
2017 Financial Inclusion Action Plan

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GPI

Global Partnership
for Financial Inclusion

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List of Abbreviations and Acronyms

AAAA	Addis Ababa Action Agenda
2030 Agenda	2030 Agenda for Sustainable Development
AFI	Alliance for Financial Inclusion
AML/CFT	Anti-money laundering / Combating the financing of terrorism
APEC	Asia-Pacific Economic Cooperation
B20, W20, T20, Y20, L20, C20	G20 engagement groups: business20, women20, think20, youth20, labor20, civil20
BTCA	Better than Cash Alliance
CGAP	Consultative Group to Assist the Poor
GPFI	G20 Global Partnership for Financial Inclusion
CYFI	Child & Youth Finance International
FCPFL	Financial Consumer Protection and Financial Literacy
FDPs	Forcibly Displaced Persons
FIAP	G20 Financial Inclusion Action Plan
FinTech	Financial technology
G20	Group of 20
HLPs	G20 High-Level Principles for Digital Financial Inclusion
IAIS	International Association of Insurance Supervisors
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IMF	International Monetary Fund
INFE	International Network on Financial Education
MPSS	Markets and Payment Systems Subgroup
MSMEs	Micro, Small and Medium Enterprises
MTO	Money Transfer Operator
OECD	Organization for Economic Co-operation and Development
SDGs	Sustainable Development Goals
SME	Small and Medium Enterprises
SSBs	Standard-Setting Bodies
UNHCR	The United Nations High Commissioner for Refugees
UNRWA	The United Nations Relief and Works Agency
WBG	World Bank Group

Foreword G20 Financial Inclusion Action Plan (FIAP) 2017

Her Majesty Queen Máxima of the Netherlands, UN Secretary-General's Special Advocate for Inclusive Finance for Development and Honorary Patron of the G20 GPFI

The G20 Financial Inclusion Action Plan (FIAP) is one of the most important guiding documents for the financial inclusion movement. I congratulate the G20 Global Partnership for Financial Inclusion for this new edition, which provides vital recommendations for countries in the G20 and beyond as they move rapidly to expand affordable, effective, and safe financial services to the two billion people and 200 million businesses that remain excluded from the financial system.

This 2017 G20 FIAP reflects the GPFI's changing priorities and suggestions for driving far-reaching progress, and I very much concur with the four action areas laid out here. Indeed these priorities are directly reflected in my renewed mandate as the Secretary-General's Special Advocate.

Since the last G20 FIAP, 193 countries at the UN adopted the 2030 Agenda for Sustainable Development, an agreement that recognizes the vital role of financial inclusion in reaching many of its most important goals, including eliminating poverty, hunger, and gender inequality, and building economic growth. The G20 has affirmed its commitment to the 2030 Agenda, and the G20 FIAP identifies it as one of the key drivers for progress on financial inclusion.

The 2017 G20 FIAP also calls for stronger attention to the poor and vulnerable, and places a much-needed emphasis—which I greatly support—on effective *usage* of financial services as a crucial step beyond access. Combined with its ongoing focus on digital innovation and a call to mainstream financial inclusion in the agenda of the broader financial sector, the new G20 FIAP presents us with a thoughtful and powerful action plan.

Financial inclusion has made impressive headway in the last few years, but we have to question whether we're advancing fast enough. Implementing the G20 FIAP suggestions will be crucial for progress. Measuring country gains is a necessary step, one that will allow us to showcase countries that have made strides and determine what they have done that could be adopted by others. We could also learn much from countries that have implemented GPFI's High-Level Principles on Digital Financial Inclusion and its Action Plan on SME Finance. In addition, countries that are making progress could be encouraged to develop mentoring relationships with others.

These and other steps can help strengthen the implementation that will be decisive for creating real change. *All* countries should work together to tackle this challenge. Our commitment, insight, and hard work must be yoked to strong action if we expect to improve lives.

Executive Summary

The G20's commitment to expand financial services has underpinned internationally recognized efforts to advance financial inclusion. This undertaking is embodied in the Global Partnership for Financial Inclusion (GPII). The GPII, created in 2010 at the Seoul G20 Summit, is committed to advancing financial inclusion globally by increasing access to, as well as usage of, sustainable formal financial services, thereby expanding opportunities for underserved and excluded households and enterprises.

The GPII's primary focus, the implementation of the G20 Financial Inclusion Action Plan (FIAP), is carried forward by its four Subgroups: (1) SME Finance, (2) Regulation and Standard-Setting Bodies, (3) Financial Consumer Protection and Financial Literacy, and (4) Markets and Payment Systems.

The 2017 G20 FIAP—a revision of the earlier 2010 and 2014 editions—reaffirms the G20 Leaders' commitment to advance financial inclusion benefiting all countries and all people, including in particular underserved groups (such as the poor, women, youth, and people living in remote rural areas) and vulnerable groups (which include elderly people, migrants, forcibly displaced persons).

Under this revised G20 FIAP, the GPII identifies four key drivers that will set the stage for continuing the progress in achieving financial inclusion: (1) recognition of the 2030 Agenda for Sustainable Development as the overarching framework for sustainable development globally; (2) the rapid development and penetration of digital innovations; (3) increased attention to the importance of responsible access and usage of financial services to the poor, strengthening the focus on underserved and vulnerable groups; and (4) the mainstreaming of financial inclusion alongside other financial sector development goals of stability, integrity and consumer protection.

This updated G20 FIAP covers three components, each with elements that GPII members consider to be of highest priority: (a) overarching GPII objectives (see page 12); (b) action areas covering the work of the four GPII Subgroups (see page 13); and (c) a set of cross-cutting issues across the Subgroups (see page 14).

The GPII commits to align and support the 2030 Agenda, reaffirming its transformative character. In this context, this 2017 G20 FIAP supports the implementation of a set of SDGs of relevance to financial inclusion (see page 14).

The G20 FIAP accountability mechanism is provided in the form of its results framework, a tool to keep GPII leadership, members, and Implementing Partners focused on targeted measures to implement the 2017 G20 FIAP. Aligning this accountability mechanism with the 2030 Agenda will help the GPII to better communicate GPII achievements to the G20 and beyond, optimize the GPII's value, and ensure continuity from G20 Presidency to Presidency.

I. Introduction

There is an increasing recognition of financial inclusion¹ as a global priority, capable of bolstering sustainable, balanced, inclusive economic growth at the macro level and promoting economic and social inclusion at the household and enterprise level, especially among financially excluded and underserved populations.

Building on a steady expansion over the past years, financial inclusion has become a key enabler to achieving sustainable development as envisioned in the *2030 Agenda for Sustainable Development* (further 2030 Agenda), beyond its role as a financial sector development goal alongside more “traditional” financial sector development goals. Furthermore, there is increasing evidence that financial inclusion has a positive development impact by providing access to financial services to the poor (enterprise and household level) while contributing to sustainable development at the macro (financial sector) level. Ultimately, an inclusive financial system supports global financial sector policy goals of stability, integrity and consumer protection.

