



Money goes mobile: Committed to banking the unbanked

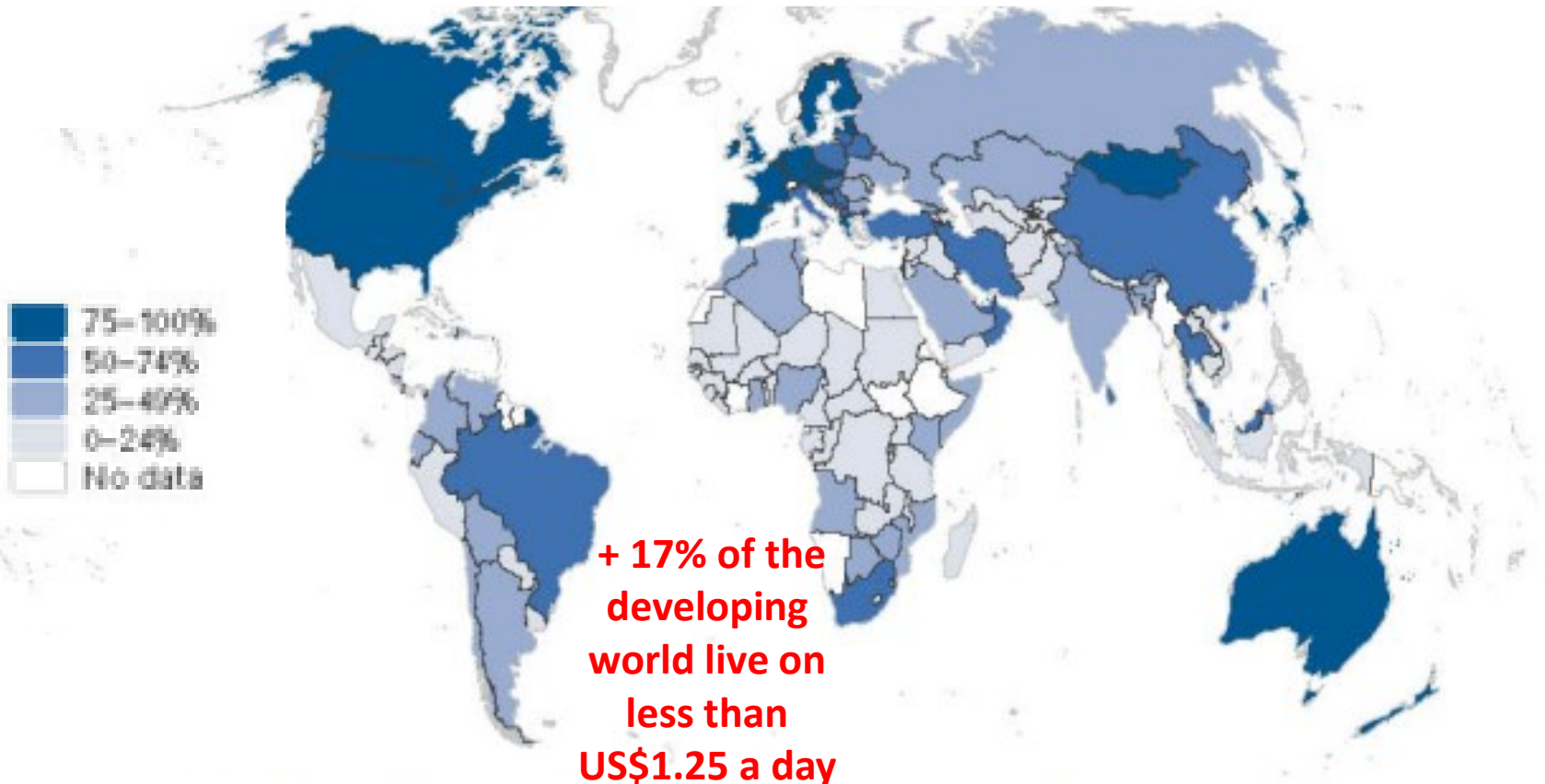


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Financial 'exclusion' is a reality in many parts of the world

