# FINDEV CYBERLETTER

28TH EDITION

GALLUP PAKISTAN

Affiliated with Gallup International

Pakistan's Foremost Social Research Lab

# EDITOR'S NOTE

Welcome to Gallup Pakistan's FinDev Cyberletter.

The principal purpose of this Cyberletter is to inform its readers of the latest developments in the financial industry across the globe, particularly in the realms of Financial Inclusion and Digital Financial Services (DFS), where efforts are being undertaken by both private and government sectors. This is the $28^{th}$ monthly issue of the FinDev Cyberletter series. Each issue of the FinDev Cyberletter will focus on a particular theme within the broader area of financial inclusion and related topics. This newsletter is divided into three main sections. The sections are:

1) NEWS ROUNDUP – This section will cover the latest happenings in the financial services industry in Pakistan.

2) INITIATIVES – Constant work is being undertaken by experts, governments and research organizations in order to enhance the understanding of, and to find solutions to the challenges encountered within the financial services industry. This section will aim to cover some of these research initiatives, both locally and internationally.

3) DATA VISUALIZATIONS & STATISTICAL FIGURES - Research backed by data not only increases its credibility but also helps paint an accurate picture of the situation at hand. This section will contain graphical representations of data on various relevant topics

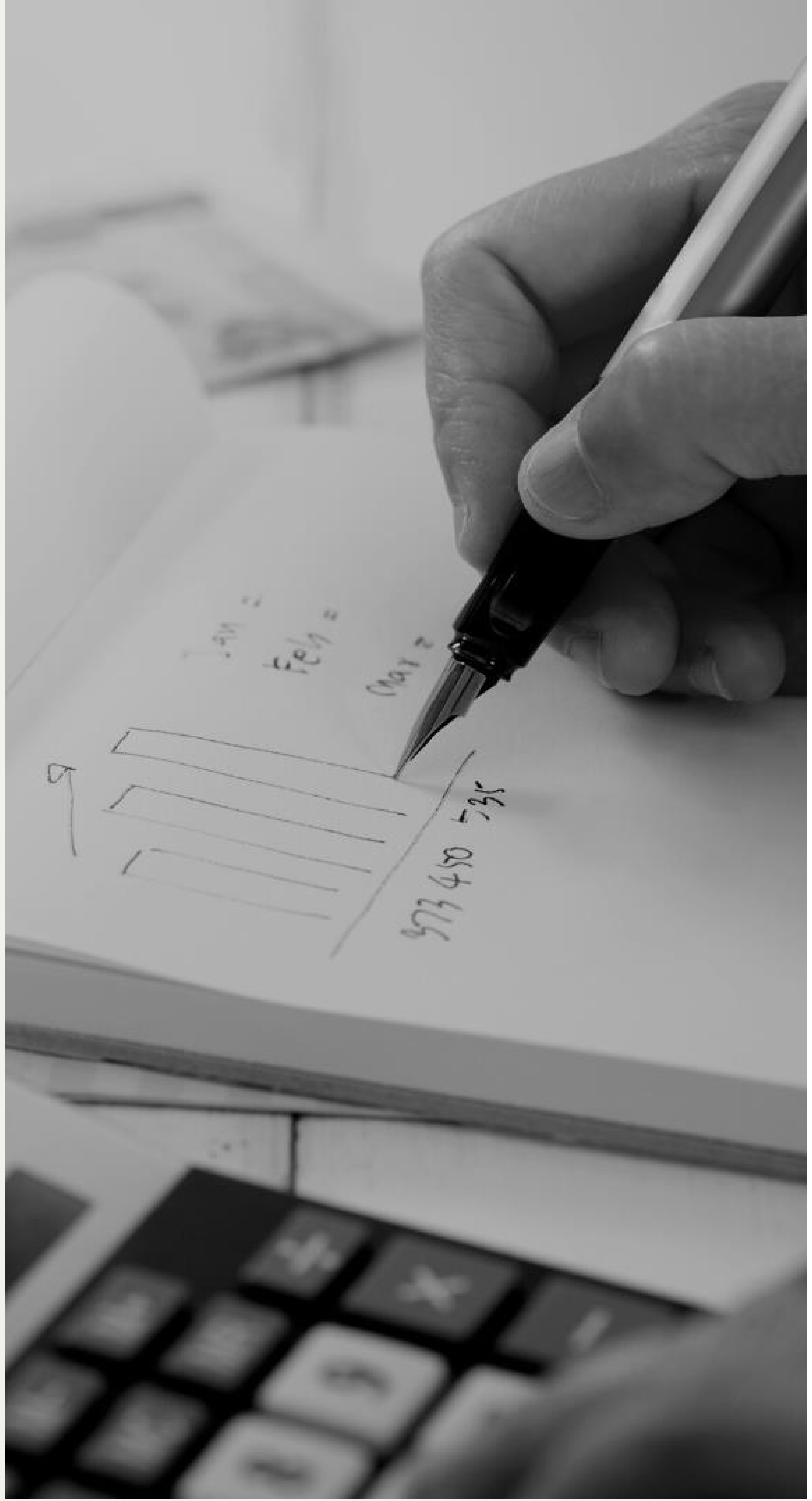
A diligent effort has been made to ensure that the content extracted from external sources has been cited and given due credit. In some cases, excerpts from the original articles have been extracted.