Despite the 20 percent increase between 2011 and 2014 in the number of adults with access to formal financial services worldwide, there are still 2 billion people—more than half of the adult population—and 200 million businesses excluded from the formal financial system.² The ongoing gap in access to, and usage, of formal financial services calls for dynamic international action.

With growing evidence that financial inclusion has a multiplier effect in boosting overall economic output and contributes to reducing poverty and income inequality at the national level, the G20’s commitment to expand financial services has underpinned internationally recognized efforts to advance financial inclusion. This task is embodied in the Global Partnership for Financial Inclusion (GPFI), which is guided by the G20 Financial Inclusion Action Plan (FIAP).

The Role of the GPFI

Created by the G20 in 2010 at the Seoul G20 Summit, the GPFI is an inclusive platform for G20 countries, non-G20 countries, Implementing Partners and Affiliated Partners (see *Annex 2*). The GPFI is committed to advancing financial inclusion globally by increasing quality access to, as well as usage of, sustainable formal financial services, thereby expanding opportunities for underserved and excluded households and enterprises. The GPFI deploys its political leadership to facilitate efficient and effective coordination, using the force of its partners as leverage to encourage financial inclusion efforts worldwide.

Through policy advocacy, knowledge sharing, and international cooperation, the GPFI ensures continuity and progress over time in global discussions. Its primary focus, the

¹ Financial inclusion means that all working-age adults (persons at the age of 15+) have effective and quality access to and usage of —at a cost affordable to the customers and sustainable for the providers—financial services provided by formal institutions. “Effective access” involves convenient and responsible delivery of services that are responsive to the needs of financially excluded and underserved customers, at a cost affordable to the customers and sustainable for the providers. The demonstration of effective access is usage. The fact that a customer can access services offered by a formal financial service provider does not mean she or he is “financially included.” For this, the conditions of “effective access” must be met. (2016) GPFI White Paper.

² See also the discussion in Part II below indicating that a substantial number of new accounts counted in the 2014 Findex round were mobile accounts not counted in the 2011 Global Findex round.

implementation of the G20 FIAP, is carried forward by its four Subgroups: (1) SME Finance, (2) Regulation and Standard-Setting Bodies, (3) Financial Consumer Protection and Financial Literacy, and (4) Markets and Payment Systems.

Leveraging the authority of the G20, the GPFi:

- Provides policy analysis and recommendations;
- Monitors financial inclusion developments by tracking the G20 Financial Inclusion Indicators;
- Promotes the incorporation of financial inclusion in global discussions; and
- Facilitates coordination among GPFi members and global bodies to support specific global financial inclusion efforts.

The 2017 G20 FIAP—a revision of the earlier 2010 and 2014 editions—reaffirms the G20 Leaders’ commitment to advance financial inclusion benefiting all countries and all people, including in particular underserved groups (such as the poor, women, youth, and people living in remote rural areas) and vulnerable groups (which include elderly people, migrants and forcibly displaced persons). This is a key prerequisite for achieving sustainable development, as outlined in the *G20 Action Plan on the 2030 Agenda for Sustainable Development*, including the implementation of the *Sustainable Development Goals (SDGs)* and the *Addis Ababa Action Agenda on Financing for Development (AAAA)*.

At the G20 Summit in Hangzhou, China, in September 2016, G20 Leaders explicitly recognized the critical importance of financial inclusion and inclusiveness to “ensure that our economic growth serves the needs of everyone and benefits all countries and all people, including in particular women, youth and disadvantaged groups,” reinforcing the GPFi’s mission and mandate.

Recognizing that advancing financial inclusion is one of the main pillars of the global development and the 2030 Agenda, the GPFi exercises its comparative advantage to provide unparalleled political leadership and systematic international coordination in working to reach the financially underserved and excluded.

II. New trends in the changing international context

In light of emerging developments in the financial inclusion landscape since the 2014 G20 FIAP, the GPFi has identified four key trends that will set the stage for continuing the progress in achieving financial inclusion over the coming years:

1. Recognition of the **2030 Agenda for Sustainable Development** as the overarching framework for sustainable development worldwide: Puts financial inclusion in the spotlight of inclusive and sustainable development;
2. The rapid development and penetration of **digital innovations**: Digital financial products and services and digital identity systems related to the FinTech revolution introduce an unprecedented opportunity to accelerate financial inclusion;
3. Increased attention to the importance of responsible access and usage of financial services for the poor, strengthening the focus on **underserved and vulnerable groups**; and
4. The **mainstreaming of financial inclusion** alongside the other financial sector development goals of stability, integrity and consumer protection, reinforcing the

notion that the goal of financial inclusion and other financial sector goals can be mutually supportive.

1. Aligning the work of the GPFI with the 2030 Agenda

The adoption of the 2030 Agenda in 2015 gave new impetus to the significance of the role of financial services in inclusive development.³ Based on the principles of universality, “Leave no one behind,” as well as the interdependent and mutually reinforcing nature of the Sustainable Development Goals (SDGs), the 2030 Agenda gave momentum to the transformative cooperation necessary to advance development. In this context, financial inclusion addresses development from a universal perspective where access to financial services matters to all countries, developing or developed, and delivers benefits across all social and economic sectors. Greater access to financial services contributes to all dimensions of the 2030 Agenda (people, planet, prosperity, peace and partnership) and might have a significant impact on the SDGs. In addition to the 2030 Agenda, the *Addis Ababa Action Agenda*—the primary international agreement on financing sustainable development—stresses that “we will work towards full and equal access to formal financial services for all” putting emphasis on marginalized and vulnerable people, while also stating that “(we) will consider including financial inclusion as a policy objective in financial regulation” (para 39).

In line with mainstream understanding, the 2030 Agenda does not include a stand-alone SDG on financial inclusion but views financial inclusion as a key enabler for achieving sustainable development worldwide. As such, it is featured in seven goals:

- Prevent people falling into poverty by mitigating risks of unexpected expenses (SDG 1);
- Expand access to credit and insurance helps farmers making bigger investments, increasing their production to bolster greater food security (SDG 2);
- Manage medical expenses, including financial risk protection, and rebound from a health crisis to ensure healthy lives and promote well-being for all at all ages (SDG 3);
- Undertake reforms to give women equal rights to economic resources, as well as ownership and control over financial assets and services (SDG5);
- Access to financial services allows people to gain higher returns on capital, leading to promote sustainable economic growth, productive employment, and decent work (SDG 8);
- Foster innovation and facilitating the access and usage of financial services, including affordable credit (SDG 9); and
- Reduce inequalities by helping people to absorb shocks (e.g. insurance) and better position them to succeed economically (SDG 10).

In 2016, G20 Leaders endorsed the *G20 Action Plan on the 2030 Agenda for Sustainable Development*, reaffirming their commitment to achieving the 2030 Agenda by helping to reduce poverty and inequality, increasing resilience, promoting stability, fostering sustainable, balanced and inclusive growth, and enabling access to secure and

³ (2016) Leora Klapper, Mayada El-Zoghbi and Jake Hess: “Achieving the Sustainable Development Goals: the Role of Financial Inclusion”, CGAP, April.

sustainable financial services.