% Adults using a bank account in a typical month

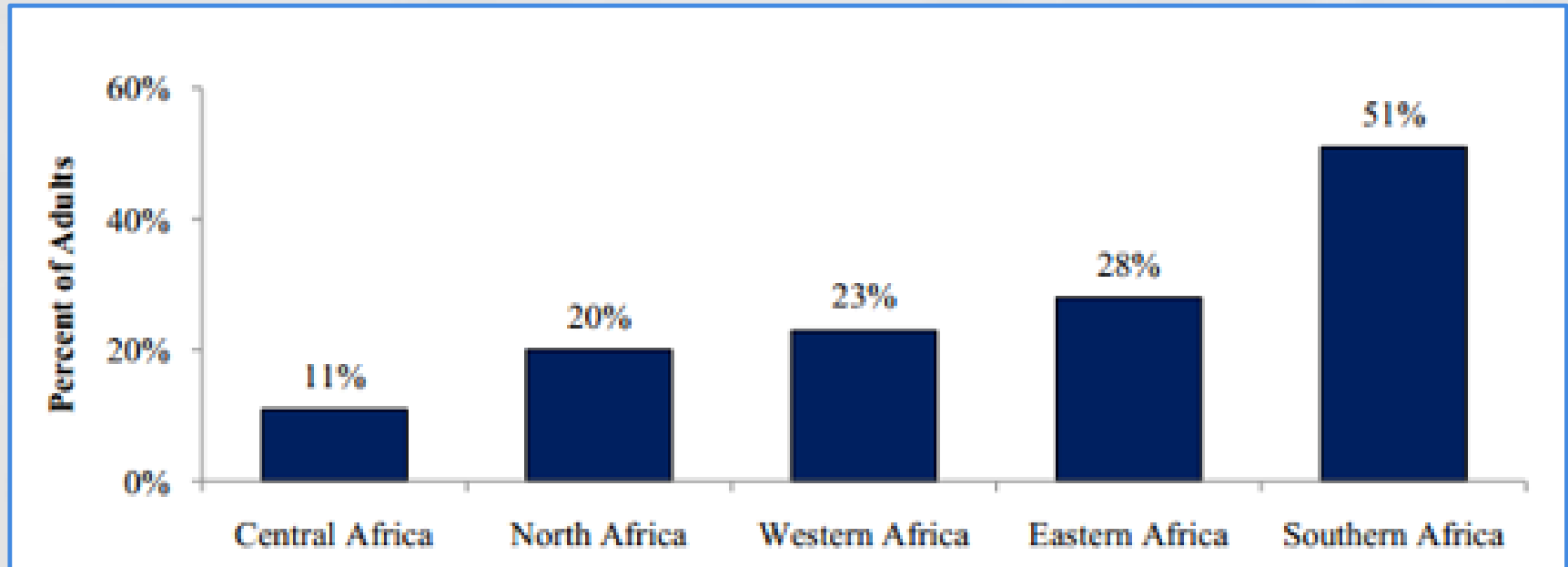


Source: Global Financial Inclusion (Global Findex) Database, World Bank, Washington, DC, <http://www.worldbank.org/globalfindex>.

