FINDEV CYBERLETTER

40TH EDITION

HIGHLIGHTS

SNAPPRETAIL PLANS TO TAKE PAKISTAN'S RETAILERS INTO THE DIGITAL AGE

THE PAKISTANI FINTECH START-UP ANNOUNCED A $2.5 MILLION PRE-SEED FUNDING ROUND FOR ITS BUSINESS HELPING RETAILERS GROW THEIR REVENUES BY AS MUCH AS 50%

NEEM RAISES $2.5 MILLION IN SEED FUNDING

THE KARACHI-BASED FINANCIAL WELLNESS PLATFORM SEAMLESSLY CONNECTS UNDERBANKED CONSUMERS AND BUSINESSES TO A RANGE OF FINANCIAL PRODUCTS AND SERVICES.

SINGAPORE OUTLINES FINANCIAL SERVICES OVERHAUL WITH EYE ON GREEN FINANCE BOOM

SINGAPORE ANNOUNCED PLANS TO OVERHAUL ITS FINANCIAL SERVICES INDUSTRY BY 2025, MOBILISING CAPITAL TO SUPPORT SUSTAINABLE FINANCING AND GREEN FINTECH

NADRA TURNS 17,000 E-SAHULAT OUTLETS INTO ATMS

THE DIGITAL PAYMENT PLATFORM THAT WILL SERVE AS AN ALTERNATIVE TO ATMS AND LET CITIZENS PAY UTILITY BILLS AND IDENTITY DOCUMENTS.

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 40th 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 and around the world.
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 sources have been extracted. To access the original sources, 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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NEWS ROUNDUP

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

SnappRetail Plans To Take Pakistan's Retailers Into The Digital Age

While retail is the country's second most important industry, the vast majority of its 3 million businesses are struggling with outdated operating methods and processes – and missing out on growth as a result. But SnappRetail thinks it can change that. Pakistani fintech start-up SnappRetail announced a $2.5 million pre-seed funding round for its business helping retailers grow their revenues by as much as 50%; most of akistan's 3 million retailers are burdened with outdated operating methods.

SnappRetail will offer retailers a package of new hardware that enables them to digitise their operations: POS machines and barcode scanners to track what customers are buying, what levels of stock remain in the store, and to accept card payments.

CEO Adeel Rasheed thinks SnappRetail's hardware could help retailers increase sales by between 30% and 50% – and increase margins on those sales by as much as 100%

Source: Published by www.forbes.com August 25, 2022. Click here to access full article

Neem Raises $2.5 Million in Seed Funding

Neem, an embedded financial wellness platform based in Karachi, that empowers businesses to serve the underbanked, has raised $2.5 million in seed funding from SparkLabs, Arif Habib, Cordoba Logistics and Ventures, Taarah Ventures, My Asia VC, ConceptVines Ventures, and Building Capital.

Neem offers two products: banking as a Service (BaaS) and lending services. With BaaS, businesses can integrate wallets and payments and offer financial products like insurance and savings. And with lending, they can provide small businesses and consumers with customized loan products.

Neem seamlessly connects underbanked consumers and businesses to a range of financial products and services.

Source: Published by www.techsaw.com September 13, 2022. Click here to access full article

Faysal Bank to Offer Shariah Compliant Digital Financial Solutions to Freelancers

Faysal Bank Limited (FBL) collaborates with Pakistan Freelancers Association to facilitate the freelancer community by providing Shariah Compliant digital financial solutions and capacity building for freelancers. FBL has launched Burraq Digital Freelancer Account, which has opened door to a host of banking services, including consumer finance and related payment services.

Source: Published by propakistani.com September 27, 2022. Click here to access full article

INITIATIVES

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

Singapore Outlines Financial Services Overhaul with Eye on Green Finance Boom

Singapore announced plans to overhaul its financial services industry by 2025 in a bid to cement its position in a "key battleground" to fight climate change, mobilising capital to support sustainable financing and green fintech. The 'Industry Transformation Map 2025' plans released by the Monetary Authority of Singapore (MAS), the city-state's central bank, will include measures to streamline corporate structures used by investment funds, including a S$400 million ($285 million) investment in local talent within the industry.