To access the original articles, please click on the link provided at the end of each article. In case of any errors or omissions, we would like to apologize and would be eager to rectify the changes at the earliest. For feedback, comments or questions, feel free to write to us at caf@gallup.com.pk.

Warm Regards,

The Gallup Pakistan Financial Inclusion Team

Led by Bilal I Gilani (Executive Director, Gallup Pakistan)



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## PM inaugurates ‘Ehsaas Savings Wallets’ initiative for poor women

Prime Minister Imran Khan on Monday launched the ‘Ehsaas Savings Wallets’ pilot initiative for seven million poorest of the poor women registered with the government as Kafaalat beneficiaries under its Ehsaas programme.

## How Localization Can Help Solve Fintech's Trust Issue

The pandemic has seen — and probably caused — a dramatic increase in the use of fintech apps. The fintech industry is forecasted to grow by hundreds of billions of dollars in 2022. Even with this growth, consumer trust in digital banking and online finance solutions remains low.

## Time Is Money: Financial Services Can Help Rural Women Save More of It

Rural women play a growing role in agricultural systems around the world. Yet rural women often have limited opportunities to improve their livelihoods. While there are many factors at play, one of the biggest challenges that rural women face is that they lack one of the most valuable resources there is: time.

# NEWS ROUNDUP

THIS SECTION COVERS THE LATEST HAPPENINGS FROM THE REALM OF FINANCIAL INCLUSION AND DIGITAL FINANCIAL SERVICES ACROSS THE GLOBE.

# Digitally Included, Yet Poor: What Do Their Data Trails Tell Us?

*by Arisha Salman*

In recent years, there has been a lot of talk about the digital footprints of the world's poor. Four years ago, Nandan Nilekani, the architect of India's Aadhaar infrastructure, predicted, "Indian residents and businesses will be data rich before becoming economically rich." In fact, the volume of digital records generated by poor people is increasing at an unprecedented rate. This is driven by the expansion of mobile internet and smartphone users, digital accounts, digital IDs, social media and other digital services. According to GSMA Intelligence, in 2019, 57% of the Sub-Saharan Africa's mobile subscribers used mobile internet (meaning they were digitally included). Yet, during the same time, 51% of the region's population lived on less than $5.50 per day, according to World Bank poverty estimates.

*Source: Published by CGAP, 25th May2021
Click to here to access full article

# Time Is Money: Financial Services Can Help Rural Women Save More of It

*by Sophie Falsini*

Rural women play a growing role in agricultural systems around the world. In low-income countries, 79% of working women report that agriculture is their primary work activity. Yet rural women often have limited opportunities to improve their livelihoods. While there are many factors at play, one of the biggest challenges that rural women face is that they lack one of the most valuable resources there is: time.