As an inclusive multi-stakeholder platform, the GPFi plays a key role in promoting international cooperation across sectors through collective action to advancing financial inclusion and supporting the 2030 Agenda. For collective action in support of the 2030 Agenda, the GPFi will further expand the cooperation between G20 and non-G20 countries and enhance the linkages with the private sector. This also includes the coordination with the G20 Development Working Group and the G20 finance track.

2. Digitization: opportunities and challenges

The expansion of innovative digital services within an enabling regulatory and policy environment is a key driver of inclusion: Global Findex data indicate that innovative digital services have helped 700 million adults worldwide to gain access to formal financial services between 2011 and 2014. Digital technologies have reached developing countries much faster than previous technological innovations; this is illustrated by the fact that households in developing countries are more likely to own a mobile phone than to have access to electricity or improved sanitation.⁴

Digital financial innovations—tied with sound regulatory frameworks, improved infrastructure, and capacity building—may provide the opportunity to expand the pace of financial services development. Technology-driven change presents unprecedented opportunities for financial inclusion by accelerating access for those hard-to-reach and offering affordable and convenient ways for individuals to save, receive and send remittances, make payments, access credit, and obtain insurance.

Technology is also driving tailoring of products to meet the needs of poor served and underserved households and enterprises. However, these new developments present new challenges to policy makers and regulators, including those related to consumer protection, data protection (for example, cyber security threats and AML/CFT vulnerabilities), and financial literacy. In addition, despite the increasing number of mobile phones, there is still a persistent gender gap due in part to lower levels of education (illiteracy and innumeracy) obstacles to their access to, or ownership of, the means of communications and a general deficiency in financial capability among women.

Recognizing the importance of digitization and innovative business models for expanding the scale, scope and reach of financial services, the GPFi supports measures to increase responsible access to and usage of digital financial services worldwide spurred by the growth of new technologies and new business models. Given the dynamic and borderless nature of digital finance, with traditional actors playing new roles within the financial service ecosystem and new actors joining, the GPFi will continue to work to ensure greater engagement and dialogue with the private sector to balance risks and opportunities.

Building on the 2010 *Principles for Innovative Financial Inclusion* and giving momentum to the potential of digital finance to empower the lives of the financially excluded and underserved, G20 Leaders adopted the 2016 *G20 High Level Principles for Digital Financial Inclusion* (HLPs, see *Annex 4*), designed to spur national policy actions and drive

⁴ (2016) World Bank Group, World Development Report.

financial inclusion through a focus on digitization. The GPFi will continue to engage actively with the public and private sectors to support the development of regulatory frameworks and infrastructure ecosystems needed for the advancement of digital finance ecosystems that will advance digital financial services.

3. Underserved and vulnerable groups: overcoming barriers to financial inclusion

Financial services targeting underserved and vulnerable groups—those with social, physical or geographic barriers in accessing the formal financial system—are often inadequate or unavailable. Underserved and vulnerable customers have to rely instead on informal mechanisms for payments, loans, and savings in order to protect themselves against risks stemming from uneven cash flows, fraudulent actions, seasonal incomes and unplanned challenges such as sickness.

The GPFi recognizes that, globally, underserved groups (which include the poor, women, youth, and people living in remote rural areas) and vulnerable groups (such as elderly people, migrants, forcibly displaced persons) are disproportionately excluded from the financial ecosystem, and may not have access to digital financial services or may be reluctant to adopt them. Hence, the GPFi focuses on targeting underserved and vulnerable customers in its action areas and integrating this concern as a cross-cutting issue in its work.

The GPFi continues to promote gender equality in access to, and use of, finance. While 65 percent of men have a formal bank account, only 58 percent of women do. Indeed, there is a persistent gender gap of 7 percentage points across income groups and 9 points within developing economies⁵.

Under this revised G20 FIAP, the GPFi has enlarged its focus to the vulnerable group of forcibly displaced persons. Forcible displacement has become a critical global issue. In 2015, 250 million people were international migrants, 65.3 million of those forcibly displaced persons⁶ They constitute a growing, highly vulnerable population group who face several policy and operational challenges in accessing and using appropriate financial services.

The GPFi plays a critical role in reshaping policy and regulatory constraints and, by doing so, creates critical opportunities to adjust the landscape of financial inclusion for forcibly displaced populations globally.

The GPFi will increase its efforts to reach the hard-to-reach and to accelerate the advancement of financial inclusion for underserved and vulnerable groups aiming to “Leave no one behind.” Approaches to enhance the financial inclusion of vulnerable groups include consideration of the various factors affecting de-risking, adjusted ID systems, financial literacy programs specifically targeting vulnerable groups, data availability and increased data disaggregation to identify groups that are left behind, and appropriate digital financial services. The rapid scaling of innovative digital approaches

⁵ (2014) Global Findex Database.

⁶ According to UNHCR’s Global Trends Report 2015, forcibly displaced persons include refugees, asylum seekers and internally displaced persons.

and further implementation of the HLPs provides an unparalleled opportunity to expand affordable and secure financial services to underserved and vulnerable groups. Effective tools for saving, sending, borrowing, and investing money and for mitigating risks can help to reduce setbacks among underserved and vulnerable customers and achieve greater financial stability over the long term.⁷

4. Mainstreaming financial inclusion

There is growing evidence of the interdependence between financial inclusion, financial stability, the integrity of the financial system, and the financial protection of consumers.⁸ Financial sector policymakers and global standard-setting bodies (SSBs) increasingly pursue all four-core policy objectives, with encouragement from global bodies beyond the G20 and GPMI, such as the United Nations and the International Monetary Fund. Work at the global and country level increasingly demonstrates awareness of the linkages among the four policy objectives and how they can be optimized, maximizing the synergies and minimizing the tradeoffs. In this context, financial inclusion is increasingly broadly recognized as an essential component of financial sector development.

The GPMI has contributed importantly to this mainstreaming of financial inclusion, at both the global level, through work such as the publication of two White Papers⁹ on global standard-setting and financial inclusion and conferences on these topics hosted by the Financial Stability Institute at the Bank for International Settlements (2012, 2014, and 2016), and at the country level, through such work and development of the High Level Principles for Digital Financial Inclusion.

III. 2017 G20 Financial Inclusion Action Plan and Results Framework

Context of the G20 FIAP

The 2017 G20 FIAP builds upon the work undertaken under the previous G20 FIAPs (2010 and 2014 editions) and is informed by a fresh look at the opportunities and challenges of the changing landscape of financial inclusion and by a consultative process within the GPMI. This process included the analysis of survey results reflecting the views of key stakeholders, the results of a stocktaking report¹⁰, and thorough consultation among GPMI members.

As a result, this revised G20 FIAP covers three components that GPMI members consider to be of highest priority: (a) overarching GPMI objectives and Subgroup goals, informed by the overarching objectives; (b) action areas that define the work of the four GPMI Subgroups; and (c) a set of cross-cutting issues to be taken into account across the Subgroups. Due consideration is given to the extent to which the G20 FIAP can contribute

⁷ (2017) Bill & Melinda Gates Foundation: Financial Services for the Poor – Strategy Overview.