The MAS projects its new plans will see Singapore's financial sector grow by an average 4% to 5% a year from 2021 to 2025 and create 3,000-4,000 net jobs on average each year. The plans include a S$100 million fund over five years to support sustainability within the finance sector such as green fintech, new sustainable financing solutions and reinsurance.

Source: Published by www.reuters.com September 15, 2022. Click here to access full article

Japan and World Bank Host IDA20 Launch; Global Community Consolidates Commitment to the Poorest with $93 Billion Package

The Government of Japan and the World Bank hosted the in-person launch of the twentieth cycle of the International Development Association (IDA20) at a gathering of donor and recipient countries. The S93 billion IDA20 package will help low-income countries rebuild their economies in the face of overlapping crises—climate change, COVID-19, conflict, inflation, rising debt, and food insecurity—which are hitting the poorest people disproportionately harder.

IDA20 will help countries tackle these challenges by:

- Prioritizing investments in human capital such as education, health and nutrition, and COVID-19 vaccines
- Strengthening resilience of food systems and providing emergency support
- Deepening support to prepare for future crises, including pandemics, financial shocks and natural hazards
- Enhancing action on climate change, including actions to support adaptation, preserve biodiversity, and enable countries to shift to a low-GHG emissions development pathway
- Providing increased and flexible support for countries facing fragility and conflict
- Implementing a debt policy to promote sustainable borrowing and lending practices in IDA countries.

Source: Published by www.worldbank.org.com September 13, 2022. Click here to access full article

European Central Bank Picks Five Partners for Digital Euro Initiative

he European Central Bank (ECB) has selected five companies – out of 54 applicants – to collaborate with for the development of potential user intThe selection is a result of the call of expressions of interest for the prototyping exercise issued by the ECB in April this yearerfaces for the digital euro. The aim of this prototyping exercise is to test how well the technology behind a digital euro integrates with prototypes developed by companies. The prototyping exercise is part of the ongoing two-year investigation phase of the digital euro project and is scheduled for completion in Q1 2023. The findings will be then made public by the ECB.

Source: Published by www.fintechfutures.com September 19, 2022. Click here to access full article

NADRA turns 17,000 e-Sahulat outlets into ATMs

The National Database and Registration Authority (NADRA) has rolled out a digital payment platform that will serve as an alternative to automated teller machines (ATMs) and let citizens pay utility bills and identity documents. Nadra, the largest government database organisation, has integrated its platform with 1Link, the largest payment gateway, creating a strategic alliance to administer and evolve an e-payment network in the country through Nadra's e-Sahulat franchise network.

