FINDEV CYBERLETTER

29th Edition

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 29th 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

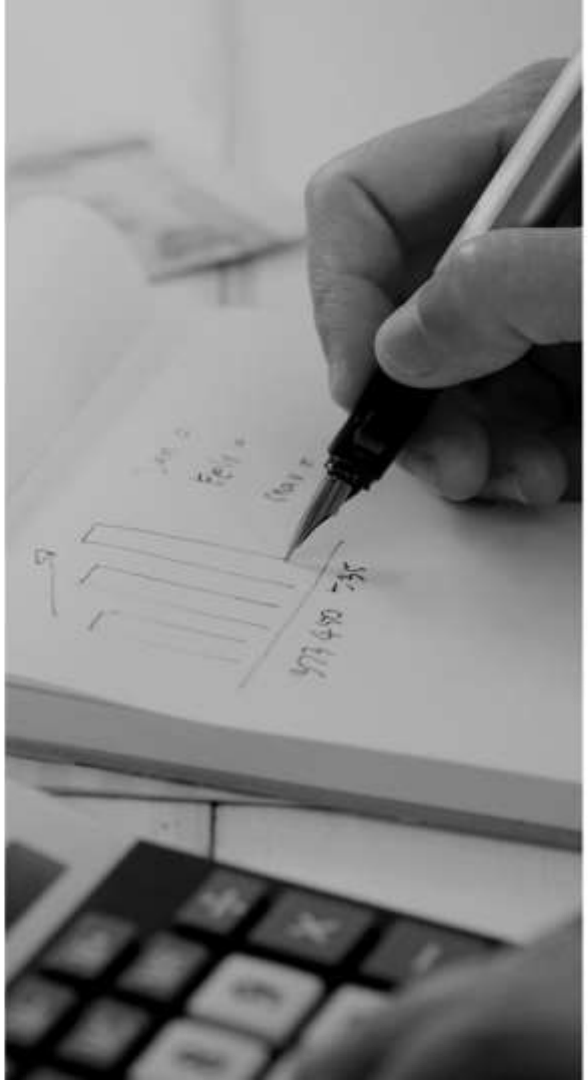
A diligent effort has been made to ensure that the content extracted from external sources has been cited and given due credit. In some cases, excerpts from the original articles have been extracted.

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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President Arif Alvi said the policy initiative by State Bank of Pakistan (SBP) would eventually enhance financial inclusion of persons with disabilities (PWDs) in the country.

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Recent analysis of the international funding flows captured in the latest CGAP Funder Survey shows a striking difference between what funders support to advance digital financial inclusion and what they fund to advance financial inclusion more broadly.

PAC lauds Ehsaas for financial transparency

The sub-committee of the Public Accounts Committee (PAC) lauded Special Assistant to the Prime Minister on Poverty Alleviation and Social Protection, Dr. Sania Nishtar for maintaining financial transparency in the government's flagship social safety Ehsaas programme.

NEWS ROUNDUP

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

PAC lauds Ehsaas for financial transparency

The sub-committee of the Public Accounts Committee (PAC) lauded on Thursday Special Assistant to the Prime Minister on Poverty Alleviation and Social Protection Dr. Sania Nishtar for maintaining financial transparency in the government's flagship social safety Ehsaas programme.

During the meeting of the sub-committee of PAC held at the headquarters of Benazir Income Support Programme (BISP), Dr. Sania Nishtar briefed the committee members about all the sub-programs operating under the Ehsaas programme. Dr. Sania Nishtar told the committee that the programme was free of any political interference and that the authority to take decisions lies with the board.

*Source: Published by Express Tribune, 2nd July 2021
Click to here to access full article

PM delighted over Roshan Digital Account inflows

Prime Minister Imran Khan on Sunday said that the Roshan Digital Account had achieved another milestone as the inflows of deposits had crossed $1.5 billion mark on Friday, with investment in Naya Pakistan certificates surpassing $1bn.

On his Twitter account, the prime minister posted an index of the State Bank of Pakistan (SBP) showing cumulative inflows of deposits in the Roshan Digital Account, terming it good news. He said that the accounts and the deposits had set new records since $1bn inflow was recorded two months ago.

*Image Source: https://reviewit.pk/imran-khan-in-shalwar-kameez/

*Source: Published by Dawn, 28th June 2021
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How Are Funders Looking to Add Value in Digital Financial Inclusion?

Recent analysis of the international funding flows captured in the latest CGAP Funder Survey shows a striking difference between what funders support to advance digital financial inclusion and what they fund to advance financial inclusion more broadly. For example, funding for digital financial services (DFS) is more market-building in character than overall total funding for financial inclusion. This means that it is more likely about developing the ecosystem that supports DFS provision, rather than going directly to financial service providers (FSPs). Only 46% of funding for DFS goes to providers, compared to 86% of financial inclusion funding.