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

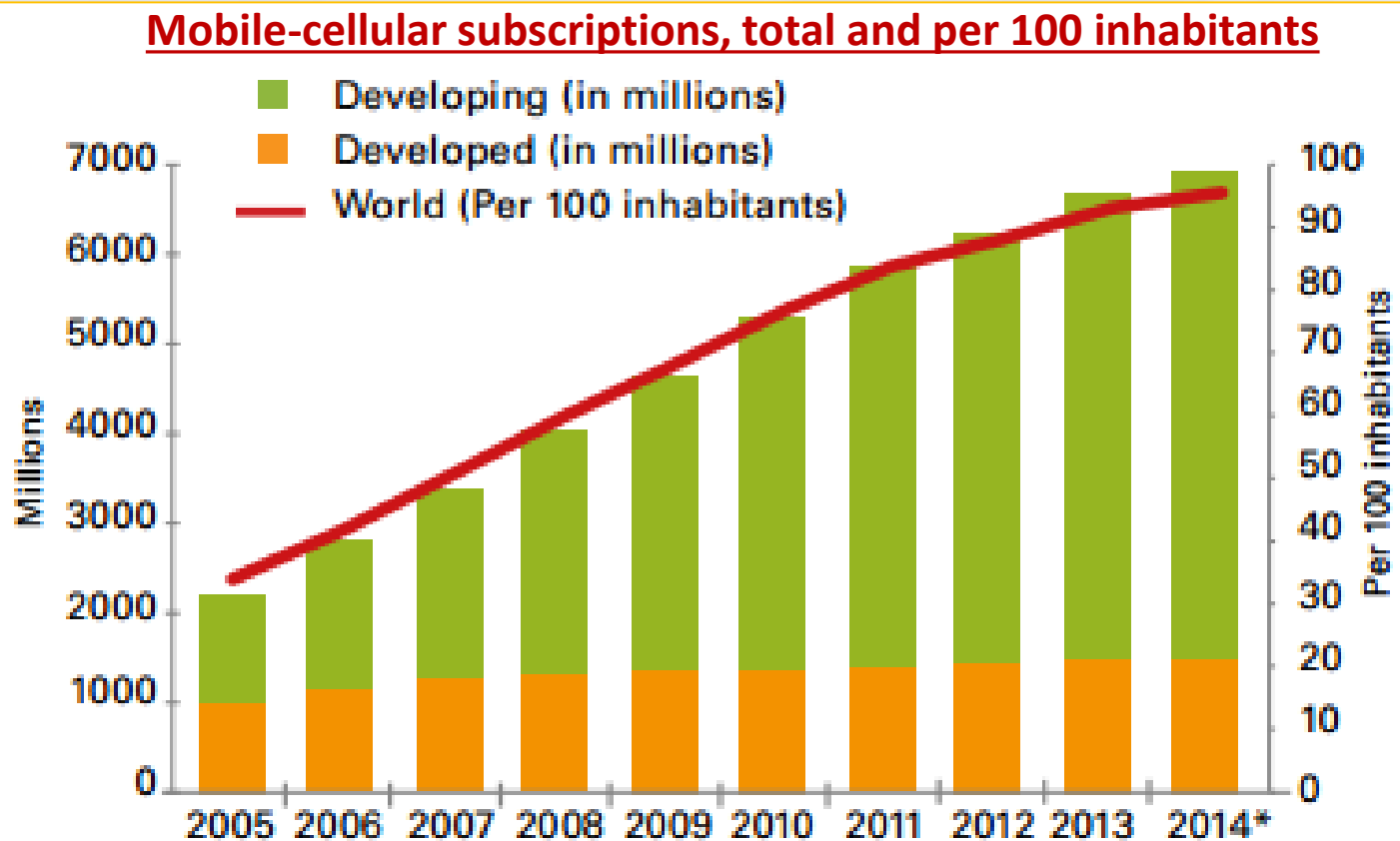
Who doesn't have an account & Why?