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*Source: Published by CGAP, 19th May2021
Click to here to access full article

# How Localization Can Help Solve Fintech's Trust Issue

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*by Nick Ustinov*

The pandemic has seen — and probably caused — a dramatic increase in the use of fintech apps. The fintech industry is forecasted to grow by hundreds of billions of dollars in 2022. Even with this growth, consumer trust in digital banking and online finance solutions remains low. While the industry strives to improve its transparency and reputation, I believe that another potential trust-boosting aspect is often overlooked — the localization of fintech apps.

*Source: Published by Forbes, 2nd June 2021
Click to here to access full article

# Financial inclusion in Pakistan increases on mobile money

*by Mehtab Haider*


Financial inclusion in Pakistan increased from 21 to 25 percent from October 20 to December 30, 2020 and it was mainly driven by mobile money adoption, Karandaaz's survey found. Karandaaz held a webinar to share the findings of the recently concluded survey on the impact of COVID-19 on financial behavior in Pakistan. Waqasul Hasan, CEO of Karandaaz said the COVID-19 crisis has brought about a substantial shift towards digital financial services.

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*Source: Published by The News, 8th May 2021
Click to [here]() to access full article

# Women and financial inclusion

*by Tehreem Husain*

Globally, economic policymakers are putting increasing emphasis on expanding financial inclusion in their countries. Financial inclusion is defined as access to formal financial services including savings, credit, insurance and payments through formal financial intermediaries at an affordable cost. The Global Findex database, compiled by the World Bank, estimates that in 2014 an estimated 2 billion adults lacked access to a transaction account and were excluded from the financial system.

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*Source: Published by The Express Tribune, 22nd March 2021
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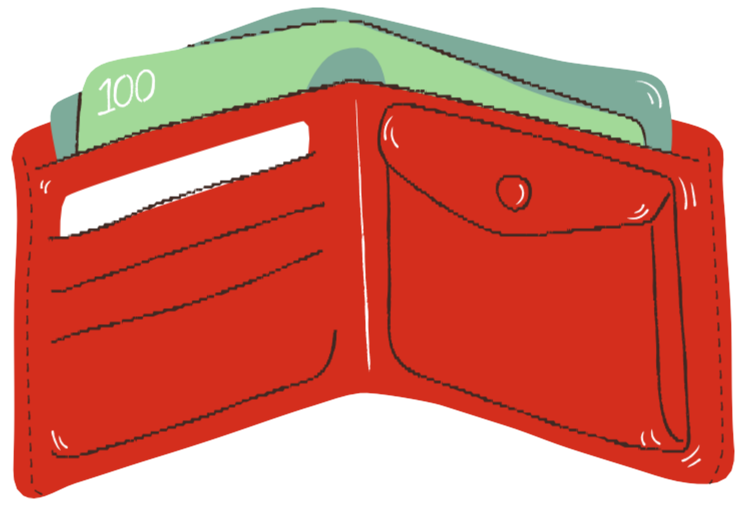
# Cash wallets are the future of fintech

*By Kalbe Ali*




The recent growth in IT and telecom amid Covid-19 lockdowns and social distancing has benefitted the microfinance sector not only in terms of improvements in loan disbursements but also in the opening of new venues for earnings.

The main challenge for the microfinance sector was to maintain the vast distribution system, making small loans costlier, but the outreach of telephony and internet services to unserved and under-served areas in the recent past helped resolve this problem.

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*Source: Published by DAWN, 31st May 2021
Click to [here] to access full article

# INITIATIVES

CONSTANT WORK IS BEING UNDERTAKEN BY EXPERTS AND RESEARCH ORGANIZATIONS TO ENHANCE THE UNDERSTANDING AND FIND SOLUTIONS TO CHALLENGES ENCOUNTERED WITHIN THE FINANCIAL SERVICES INDUSTRY. THIS SECTION COVERS SOME OF THESE RESEARCH FINDINGS.

