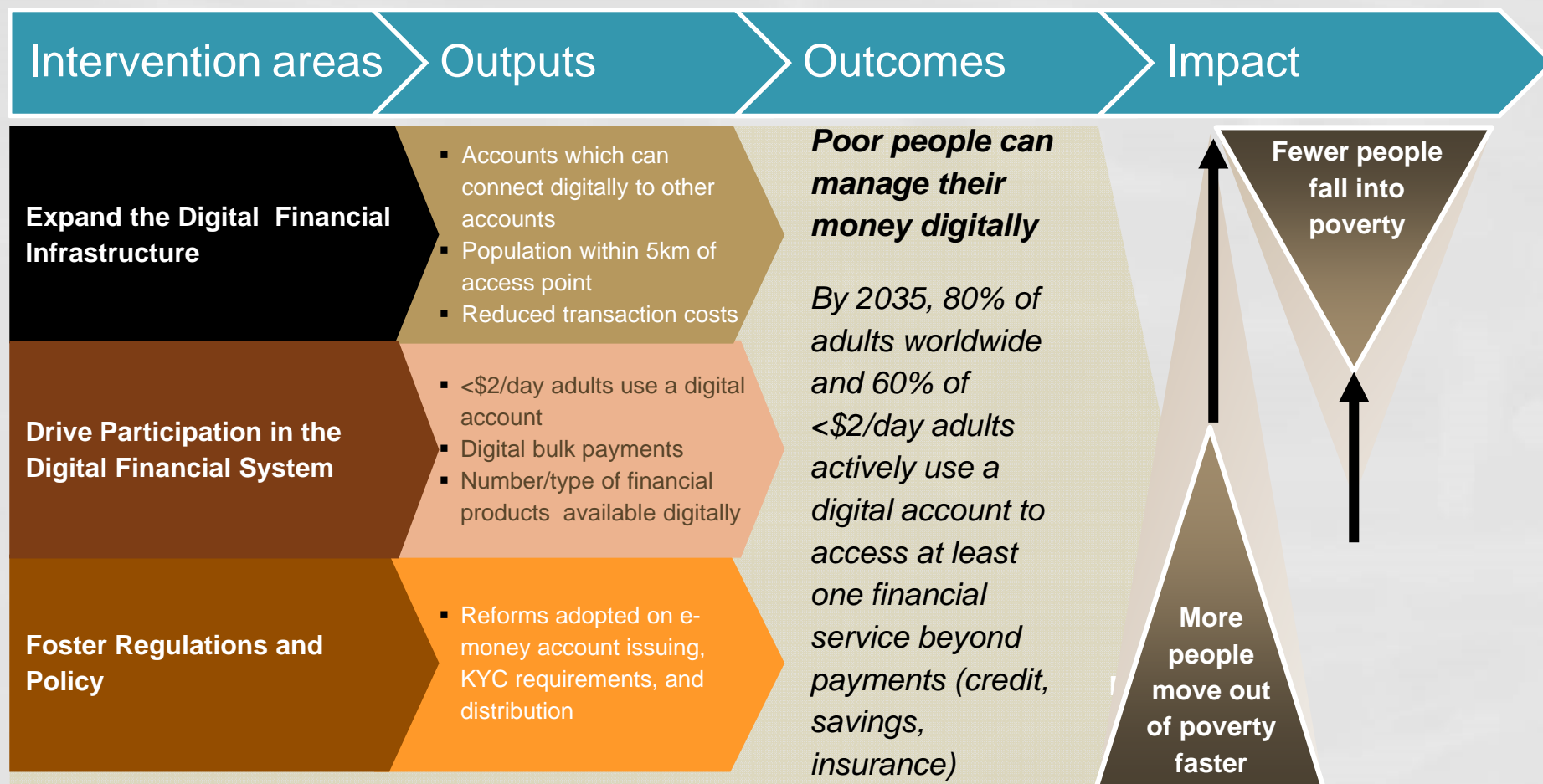
Annual global m-payment transactions



Source: "World Payments Report 2012," RBS/Capgemini, October 2013.



The theory of change: Financial Services for Inclusion



Graphic Source: © Bill and Melinda Gates Foundation

So let's do it

- Increase the ability of people to visualize + realize opportunities to generate income
- Reduce the amount of time and money needed for financial transactions in the developing world, esp. for the poor



Digital and Financial Connectivity generates Positive + Tangible macro-economic effects!