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

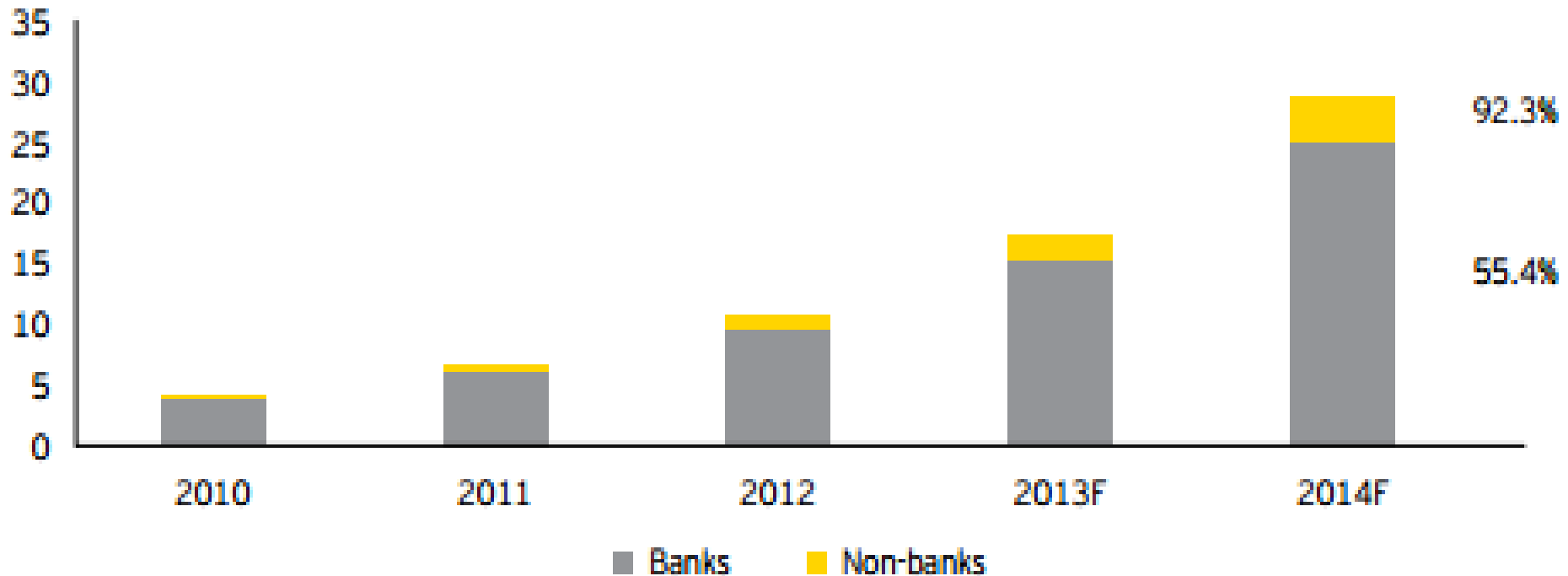
Banks

Traditional & non-traditional players...

Annual global m-payment transactions

Mobile payment transactions (b)