# PM inaugurates 'Ehsaas Savings Wallets' initiative for poor women

Prime Minister Imran Khan on Monday launched the 'Ehsaas Savings Wallets' pilot initiative for seven million poorest of the poor women registered with the government as Kafaalat beneficiaries under its Ehsaas programme.
Addressing the inauguration ceremony, the prime minister said that most of the digitally and financially excluded segments in the country were destitute women. For the first time, the poorest women in Pakistan would have the option to save their stipends, he said.


*Source: Published by DAWN, 25th May 2021
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# State Bank approves EMI license for fintech

The State Bank of Pakistan (SBP) has continued to aid the digital financial ecosystem by taking different measures including the Roshan Digital Account and Raast instant payment system. In this regard, the central bank recently gave, in principle, approval for the grant of Electronic Money Institution (EMI) license to a new fintech. Following the receipt of approval, Akhtar Fuiou Technologies (AFT) will soon launch pilot operation for its e-wallet business. The firm aims to revolutionise Pakistan’s commercial and technological environment in order to rapidly enhance financial inclusion.


*Source: Published by The Express Tribune, 26th May 2021
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# HBL enables e-commerce transactions for all PayPak cards

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HBL has become the first bank to enable PayPak e-Commerce acceptance on its Internet Payment Gateway (IPG). The gateway that currently services over 400+ e-commerce merchants will allow PayPak cardholders to securely perform transactions with e-commerce merchants via HBL.

*Source: Published by The Nation, 7th May 2021
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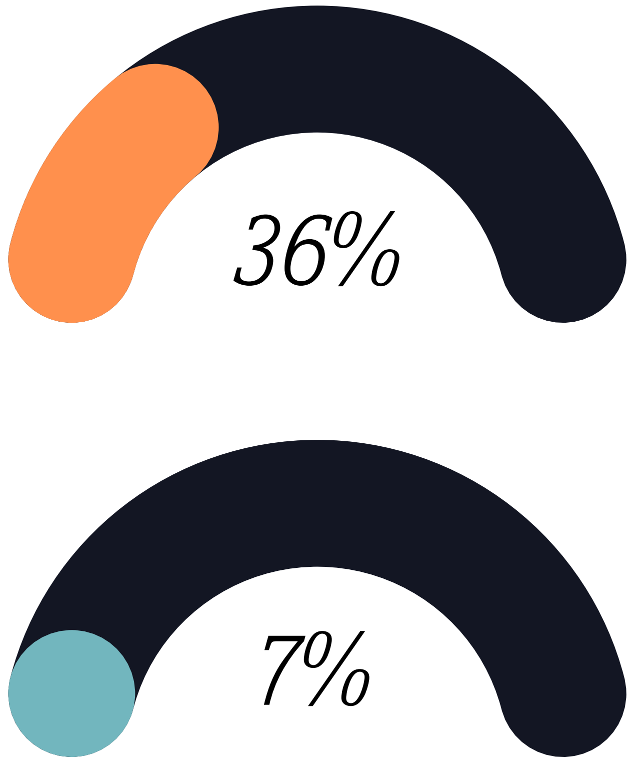
# DATA VISUALIZATIONS