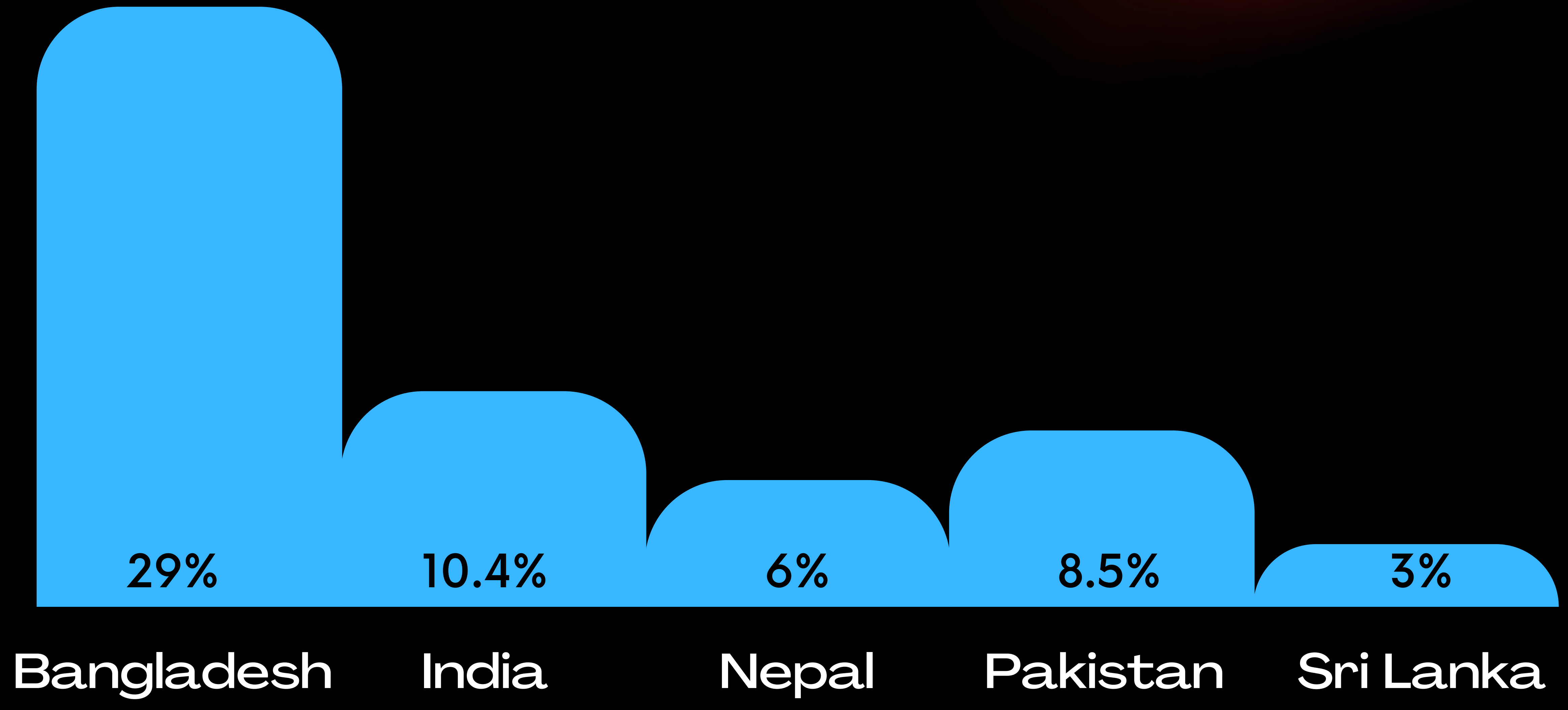
The partnership will enable the more than 17,000 e-Sahulat outlets to perform fund transfers, cash-in and cash-out, and public-to-government (P2G), government-to-public (G2P), and public-to-public payments (P2P) payments. Integrating Nadra's platform with 1Link would also enable citizens to implement national digital payment and financial inclusion objectives in the futur; cash-in, cash-out was an opportunity for account holders of more than 40 banks to transfer and withdraw cash across the country using biometric verification. The Nadra chairman told Dawn that the digital platform's software would be provided to youth in far-flung areas, enabling them to continue their education by earning to pay their fee

Source: Published by www.dawn.com September 10, 2022. Click here to access full article

DATA VISUALIZATIONS

South Asia: in 2021, Bangladesh had the highest proportion of mobile money acount holders. The rest in the region are evidently slower to catch up with this digital financial service.