*Source: Published by CGAP, 1st June 2021
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Africa Is Top Recipient of Financial Inclusion Funding

When we last analyzed financial inclusion funding flows in Sub-Saharan Africa (SSA), using data from 2016, we noted that more international funders were prioritizing the region. Though total funding commitments in SSA still trailed Europe and Central Asia, SSA held the top share of international financial inclusion projects at around 30%. At the time, funders projected the region to remain a strategic priority in their portfolios over the next three years. Here we are, more than three years later, and looking at the 2019 CGAP Funder Survey data we can see that funders' projections came true: for the first time in 2019, SSA received more financial inclusion funding than any other region, with $7.6 billion in active commitments.

*Image Source: https://unsplash.com/collections/1329084/sierra-leone

*Source: Published by CGAP, 16th June 2021
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Two Sides, One Coin: Credit Risk Management and Consumer Protection

For asset finance companies, credit risk management and consumer protection are inseparable. If a company wants to protect its customers, it needs to make sure they understand the terms of any loan contract they sign and can comfortably make repayments. Conversely, if that company wants customers to actually pay for their financed assets, it needs to treat them honestly and fairly, and ensure they're satisfied with their product.

*Image Source: https://www.pinterest.com/pin/737675613944051877/

*Source: Published by CGAP, 8th July 2021
Click to here to access full article

*Source: Published by CGAP, 7th June 2021
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Investing in Half the Sky: Funders and Women's Financial Inclusion

*Image Source: https://unsplash.com/s/photos/poverty

Despite the famous Chinese saying, "women hold up half the sky," women still remain disproportionately excluded from meaningful financial services, digital technologies and economic opportunities. So it is not surprising that in recent years, advancing gender equity and women's economic empowerment (WEE) has been high on the agenda for development funders. Many funders have developed official gender-in-aid policies (e.g. France, Canada, USAID) or joined women-focused funder initiatives implemented by multilateral development banks and partners, such as the 2X Challenge for development finance institutions and the Women Entrepreneurs Finance Initiative (We-Fi).

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.

INITIATIVES

SBP policy initiative to enhance financial inclusion of persons with disabilities: President

President Arif Alvi said the policy initiative by State Bank of Pakistan (SBP) would eventually enhance financial inclusion of persons with disabilities (PWDs) in the country. The president appreciated the SBP for designing a comprehensive policy to facilitate the PWDs in collaboration with all the stakeholders.

In his key note address, he expressed satisfaction that the launch of new policy by the SBP would contribute significantly in alleviating the difficulties faced by the PWDs, which would enhance their confidence in the financial system significantly.

*Source: Published by Dunya News, 21st June 2021
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Transgender persons to be included in Ehsaas Kafalat programme

The government's social safety net 'Ehsaas' on Monday approved to include all transgender people in the country in its financial assistance under the Ehsaas Kafalat programme.

A board meeting of the social welfare programme gave approval to the move according to which all transgender people holding valid CNICs will be brought into the fold of Ehsaas Kafalat. The programme will provide stipend of Rs2,000 per month along with savings bank account. Transgender people usually live as a separate community; all transgender people in a household will be declared as Kafalat beneficiaries.

*Source: Published by Dawn, 29th June 2021
Click to here to access full article

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.

*Source: Published by Kantar, Financial Inclusion Insights; COVID-19 Impact Study
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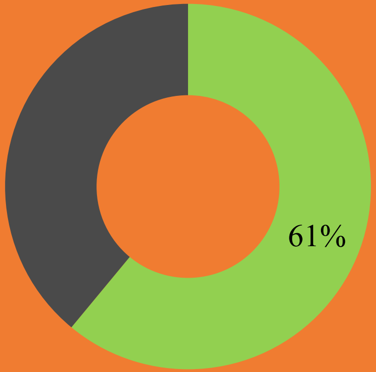
Financial Inclusion Insights

