
EARLY LESSONS FROM THE CEO PARTNERSHIP FOR ECONOMIC INCLUSION

23 May 2019

By Eric Duflos and Nancy Widjaja

A few months after the leaders of the [CEO Partnership for Economic Inclusion \(CEOP\) met for the second time in Davos during the World Economic Forum \(WEF\)](#), we spent two days working with the companies' advisors to advance the initiatives which have launched on the ground, and to come together to explore new ones.

Rabobank, one of the 10 member companies, hosted the workshop at its head office on April 18 in Utrecht, the Netherlands.

Her Majesty Queen Máxima of the Netherlands, United Nations Secretary-General's Special Advocate for Inclusive Finance for Development (UNSGSA), launched the CEOP during the WEF 2018 in Davos. The idea behind the CEOP is for companies to explore opportunities to join forces and offer financial services to underserved customer segments such as MSMEs, farmers and migrant workers. In the process, the companies improve their bottom lines and build a collective knowledge of the market, while targeted customer segments obtain better access and usage of financial services.

But before profit and social impact can be achieved at scale, partners need to go through a series of design ideas for possible initiatives and pilot test the potential of success. At this recent workshop in Utrecht, together with Wiebe Draijer, CEO of Rabobank and one of the CEOP members, the UNSGSA briefly attended to support the efforts of the advisors and acknowledge their pivotal roles.

The advisors to the CEOs are instrumental to initiate discussions between partnering in-country teams and help ensure all legal requirements are met surrounding their initiatives. As mentioned by Frank Nagel, Director Networks and Alliances at Rabobank, "By working with each other over the past 16 months, the advisors have developed a mutual trust and understanding of each other's business—making it smoother to partner."

In their discussion with Queen Máxima, the advisors highlighted that a critical phase is when companies start to pilot a new product on the ground. This is because there is always a chance it might not meet the needs of the customers or become profitable for companies. "Scaling up is not our biggest issue—the hardest part for us is to make sure our solution works for the customers on the ground during the pilot stage," said Garance Wattez-Richard, Head of Emerging Customers at Axa.

In some cases, the companies' initiatives will have to work through regulatory hurdles, especially if they fall under different regulators. This is particularly true when technology is involved because regulators may not be yet fully prepared for innovative solutions.

The UNSGSA stated, "Establishing a good dialogue with regulators is an important success factor for the CEOP, especially with technology-enabled solutions." She also highlighted the recent report, [Early Lessons on Regulatory Innovations to Enable Inclusive Fintech: Innovation Offices, Regulatory Sandboxes, and Regtech](#), which she initiated to promote new regulatory approaches for inclusive fintech. Many regulators and several private fintech companies were involved in the development of the report as well. It was produced by the University of Cambridge's Centre for Alternative Finance (CCAF) and the FinTech Working Group of the UNSGSA with support from the Monetary Authority of Singapore (MAS).

Going forward, several advisors emphasized that some initiatives will not advance beyond the pilot phase. However, this is a natural part of the process and accepted as a possible outcome within the Partnership, as long as the initiatives that establish a good business case can be scaled up and potentially replicated in other markets after the pilot phase.

The UNSGSA applauded the drive of the CEOP advisors and expressed gratitude for their commitment. She also shared her excitement to see more CEOP initiatives at the design stage and emphasized her support.

We left the event full of optimism, in part due to several new possible initiatives that are now at design stage, in addition to those being piloted. We also see the CEOP is an emerging community of private sector leaders who can show the path for other companies to partner across industries and drive business growth, while working toward attaining the Sustainable Development Goals (SDGs).

At the same, our optimism is grounded in reality. It will take time for the CEOP initiatives to succeed—to reach scale and be replicated—as we are still at the pilot phase of this new way of doing business.

Eric Duflos is the Director of the Office of the UNSGSA. Nancy Widjaja is a Policy Advisor in the Office of the UNSGSA.