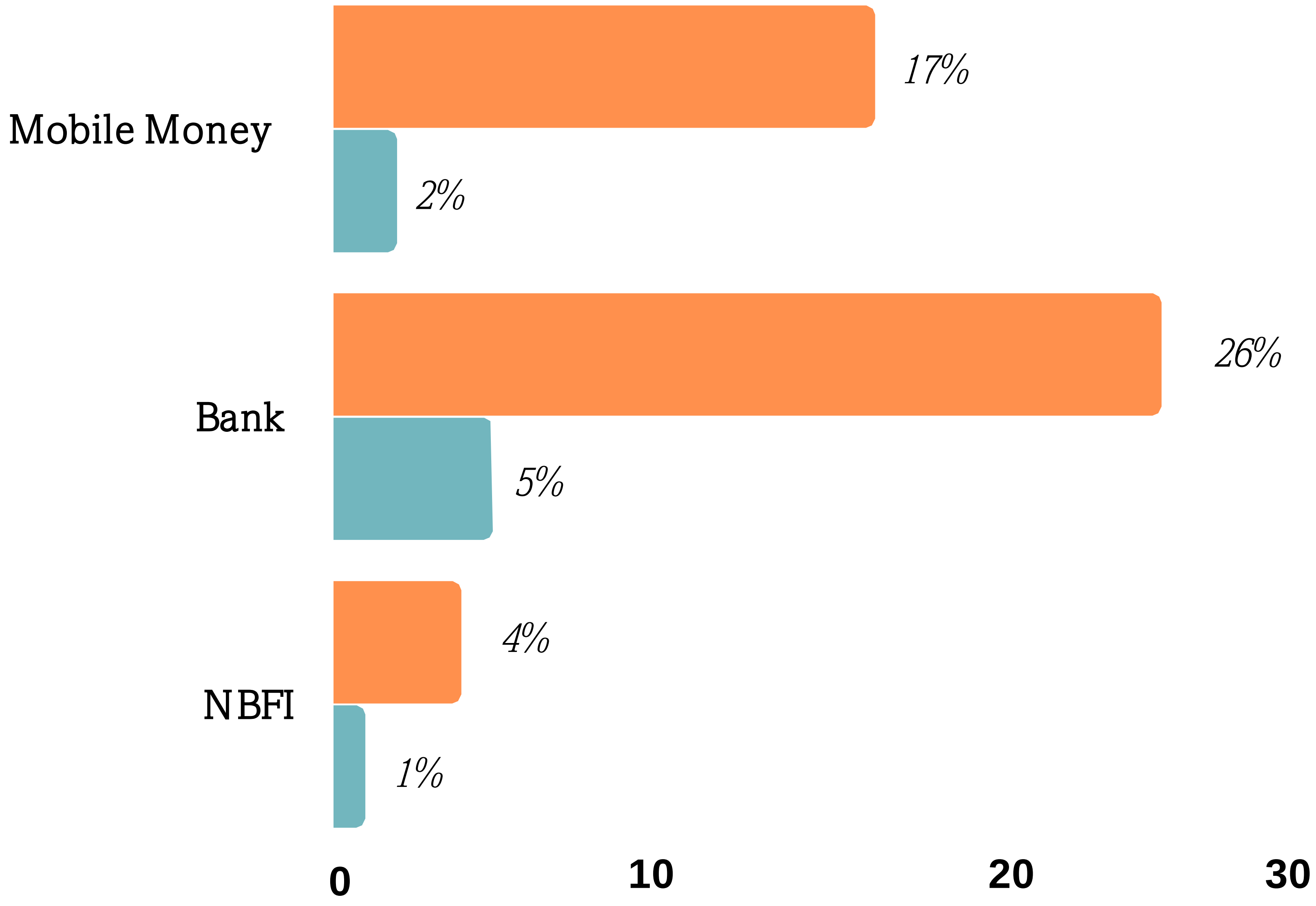

RESEARCH BACKED BY CONCRETE DATA NOT ONLY INCREASES ITS CREDIBILITY BUT ALSO HELPS PAINT AN ACCURATE PICTURE OF A PARTICULAR SITUATION. THIS SECTION CONTAINS GRAPHICAL REPRESENTATIONS ON VARIOUS TOPICS.