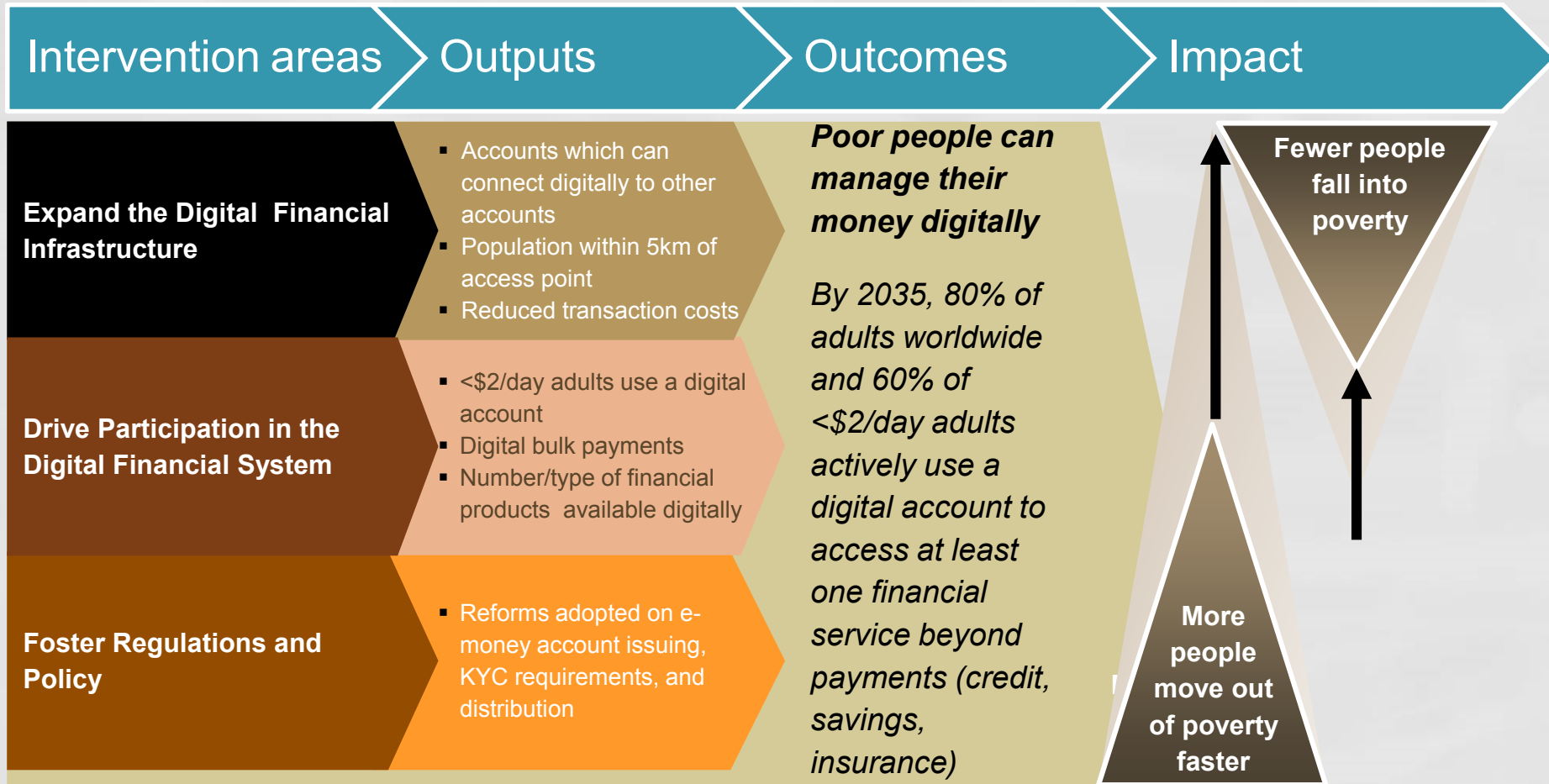
CAGR 2010-14F



Source: "World Payments Report 2012," RBS/Cappgemini, 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

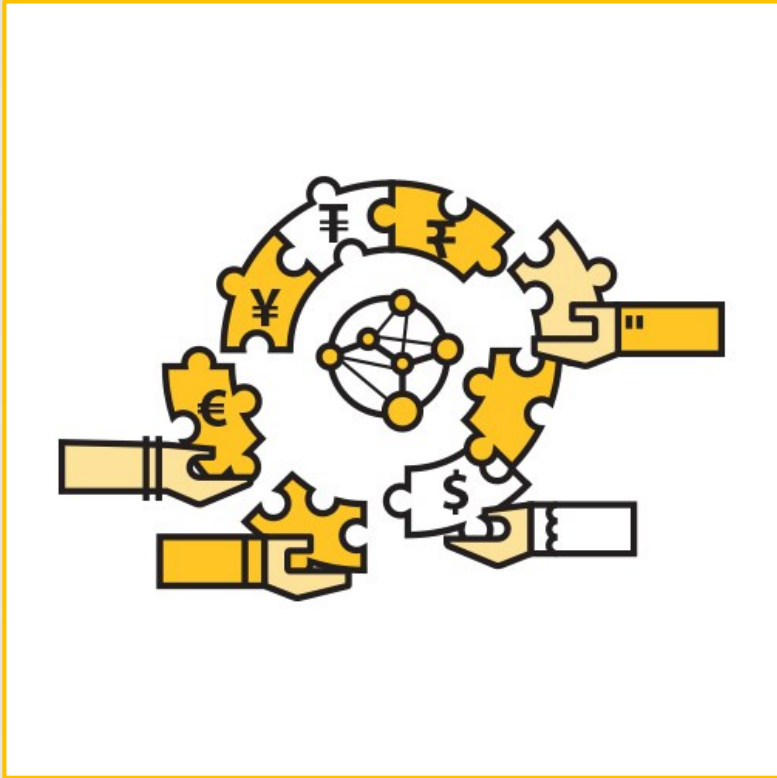
- Lack of global ICT standards in this area
- Lack of interoperability
- Non-uniform regulatory framework across countries