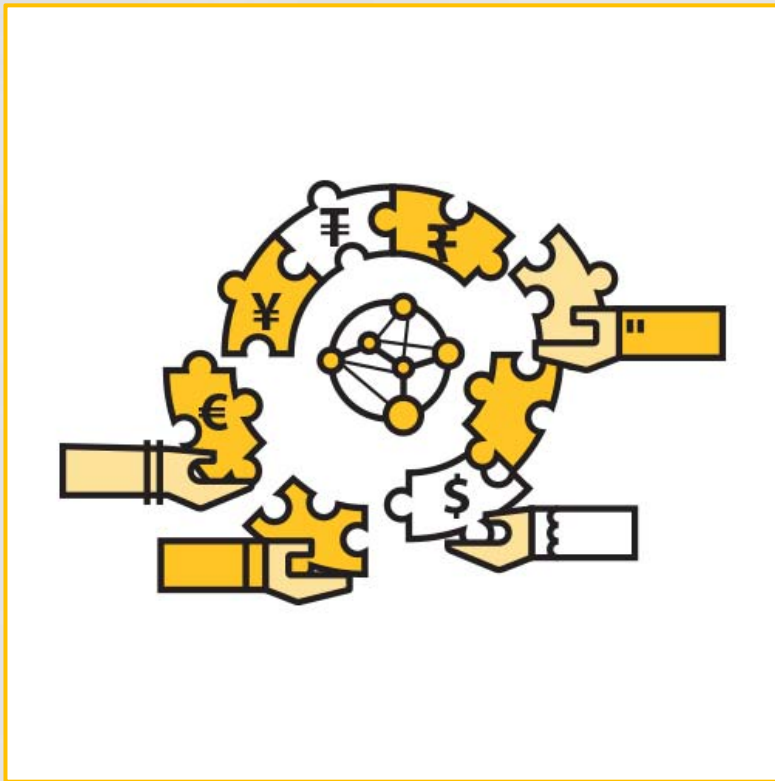
Key barriers to overcome

- Lack of global ICT standards in this area
- Lack of interoperability
- Non-uniform regulatory framework across countries

So: what is needed is a global platform for dialogue between regulators and operators from ICT + financial service industries



Dialogue between ICT & Financial Services Regulators is vital, e.g. on:



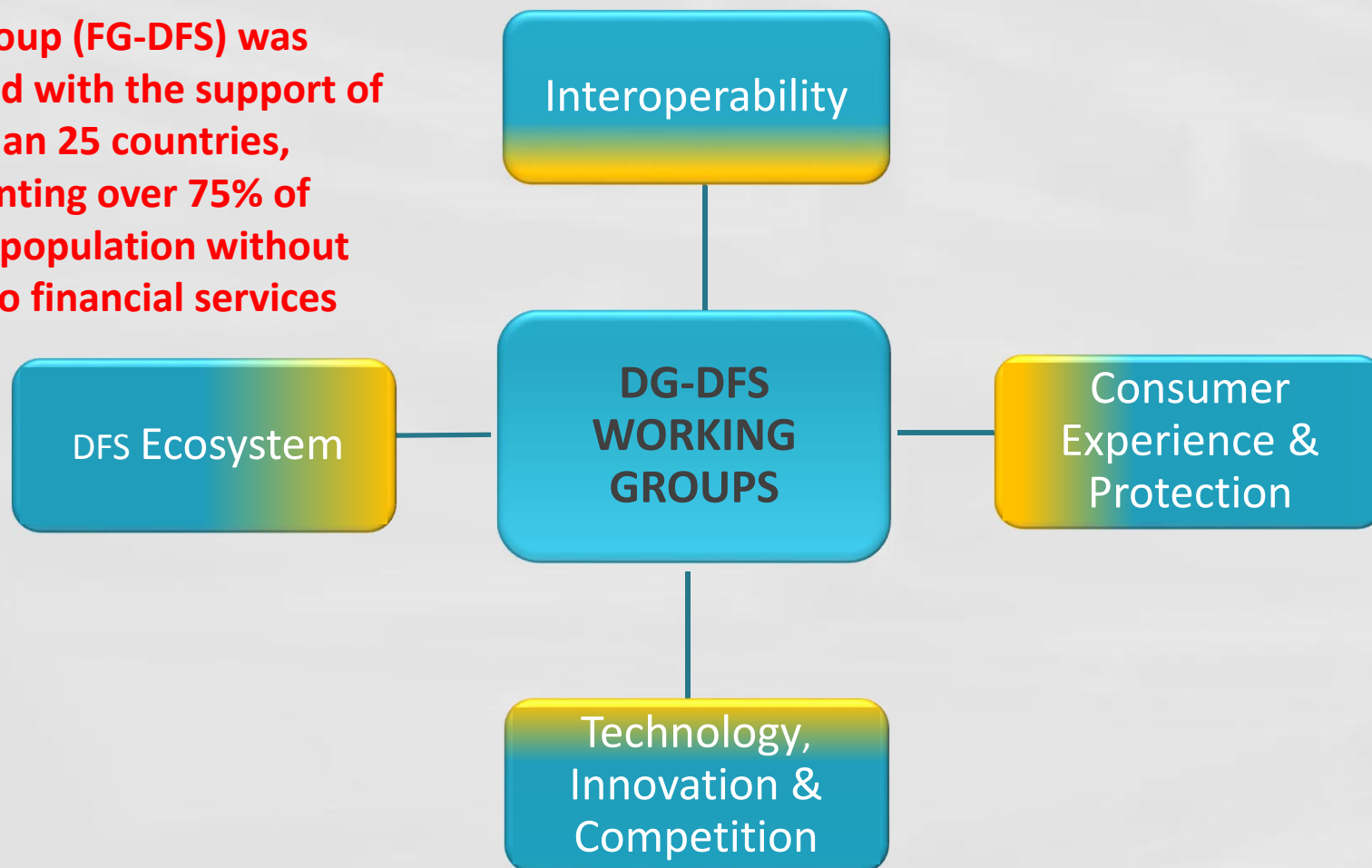
- Consumer Protection
- Best practices to encourage competition
- Quality of service of the mobile networks used
- Interoperability
- Distribution networks
- Data Security
-

Enter ITU's Focus Group on Digital Financial Services (FG-DFS): June 2014

- Mission: To develop a “standardization roadmap for inter-operable digital financial services for financial inclusion”. From the [Terms of Reference](#) of the FG:
 - Describe the ecosystem for digital financial services
 - Identify the technology trends in digital financial services
 - Work towards the creation of an enabling framework
 - Identify successful use cases
 - Study best practices re: policies, regulatory frameworks, fraud, consumer protection, business models...
- Chair: S. Polverini, Bill & Melinda Gates Foundation

Working Groups established at first meeting of Group on 5 December 2014*:

***The group (FG-DFS) was launched with the support of more than 25 countries, representing over 75% of world's population without access to financial services**



ITU-T FG Digital Financial Services is meeting this week

- **Next meeting is currently being held from 21-22 April 2015, at The World Bank (Washington DC)**
- The Working Groups met **20th April 2015** at Bill & Melinda Gates Foundation Office, Washington DC
- The idea is for meetings to be held in different regions
- To keep up to date, subscribe to the mailing list fgdfs@lists.itu.int
- And check out the website at <http://www.itu.int/en/ITU-T/focusgroups/dfs/Pages/default.aspx>
- Next meeting: tentatively scheduled for September 2015

Survey

The ITU Focus Group on Digital Financial Services is undertaking an online survey of ICT regulators as part of its work. This online survey aims to investigate the current policy, regulatory and collaborative tools in place at the level of ICT regulators for digital financial services. The information will be compiled for the work of the Focus Group Digital Financial Services and the results will be shared and discussed in the focus group meetings.

The online survey can be accessed here: <https://extranet.itu.int/ITU-T/surveys/Lists/DFS-Survey/overview.aspx>

The deadline for the survey is 5th May 2015.

Information on FG-DFS Mailing Lists

Focus Group Digital Financial Services:

fgdfs@lists.itu.int

Working Group Mailing Lists

- DFS Ecosystem:
dfseco@lists.itu.int
- Consumer Experience & Protection:
dfscep@lists.itu.int
- Interoperability:
dfsinterop@lists.itu.int
- Technology, Innovation & Competition:
dfstic@lists.itu.int



Gates Foundation



Let's empower the future !



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Muchas Gracias Merci

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