⁸ Research shows, for example, that high-quality financial sector supervision, which broadens credit access, can lead to an increase in financial stability. See Inclusion; Can It Meet Multiple Macroeconomic Goals? (2015) IMF Staff Discussion Note 15/17, Washington, DC September.

⁹ (2011 and 2016) GPMI White Papers.

¹⁰ (2017) GPMI: G20 FIAP Progress Report 2014-2017.

to SDGs of relevance to financial inclusion.

a. GPFi overarching objectives & Subgroup goals

Four overarching goals (see *Annex 1a*) support the GPFi's commitment to advancing global development agendas, thereby expanding opportunities for underserved and excluded households and enterprises and promoting an inclusive and sustainable future for all:

- Provide policy analysis and recommendations;
- Monitor financial inclusion developments by tracking the G20 Financial Inclusion Indicators;
- Promote the incorporation of financial inclusion in global discussions; and
- Facilitate coordination among GPFi members and global bodies to support specific global financial inclusion efforts.

The goals of the four Subgroups contribute to these overarching GPFi objectives:

The **SME Finance Subgroup** focuses on improving SMEs access to finance both in G20 and non-G20 countries, including low-income developing countries.

The **Regulation and SSB Subgroup** focuses on: (1) the mainstreaming of financial inclusion in the work of the SSBs and other relevant global bodies and increasing understanding of the interdependence of financial inclusion, stability, integrity and consumer protection; and (2) effective and consistent incorporation of financial inclusion in financial sector assessments.

The **Financial Consumer Protection and Financial Literacy Subgroup** takes forward G20 Leaders commitments on financial literacy and financial consumer protection in the financial inclusion context. It also supports and complements the existing Subgroups activities specifically related to consumer protection and financial literacy in their work programs.

The **Markets and Payment Systems Subgroup** advances utilization of payment systems, including remittances, in the pursuit of increased, responsible and sustainable financial inclusion. It also promotes inclusive digital payment ecosystems, focuses on emerging technologies and business models and incorporates strong links to market-based approaches through engagement with financial services providers.

b. Action areas

Nine action areas have been established to guide the work of the GPFi's four Subgroups:

Small and medium-sized enterprise (SME) Finance

1. Promote national/global policy reforms (and support implementation efforts) that facilitate the expansion of financial services to SMEs in G20 and non-G20 countries via the implementation of the *G20 Action Plan on SME Financing*, the *G20 High-Level Principles for Digital Financial Inclusion*, the *G20/OECD High-Level Principles on SME Financing*, and the *SME Finance Compact* via leverage of the *SME Finance Forum*.

2. Identify and promote institutional-level good practice, including specific policy and reporting reforms specifically targeted at helping SMEs from particularly difficult and/or underserved segments, including women entrepreneurs, youth entrepreneurs, rural entrepreneurs, forcibly displaced persons and other vulnerable groups.

Regulation and standard-setting bodies

3. Mainstream financial inclusion in the work of the global financial standard-setting bodies (SSBs) and other relevant global bodies, while enhancing coordination and collaboration among them and increasing understanding of the interdependence of financial inclusion, stability, integrity and consumer protection.
4. Encourage effective and consistent incorporation of financial inclusion in financial sector assessments: contributing to the further development of methodologies and other tools employed in financial sector assessments; increasing understanding of financial inclusion by financial sector assessors; and promoting better understanding of the lessons learned by national authorities undergoing assessments on implementation of global standards and guidance.

Financial consumer protection and financial literacy

5. Improve the capacity of public authorities and other relevant stakeholders to develop, implement, and rigorously evaluate financial literacy and consumer protection initiatives and policies.
6. Promote consumer protection and financial education good practices for financial products and services, including existing and emerging technologies, with emphasis on underserved and vulnerable groups.

Markets and payment systems

7. Help to analyze and consider ways to address the money transfer operator (MTO) bank account closure issue, including consideration of the various factors affecting de-risking.
8. Reduce the cost of sending remittances taking into account systemic causes of high remittance transfer costs, while ensuring the quality of remittances services and service delivery, and working to establish a supportive policy and regulatory environment for competitive remittance markets, as well as to maximize their impact on local economic development.
9. Expand opportunities for innovative approaches to grow responsible financial inclusion as to incorporate strong links to market based approaches through engagement with financial services providers, including banks and non-banks, and technology providers.

c. Set of cross-cutting issues

To meet the challenge of incorporating new trends in the financial inclusion landscape, the four Subgroups include and address the following cross-cutting issues in their work:

1. Active engagement in the implementation of the *G20 High-Level Principles of Digital Financial Inclusion* to promote the expansion of **innovative solutions to increase digitization** of financial services while ensuring customer protection and promoting financial literacy and capability;
 2. **Engagement with the private sector** and collaboration across sectors—the private sector, governments, and relevant global bodies—to respond in particular to the challenges and take stock of the opportunities presented by digitization;
 3. Support for efforts to achieve **data harmonization** and the use of data for policy-making;
 4. Promotion of conditions that allow for the expansion of **financial services among the hard-to-reach segments** of the population, particularly **targeting underserved and vulnerable groups**; and
 5. Advance **women’s economic empowerment**.
- d. 2030 Agenda for Sustainable Development and the Sustainable Development Goals (SDGs)**

Since its inception, the GPFI has supported and promoted greater access to financial services as a key enabler of promoting inclusive development. The GPFI commits to align and support the 2030 Agenda, reaffirming its transformative character and the 2017 G20 FIAP supports the implementation of a set of SDGs of relevance to financial inclusion (see Annex 1b). Over the next three years the GPFI will establish clear linkages between the 2030 Agenda and the work of the GPFI. From 2018 onwards, the GPFI’s Subgroups commit to integrate consideration of the overarching sustainable development principles and the SDGs in their work plans. This includes:

- Balancing the social, economic, and environmental dimensions of sustainable development in the activities and approaches;
- Applying the principle of universality and making initiatives, approaches and activities applicable globally;
- Developing integrated and cross-sectoral financial inclusion approaches to reflect the interconnected nature of the SDGs;
- Focusing activities on underserved and vulnerable groups to ensure that no one is left behind;
- Reviewing the existing cooperation mechanisms and establish transformative multi-stakeholder partnerships for collective action in support of the 2030 Agenda.

Accountability

The core component of the GPFI accountability mechanism is the revised results framework, which consists of a table with GPFI overarching objectives (*Annex 1a*) and a second table featuring the Subgroup's action areas including their expected results and links to GPFI cross-cutting issues and SDGs (*Annex 1b*). The revised results framework serves as a tool to keep GPFI leadership and Implementing Partners focused on targeted measures to implement the 2017 G20 FIAP. It is further expected to foster cooperation across GPFI work streams and Subgroups through its overlapping approach.