COVID-19 Impact on Income

COVID-19: Overall Job or Income Loss

61% of households lost a job or income



COVID-19: Overall Family Financial Situation

Shown: Percentage of Adults, N=3,144

Financial Inclusion Insights

COVID-19 Impact on Income

*Source: Published by Kantar, Financial Inclusion Insights; COVID-19 Impact Study
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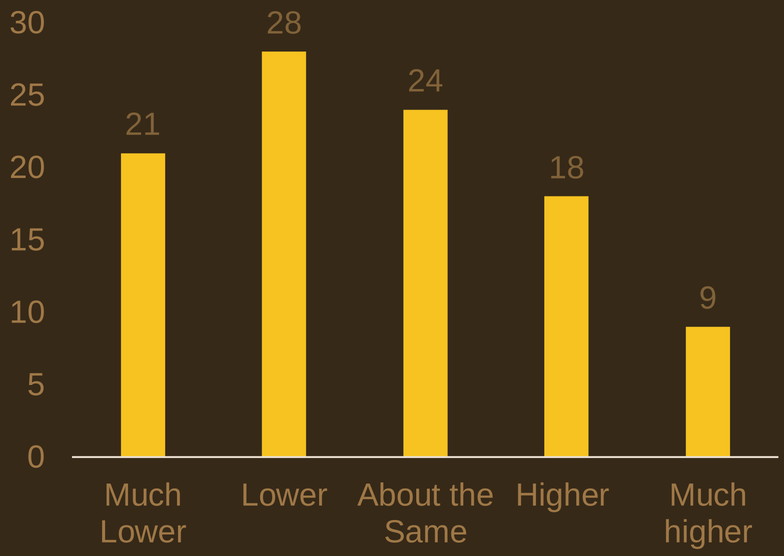
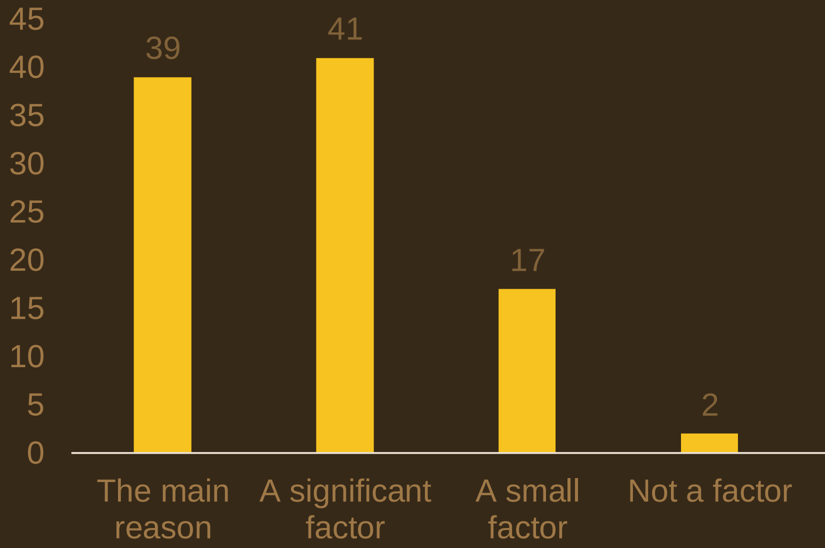
COVID-19: Change in household income



Shown: Percentage of Adults, N=3,144

COVID-19: Significance of the pandemic on lowered income



Shown: Percentage of Adults with lowered income, n = 1,455

*Source: Published by Kantar, Financial Inclusion Insights; COVID-19 Impact Study
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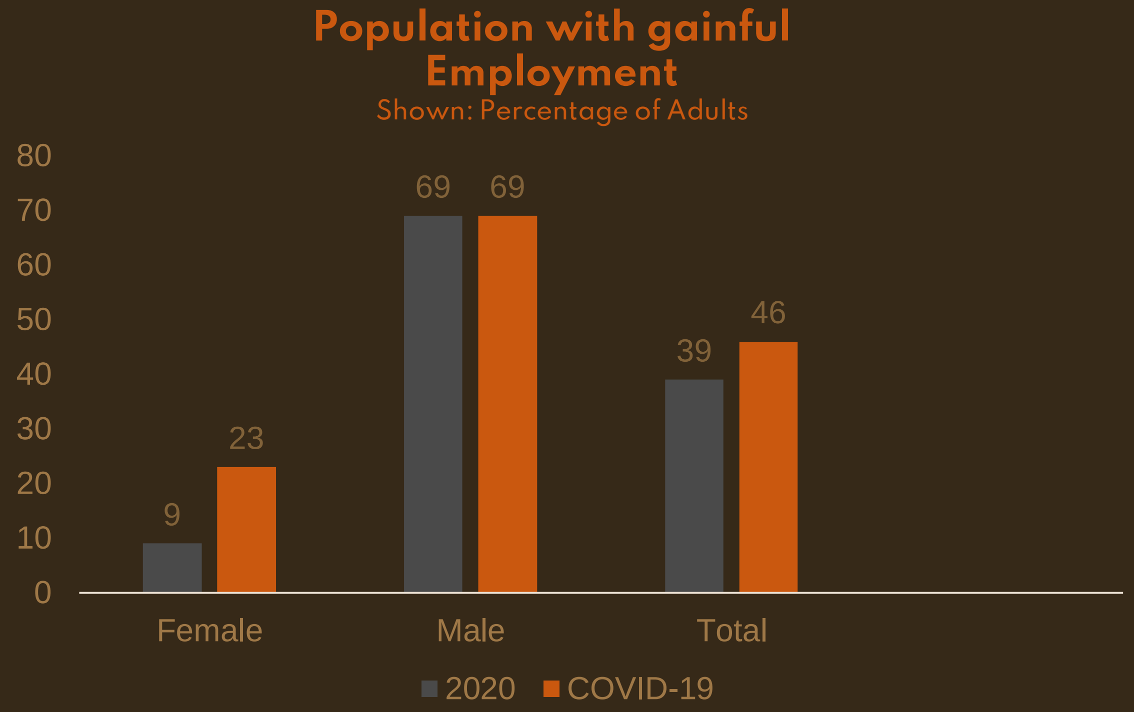
Financial Inclusion Insights