# Males vs. Females: Financial Inclusion by Service Type

Male (n=1,777)

Female (n=1,790)



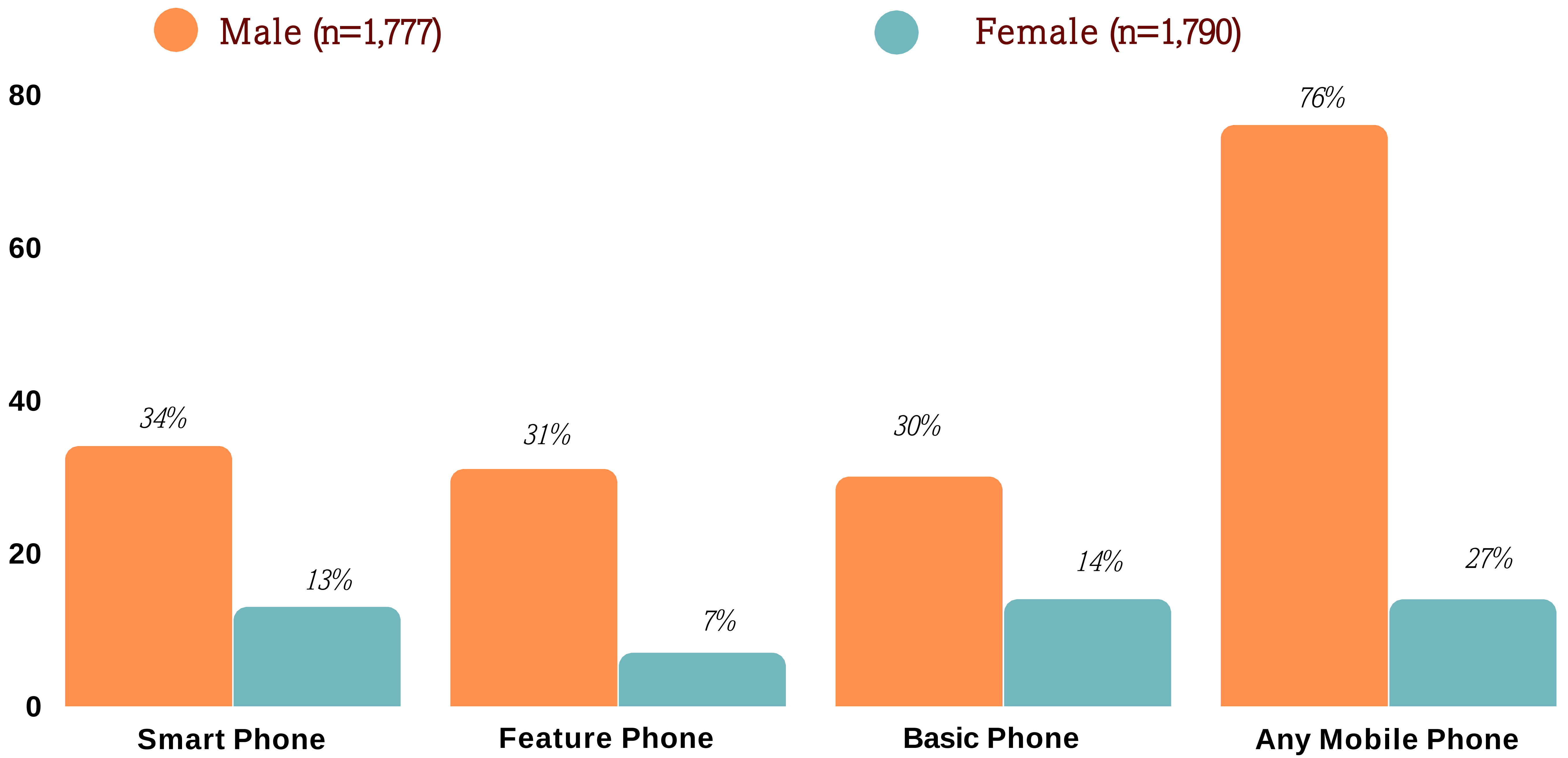




2020: Financial Inclusion by Service type

*(Percentage of Pakistani adults, by gender)*

*Source: Published by Kantar, Financial Inclusion Insights; Wave 6 Report, on March 2021
Click to here access full article