Based on the results framework, complemented by each GPFi Presidency country’s specific priorities, annual Subgroup and overall GPFi work plans will be prepared. Results will then be tracked and assessed in the annual GPFi Progress Report and the triennial G20 FIAP Progress Report as a means to communicating progress to the G20 and beyond. Aligning this accountability mechanism with the 2030 Agenda will help the GPFi to better communicate GPFi achievements to the G20 and beyond, optimize the GPFi's value, and provide continuity from G20 Presidency to Presidency.

The 2017 G20 FIAP should be read together with the other constituent documents of the GPFi: The GPFi Terms of Reference, the Subgroup Terms of Reference, the GPFi Work Plan, and the Subgroup Work Plans. The relationship among them, as well as the periodicity of their development or updating is shown in the figure below (Figure 1).

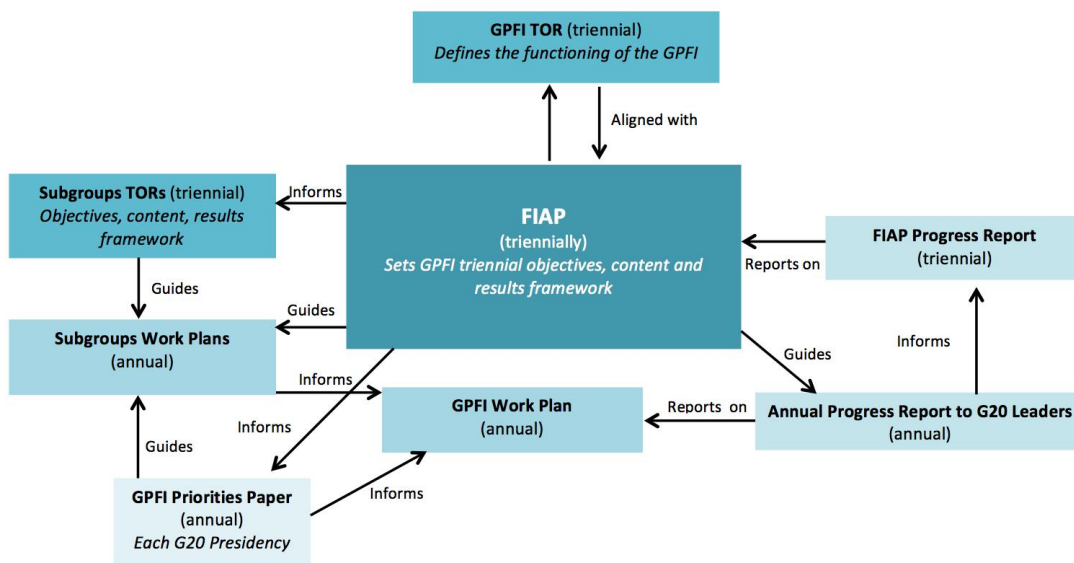


Figure 1 – Interrelationship of GPFi Constituent Documents

Annex 1a - Overarching objectives and expected results

Overarching objectives	Expected results
Provide policy analysis and recommendations.	<p>The implementation of principles/ recommendations/ guidance as laid out in the following flagship publications is tracked and further analysis and guidance provided:</p> <ul style="list-style-type: none"> • <i>Global Standard-Setting Bodies and Financial Inclusion: The Evolving Landscape (2016 GPMI White Paper)</i> • <i>2016 G20 High-Level Principles for Digital Financial Inclusion</i> • <i>2015 G20 Action Plan on SME Financing</i>
Track financial inclusion developments through the G20 Financial Inclusion Indicators (subject to the availability of G20 Financial Inclusion Indicators at the national level.)	Up-to-date data of G20 Financial Inclusion Indicators is tracked to measure the expansion of financial services, reflecting the new trends.
Promote the incorporation of financial inclusion in global discussions.	<p>The GPMI contribution to the financial inclusion international dialogue is intensified by engaging with:</p> <ul style="list-style-type: none"> • standard-setting bodies, • other G20 work streams (Development Working Group, Finance Track), • G20 engagement groups (B20, W20, T20, Y20, L20, C20) • global institutions (IMF, OECD, World Bank Group, UN), and • regional bodies such as APEC.
Facilitate coordination among GPMI members and global bodies to support specific global financial inclusion efforts.	<p>Coordination and dialogue (e.g., among private sector, governments, global bodies) so as to influence policy makers at the country level is intensified.</p> <p>The design and implementation of key policy and regulatory reforms, contributing to public and private sector commitment to financial inclusion by technical assistance under country support programs and global knowledge activities targeting key population segments to increase their financial capability, is supported.</p>

Annex 1b – Subgroup specific action areas and expected results

Action Areas	Expected results
SME Finance	
<p>1. Promote national/global policy reforms (and support implementation efforts) that facilitate the expansion of financial services to SMEs in G20 and non-G20 countries via the Implementation of the <i>G20 Action Plan on SME Financing</i>, the <i>G20 High Level Principles for Digital Financial Inclusion</i>, the <i>G20/OECD High Level Principles on SME Financing</i>, and the <i>SME Finance Compact</i> via leverage of the SME Finance Forum.</p>	<ul style="list-style-type: none"> • G20 and non-G20 countries have provided self-assessments in the Implementation Framework of the <i>G20 Action Plan on SME Financing</i>, and subsequently taken steps to reform further in these areas. • G20 and non-G20 countries have initiated further steps to implement the <i>G20 High-Level Principles for Digital Financial Inclusion</i> in ways that benefit SMEs (link to GPFI cross-cutting issue 1: digitization). • G20 and non-G20 countries improved the comprehensiveness of their SME Finance Data, and coordinated data collection and harmonization on SME Finance (e.g. AFI Data Portal, OECD SME Finance Scoreboard) (link to GPFI cross-cutting issue 3: data harmonization). • The SME Finance Forum attained financial self-sufficiency by the end of 2020. • The private sector has delivered innovative financial inclusion solutions (link to GPFI cross-cutting issue 2: collaboration across sectors/private sector). • The GPFI provided policy recommendations to promote financing models that support SMEs in joining global value chains in line with sustainability standards (link to SDG 8, 12 and GPFI cross-cutting issue 2: collaboration across sectors/private sector).
<p>2. Identify and promote institutional-level good practice, including specific policy and reporting reforms specifically targeted at helping SMEs from particularly difficult to reach and/or underserved segments, including women entrepreneurs, youth entrepreneurs, rural entrepreneurs, forcibly displaced persons, and other vulnerable groups.</p>	<ul style="list-style-type: none"> • The GPFI provided policy recommendations specifically targeted at helping MSMEs led by women, youth, or other vulnerable or underserved groups to access financial services (link to GPFI cross-cutting issues 4 and 5: underserved/vulnerable groups and women’s economic empowerment).