COVID-19 Impact on Employment

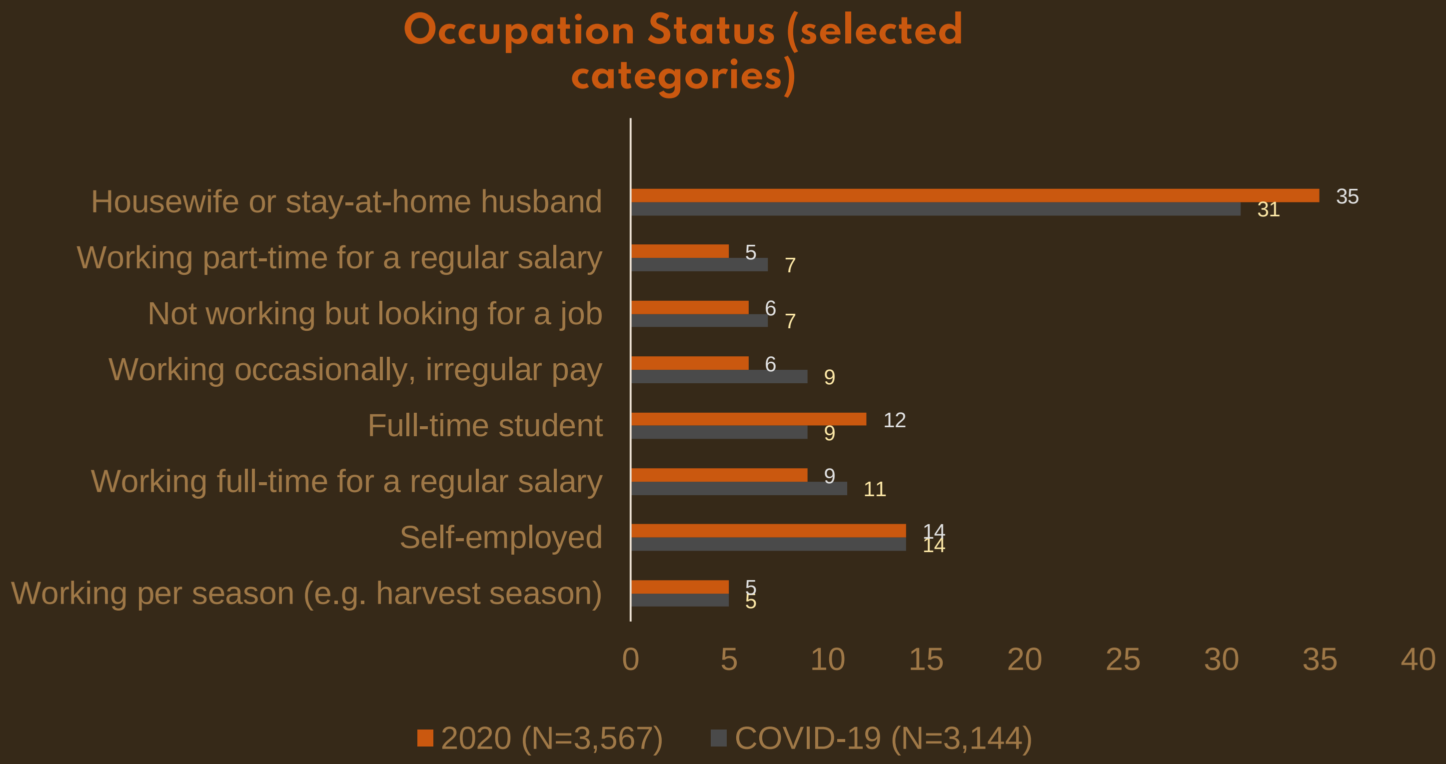


Female	Male	Total
2020 n=1,790	2020 n=1,777	2020 n=3,567
COVID-19 n=1,595	COVID-19 n=1,549	COVID-19 n=3,144

*Source: Published by Kantar, Financial Inclusion Insights; COVID-19 Impact Study
Click to here access full article

Financial Inclusion Insights

COVID-19 Impact on Employment



Shown: Percentage of Adults

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@GallupPak

caf@gallup.com.pk