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



Gates Foundation

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



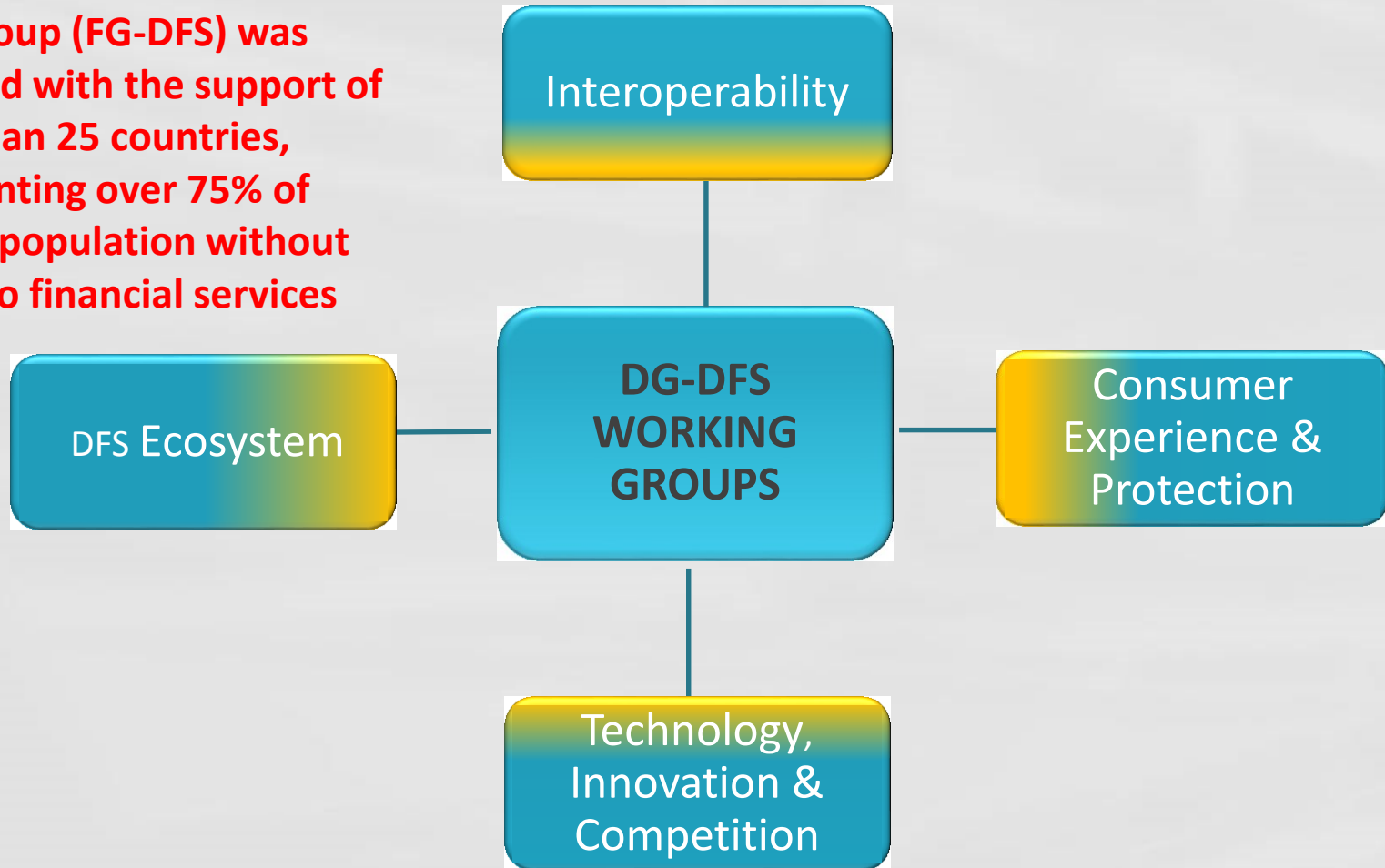
- Consumer Protection
- Best practices to encourage competition
- Quality of service of the mobile networks used
- Interoperability
- Distribution networks
- Data Security
-

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**



Next up for ITU-T FG Digital Fin. Services

- **Next meeting will be held from 21-22 April 2015, at The World Bank (Washington DC)**
- The Working Groups will meet on **20th April 2015** at Bill & Melinda Gates Foundation Office, Washington DC
 - Meetings will be held back to back with Task Force on Payment Aspects of Financial Inclusion (PAFI)
- 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>
- For more info, contact FG DFS Coordinator at Vijay.Mauree@itu.int

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





Let's empower the future !



Obrigado
Thank you
Merci

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