	<ul style="list-style-type: none"> • The GPFi produced specific new knowledge products (reports, workshops, etc) that furthered understanding on positive contributions of FDP-run SMEs to economic development of refugee and host communities and identified and addressed existing barriers that hinder access to finance for FDPs and promoted investments into SMEs that are run by FDPs (link to SDG 1.4 and GPFi cross-cutting issue 4) • The GPFi produced specific new knowledge products (reports, workshops, etc) that furthered understanding on successful innovations in SME agricultural finance, including climate-smart financing of rural MSMEs, to improve small farm productivity, sustainability and profitability (link to SDG 2.3). • The GPFi improved the coordinated collection and reporting of SME Finance country and institution level data, including data explicitly to SMEs led by women, youth, other vulnerable and underserved groups, or in rural areas (GPFi cross-cutting issues 3 and 4: data harmonization and underserved/vulnerable groups). • G20 and non-G20 countries in cooperation with the private sector improved their national enabling environment for innovative approaches to foster SME access to finance (link to GPFi cross-cutting issue 2: collaboration across sectors/private sector). • The ICCR developed new standards for responsible handling of alternative data in promoting SME financing.
Regulation and standard-setting bodies (SSBs)	
<p>3. Mainstream financial inclusion in the work of the global financial standard-setting bodies (SSBs) and other relevant global bodies while enhancing coordination and collaboration among them and increasing understanding of the interdependence of financial inclusion, stability, integrity and consumer protection.</p>	<ul style="list-style-type: none"> • Activities/publications with regard to financial inclusion policymaking (of global bodies and national entities) showed evidence of being informed by analysis of financial inclusion, stability, integrity and consumer protection linkages. • Evidence showed increasing integration of financial inclusion into the standards and guidance of global SSBs. • Progress was made towards the establishment of a standing platform to

	<p>pursue joint work addressing cross-cutting issues of relevance to financial inclusion in the work of multiple SSBs and other global bodies, as framed in the 2016 GPFI White Paper (link to GPFI cross-cutting issues).</p> <ul style="list-style-type: none"> • Engagement with the private sector was enhanced to better inform and provide input on development of standards and guidance and to promote enabling and protective financial inclusion policies at the country level in the face of innovation (link to GPFI cross-cutting issue 2: collaboration across sectors/private sector). • The SSBs and the GPFI encouraged and promoted active participation of emerging market and developing economies in outreach activities of SSBs (SDG 10.5).
<p>4. Encourage effective and consistent incorporation of financial inclusion in financial sector assessments: contributing to the further development of methodologies and other tools employed in financial sector assessments; increasing understanding of financial inclusion by financial sector assessors; and promoting better understanding of the lessons learned by national authorities undergoing assessments on implementation of global standards and guidance.</p>	<ul style="list-style-type: none"> • The GPFI, the SSBs, and other relevant global bodies contributed to the further development and adoption of assessment methodologies and other tools that reflect increased understanding of interdependence of inclusion, stability, integrity and consumer protection (link to SDG 10.5). • The GPFI, the SSBs, or other relevant global bodies tracked and took note of financial sector assessment reports and findings that reflect increased understanding of financial inclusion by assessors, contributing to standardizing the approach taken to the topic of financial inclusion in assessment reports (link to SDG 10.5). • Consideration was given in financial sector assessments to financial service needs of underserved/vulnerable groups and regulatory barriers to the expansion of financial services to vulnerable groups (e.g. Financial Sector Assessment Program analyses and reports) (links to SDG 8.5 and GPFI cross-cutting issue 4: underserved/vulnerable groups). • The GPFI, its members and Implementing Partners, provided support for dialogue between industry and policymakers on proportionate regulation and supervision in order to enable responsible innovation (link to cross-cutting issue 2: collaboration across sectors/private sector).

	<ul style="list-style-type: none"> • Capacity for measuring results of country level financial inclusion policies and regulation was increased (SDG 8.10).
Financial consumer protection and financial literacy	
<p>5. Improve the capacity of public authorities and other relevant stakeholders to develop, implement, and rigorously evaluate financial literacy and consumer protection initiatives and policies.</p>	<ul style="list-style-type: none"> • Evidence of the effectiveness of ongoing country-level technical assistance and capacity building to support financial consumer protection and financial literacy programs in emerging economies and developing countries especially for underserved and/or vulnerable groups is produced (links to SDGs 1.4 and 8.10 and GPFI cross-cutting issue 4: underserved/vulnerable groups). • GPFI and its implementing partners promoted and supported activities/publications on data harmonization used to measure financial literacy (links to GPFI cross-cutting issue 3: data harmonization). • The GPFI and its implementing partners encouraged public-private sector collaborations in advancement of responsible finance, financial inclusion, and financial literacy (links to GPFI cross-cutting issue 2: collaboration across sectors/private sector). • GPFI and its implementing partners scaled-up their engagement in financial literacy initiatives, including using digital platforms to complement and support safe and beneficial use of innovative (digital) financial products by consumers, including micro and/or small businesses (links to cross-cutting issue 4 and 5: underserved/vulnerable groups and women’s economic empowerment).
<p>6. Promote consumer protection and financial education good practices for financial products and services, including existing and emerging technologies, with emphasis on underserved and vulnerable groups.</p>	<ul style="list-style-type: none"> • The GPFI supported targeted and practical guidance for consumer finance policies and financial literacy initiatives. • The GPFI and its implementing partners promoted the collection of gender disaggregated data to conduct evaluation and dissemination of findings including gender differences on financial literacy and consumer protection (link to SDG 5.a).

	<ul style="list-style-type: none"> The GPFi supported the use of suitable financial technologies to increase financial wellbeing of MSMEs and vulnerable consumers (SDG 1.4 and GPFi cross-cutting issue 1: digitization).
Markets and payments systems	
7. Help to analyze and consider ways to address the money transfer operator (MTO) bank account closure issue, including consideration of the various factors affecting de-risking.	<ul style="list-style-type: none"> The GPFi developed an increased understanding of the size, impacts and drivers of de-risking and explored options to address these drivers, and shared this understanding with the public and private sectors through publications and activities (link to SDG 10.6).
8. Reduce the cost of sending remittances taking into account systemic causes of high remittance transfer costs, while ensuring the quality of remittances services and service delivery, and working to establish a supportive policy and regulatory environment for competitive remittance markets, as well as to maximize their impact on local economic development.	<ul style="list-style-type: none"> The GPFi conducted activities and released publications to support the reduction of average transaction costs of migrant remittances by 2030 to less than 3 per cent and eliminate remittance corridors with costs higher than 5 per cent (link to SDG 10.c), for example by monitoring and supporting the implementation of the G20 National Remittance Plans. The GPFi and G20 countries improved their understanding of the impact of de-risking activities on remittance flows and costs, and shared this understanding through collaboration with the public and private sectors (link to SDG 10.5). The GPFi increased advocacy and conducted activities to support the improved availability of data on prices/costs of payment mechanisms used for domestic and international remittances from authorities and development partners, while providers benefit from improved demand-side survey data, including for regulated and non-regulated channels. The GPFi supported increased collaboration between private sector actors, regulatory and standard-setting bodies to assess and consider strategies to address barriers to accessible and affordable remittance transfers, including issues related to de-risking (link to GPFi cross-cutting issue 2: collaboration across sectors/private sector).
9. Expand opportunities for innovative approaches to grow responsible financial inclusion as to incorporate	<ul style="list-style-type: none"> The GPFi conducted activities and released publications to support policy and strategic frameworks that promote financial inclusion