# Mobile Phone Ownership across Males & Females




2020: Mobile Phone Ownership

*(Percentage of Pakistani adults, by gender)*

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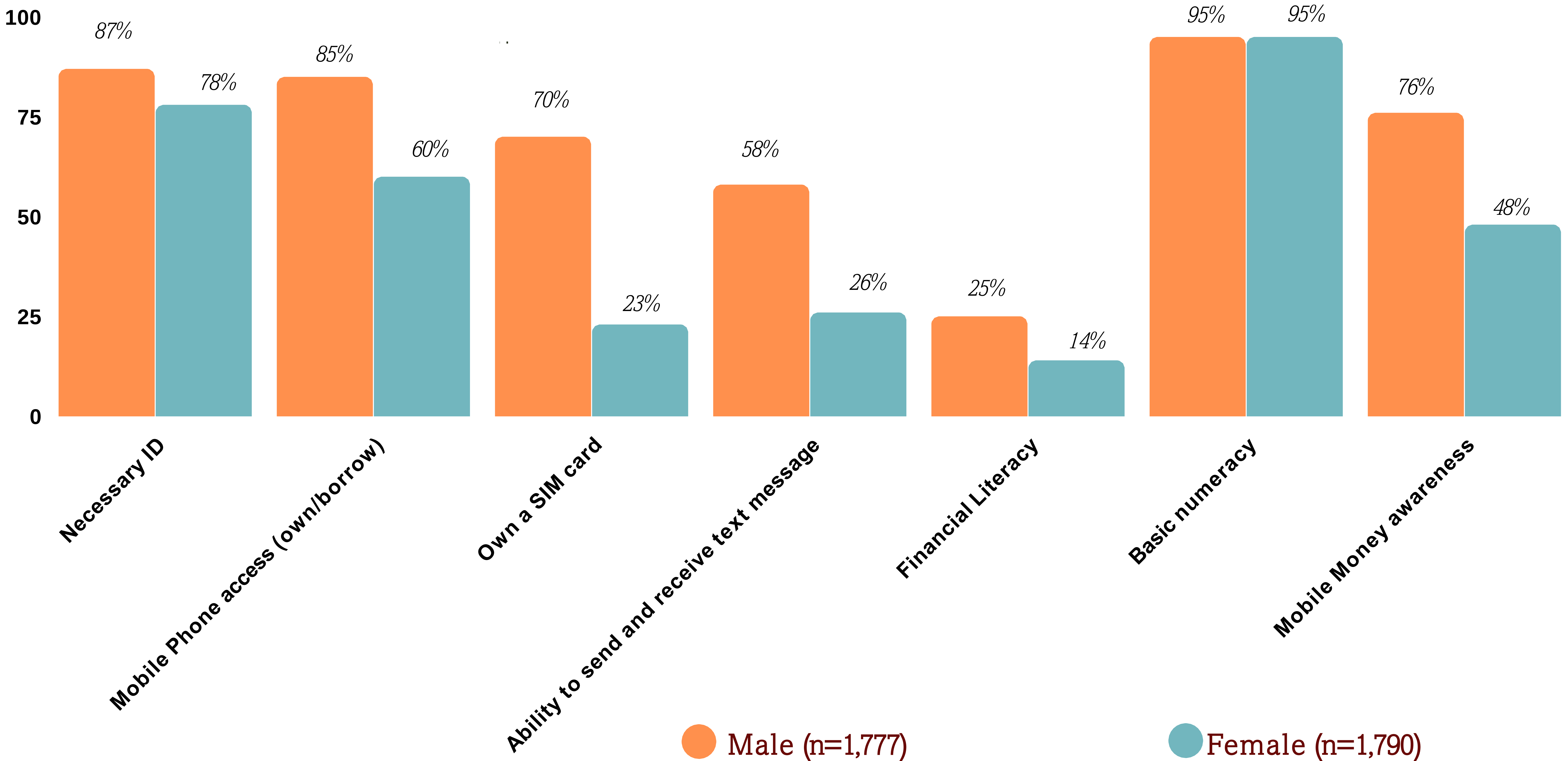
# Readiness for Financial Inclusion: Men vs. Women



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