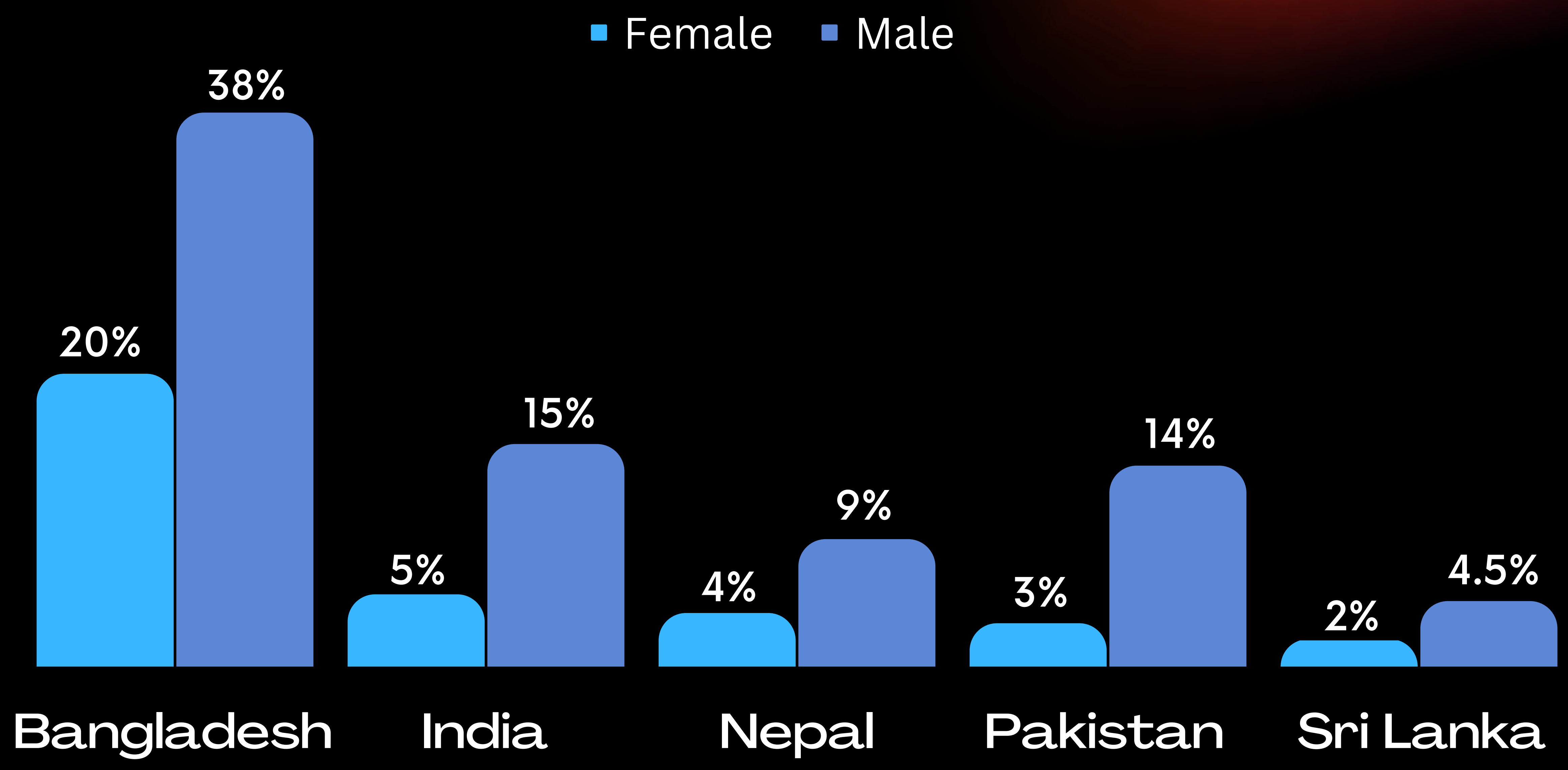
Less than 9% of Pakistan's population has a mobile money account.



Source: Global FIndex Database 2021; Indicator: Mobile money account (% age 15+)

South Asia: of these mobile money account holders in 2021, male account owners outnumbered female account owners throughout the region.

Women's unequal financial autonomy in this aspect was most pronounced in Pakistan and India during 2021



Source: Global FIndex Database 2021; Indicator: "Mobile money account, male (% age 15+)" and "Mobile money account, female (% age 15+)"

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caf@gallup.com.pk