<p>strong links to market based approaches through engagement with financial services providers, including banks and non-banks, and technology providers.</p>	<p>among underserved and vulnerable groups (link to GPFi cross-cutting issue 4: underserved/vulnerable groups).</p> <ul style="list-style-type: none"> • The GPFi conducted activities and released publications, engaged with private sector initiatives and innovations to support the development and provision of inclusive, accessible and responsible payment systems. These will all contribute to achieving the 2030 Agenda (link to SDG 10.5 and GPFi cross-cutting issue 2: collaboration across sectors/private sector). • G20 countries increased their promotion of improved and inclusive access to digital financial services for women and girls, including in activities supporting the implementation of the HLPs (link to SDG 5 and GPFi cross-cutting issue 5: women’s economic empowerment). • The GPFi reviewed the use and relevance of the 2016 G20 Financial Inclusion Indicators to assess and monitor progress on developing inclusive payments at the country-level.
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Annex 2 - GPFI Subgroups

Subgroup on SME Finance

Established in 2010	Ongoing
Co-Chairs	Germany, Turkey
Implementing Partners	Alliance for Financial Inclusion (AFI), International Fund for Agricultural Development (IFAD), International Finance Corporation (IFC), Organisation for Economic Co-operation and Development (OECD), SME Finance Forum, the World Bank Group (WBG)
Affiliated Partners	Child & Youth Finance International, Global Banking Alliance for Women – SME, Microinsurance Network, Women's World Banking

Subgroup on Regulation and Standard-Setting Bodies (SSBs)

Established in 2010	Ongoing
Co-Chairs	India, Indonesia, United Kingdom
Implementing Partners	Alliance for Financial Inclusion (AFI), Better Than Cash Alliance (BTCA), Consultative Group to Assist the Poor (CGAP), International Finance Corporation (IFC), World Bank Group (WBG)
Affiliated Partners	Access to Insurance Initiative

Subgroup on Financial Consumer Protection and Financial Literacy

Established in 2010	Ongoing
Co-Chairs	China, Russia, United States
Implementing Partners	Alliance for Financial Inclusion (AFI), Consultative Group to Assist the Poor (CGAP), International Finance Corporation (IFC), Organisation for Economic Co-operation and Development (OECD), World Bank Group (WBG)
Affiliated Partners	Child & Youth Finance International [CYFI], FinCoNet, Microinsurance Network

Subgroup on Markets and Payment Systems

Established in 2014	Ongoing
Co-Chairs	Australia, Mexico
Implementing Partners	Alliance for Financial Inclusion (AFI), Better Than Cash Alliance (BTCA), Consultative Group to Assist the Poor (CGAP), International Fund for Agricultural Development (IFAD), International Finance Corporation (IFC), and the World Bank Group (WBG)

Annex 3: G20 FIAP Progress Report 2014-2017

The G20 FIAP Progress Report 2014-2017 takes stock of GPFIs work under the 2014 G20 FIAP, which contains ten action areas, five cross-cutting issues and a results framework. The 2014 G20 FIAP was put into practice by the Subgroups with the support of their Implementing Partners. Several outputs produced by the GPFIs were and continue to be linked to the implementation of policies and regulations and private sector activities that facilitate financial inclusion.

The SME Finance Subgroup supported SME access to financial services by promoting the replication of successful policy reforms, supporting the SME Finance Forum and facilitating activities under the SME Finance Compact and the SME Finance Initiative. Main outputs of the Subgroup include the *G20 Action Plan on SME Financing* and its *Implementation Framework*. Between 2014 and 2017, 15 countries have developed or implemented new SME finance policies. Additional main outputs are the *GPI Private Sector Engagement Strategy*, the *Synthesis Report on Innovations in Agricultural Finance* and the *Report on SME Finance Compact Workshop*. The Subgroup launched the online platform “Ye! Community” to support young entrepreneurs.

The Regulation and Standard-Setting Bodies (SSBs) Subgroup engaged in mainstreaming financial inclusion in the work of the SSBs encouraging the incorporation of financial inclusion in financial sector assessments of the IMF and the WBG. Key outputs of the Subgroup were the GPI White Paper on *Global Standard-Setting Bodies and Financial Inclusion* and the *Third GPI Conference on SSBs and Innovative Financial Inclusion*. Furthermore, the Subgroup supported individual SSBs in developing and disseminating financial inclusion-related outputs. Hence, several SSBs and global bodies published eleven documents, which are directly relevant to financial inclusion and reflect a less siloed approach to standard-setting and regulation.

The Financial Consumer Protection and Financial Literacy (FCPFL) Subgroup focused on improving the capacity of public authorities to develop and implement FCPFL measures and promoting FCPFL good practices. Main outputs of the Subgroup include a *Global Mapping of Financial Consumer Protection & Financial Literacy Initiatives*, a report on *Digital Financial Solutions to Advance Women’s Economic Participation*, and several reports of the OECD and the International Network on Financial Education (INFE). These outputs informed policy makers on implementation approaches for FCPFL measures. Between 2014 and 2017, seven countries have implemented consumer protection systems consistent with G20 and WBG standards, while eleven countries have implemented or adopted National Financial Education strategies in line with OECD/INFE standards.

The Markets and Payment Systems Subgroup (MPSS) helped to address MTO bank account closures due to banks’ de-risking activities and contributed to reducing the costs of sending remittances. Main outputs of the Subgroup include reports on *The G20 Survey on De-Risking Activities in the Remittance Market*, *The Use of Remittances and Financial Inclusion*, and *Innovative Digital Payment Mechanisms Supporting Financial Inclusion*. The Subgroup supported the drafting and monitoring process of the 2015 G20 *National Remittance Plans*, as well as the 2017 update process. These outputs contributed to G20 Members by taking policy actions to reduce costs of sending remittances.

The GPI responded to additional financial inclusion commitments made by the G20 Leaders since the adoption of the FIAP. This includes e.g. the G20 commitments in the area of

digitization through the *G20 High-Level Principles for Digital Financial Inclusion* and the update of the *Financial Inclusion Indicators*. The SME Finance Subgroup and the MPSS addressed *National Remittances Plans*, the *G20 Action Plan on SME Financing* and the respective *Implementation Framework*.

In 2016, the G20 committed to contribute to the 2030 Agenda and the SDGs by endorsing the *G20 Action Plan on the 2030 Agenda for Sustainable Development*. The GPFI contributes to SDGs 1, 2, 5, 8, 9 and 10 by promoting SME access to finance, mainstreaming financial inclusion in the work of SSB, facilitating financial literacy and consumer protection.

Annex 4 G20 High-Level Principles for Digital Financial Inclusion

The G20 stands at an unprecedented time when our leadership has the potential to drive the growth of inclusive economies by promoting digital financial services. Two billion adults globally do not have access to formal financial services and are excluded from opportunities to improve their lives. While tremendous gains in financial inclusion have already been achieved, digital financial services, together with effective supervision (which may be digitally enabled), are essential to close the remaining gaps in financial inclusion. Digital technologies offer affordable ways for the financially excluded—the majority of whom are women—to save for school, make a payment, get a small business loan, send a remittance, or buy insurance. The 2010 G20 Principles for Innovative Financial Inclusion spurred initial efforts and policy actions. These 2016 High-Level Principles for Digital Financial Inclusion build on that success by providing a basis for country action plans reflecting country context and national circumstances to leverage the huge potential offered by digital technologies.

These eight principles are based on the rich experience reflected in G20 and international standard-setting bodies' standards and guidance. They also recognize the need to support innovation while managing risk and encouraging development of digital financial products and services.

PRINCIPLE 1: Promote a Digital Approach to Financial Inclusion

Promote digital financial services as a priority to drive development of inclusive financial systems, including through coordinated, monitored, and evaluated national strategies and action plans.

PRINCIPLE 2: Balance Innovation and Risk to Achieve Digital Financial Inclusion

Balance promoting innovation to achieve digital financial inclusion with identifying, assessing, monitoring and managing new risks.

PRINCIPLE 3: Provide an Enabling and Proportionate Legal and Regulatory Framework for Digital Financial Inclusion

Provide an enabling and proportionate legal and regulatory framework for digital financial inclusion, taking into account relevant G20 and international standard setting body standards and guidance.

PRINCIPLE 4: Expand the Digital Financial Services Infrastructure Ecosystem

Expand the digital financial services ecosystem—including financial and information and communications technology infrastructure—for the safe, reliable and low-cost provision of digital financial services to all relevant geographical areas, especially underserved rural areas.

PRINCIPLE 5: Establish Responsible Digital Financial Practices to Protect Consumers

Establish a comprehensive approach to consumer and data protection that focuses on issues of specific relevance to digital financial services.

PRINCIPLE 6: Strengthen Digital and Financial Literacy and Awareness

Support and evaluate programs that enhance digital and financial literacy in light of the unique characteristics, advantages, and risks of digital financial services and channels.

PRINCIPLE 7: Facilitate Customer Identification for Digital Financial Services

Facilitate access to digital financial services by developing, or encouraging the development of, customer identity systems, products and services that are accessible, affordable, and verifiable and accommodate multiple needs and risk levels for a risk-based approach to customer due diligence.

PRINCIPLE 8: Track Digital Financial Inclusion Progress

Track progress on digital financial inclusion through a comprehensive and robust data measurement and evaluation system. This system should leverage new sources of digital data and enable stakeholders to analyse and monitor the supply of—and demand for—digital financial services, as well as assess the impact of key programs and reforms

Annex 5: Sustainable Development Goals (SDGs) relevant to financial inclusion

While the Sustainable Development Goals (SDGs) adopted by the 2030 Agenda do not explicitly target financial inclusion, greater access to financial services is a key enabler for many of them¹¹. More inclusive financial services can help achieve:



Eliminating extreme poverty (SDG1)

By providing poor people with services they need to make investments and manage unexpected expenses, financial inclusion facilitates the elimination of extreme poverty. Savings allow families to increase their capacity to invest in human capital such as health and education.

1.4 Ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and **financial services, including microfinance**.



Reducing hunger and promoting food security (SDG2)

By leading to bigger investments in the planting season, financial services can help farmers increase their production to meet the food needs of growing populations and bolster greater food security, resulting in higher yields.

2.3 Double the agricultural productivity and incomes of small-scale food producers, in particular women, indigenous peoples, family farmers, pastoralists and fishers, including through secure and equal access to land, other productive resources and inputs, knowledge, **financial services**, markets and opportunities for value addition and non-farm employment.



Achieving good health and well-being (SDG3)

Financial services like medical insurance can provide a formal channel for mitigating the risks of health emergencies, by giving people the ability to manage medical expenses without depleting their savings, and rebound from a health crisis.

3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health- care services and access to safe,

¹¹ (2016) Leora Klapper, Mayada El-Zoghbi and Jake Hess: "Achieving the Sustainable Development Goals: the Role of Financial Inclusion", CGAP, April.

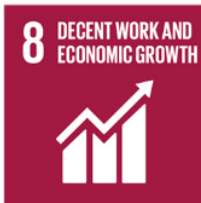
effective, quality and affordable essential medicines and vaccines for all.



Promoting gender equality (SDG5)

Financial services help women assert their economic power, which is key to promoting gender equality. Increasing account ownership among the world's 2 billion unbanked adults, which most of whom are poor women, would help promote gender equality.

5.a Undertake reforms to give women equal rights to economic resources, as well as access to ownership and control over land and other forms of property, **financial services**, inheritance and natural resources, in accordance with national laws



Promoting sustained, inclusive and sustainable economic growth, full and productive employment and decent work (SDG 8)

When people and MSMEs have access to the financial services they need to improve their lives and businesses- savings, payments, insurance as well as credit – we ensure that people and enterprises have the chance to make the most of their own resources.

8.3 Promote development-oriented policies that support productive activities, decent job creation, entrepreneurship, creativity and innovation, and encourage the formalization and growth of **micro-, small- and medium-sized enterprises**, including through **access to financial services**

8.5 Achieve full and productive employment and decent work for all women and men, including for **young people and persons with disabilities**, and equal pay for work of equal value

8.6 Substantially reduce the proportion of youth not in employment, education or training

8.10 Strengthen the **capacity of domestic financial institutions** to encourage and **expand access to banking, insurance and financial services for all**



Building resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation (SDG 9)

Access to appropriate financial services, particularly credit, is likely to allow more businesses to be started and allow existing firms to expand their services by enabling greater investment

9.3 Increase the **access of small-scale industrial and other enterprises**, in particular in developing countries, **to financial services**, including **affordable credit**, and their integration into value chains and markets



Reducing income inequality within and among countries (SDG 10)

By lowering costs for remittance transfers more money reaches the recipients which they can spend for education, health, consumption and investments – and in the end reduces inequalities.

10.5 Improve the regulation and monitoring of **global financial markets and institutions** and strengthen the implementation of such regulations

10.6 Ensure enhanced representation and voice for developing countries in decision-making in global international economic and **financial institutions** in order to deliver more effective, credible, accountable and legitimate institutions

10.c Reduce to less than 3 per cent the transaction costs of **migrant remittances** and eliminate remittance corridors with costs higher than 5 per cent

List of G20 documents (notional)

G20 Action Plan on the 2030 Agenda for Sustainable Development
G20 Action Plan on SME Financing
G20 Action Plan on SME Financing Implementation Framework
Addis Ababa Action Agenda on Financing for Development.
2030 Agenda for Sustainable Development
G20 2010 Financial Inclusion Action Plan (FIAP)
G20 2014 Financial Inclusion Action Plan FIAP
G20/OECD 2015 High-Level Principles on SME Financing
G20/OECD 2011 High-level Principles on Financial Consumer protection
G20 OECD/INFE 2012 High-level Principles on National Strategies for Financial Education
G20 High-Level Principles for Digital Financial Inclusion
2010 Principles for Innovative Financial Inclusion
G20 FIAP Progress Report 2014-2017
2011 GPFi White Paper
2016 GPFi White Paper

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