49th Edition

FINDEV CYBERLETTER

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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 48th issue of the FinDev Cyberletter series (For october). 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

Highlights

Shaping the future of impact investing in inclusive finance

To maximize the impact of inclusive finance, we need to accelerate efforts to develop a broad range of financial solutions that enable development outcomes and solve for the problems low-income and vulnerable individuals, households, and MSEs face.

Guidance for regulators: applying gender-intentional approaches

While many civil servants and regulators in the financial sector are carrying the mantle of promoting gender equity in financial inclusion, more regulators need to follow suit if we hope to close the gender gap.

Fintech 3.0: a new era of financial inclusion

Empowering financial inclusion

Reaching financial equality for women 2023 edition

Drawing on decades of experience, research, and in-field activity, this 10-point action plan to reach financial equality for women aims to help end the continued economic exclusion of half the world's population and build more resilient national economies.

Inclusion through innovation in financial services: winning over businesspeople and consumers in Indonesia

Fintech DiiMo closes a $1.2million investment to drive financial inclusion in Central America

El Salvador's fintech, DiiMO, is promoting financial inclusion in Central America with a successful Pre-Series A financing round.

Innovative gender bond series uplifts rural women to drive climate action in Asia

NEWS ROUNDUP

THIS SECTION COVERS THE LATEST HAPPENINGS FROM THE REALM OF FINANCIAL INCLUSION AND DIGITAL FINANCE

Shaping the future of impact investing in inclusive finance

Impact investors have an opportunity to further the inclusive finance agenda by adopting an outcome-oriented strategy for their impact measurement and management (IMM) activities. With a strong focus on outcomes, this approach aims to allocate resources toward investments that offer the highest potential for significant and influential results. It enables investors to understand the effects of their investments on customers and then take action to adapt processes and improve outcomes while maximizing their financial returns.

PHOTO CREDITS:
STANFORD UNIVERSITY

SOURCE: PUBLISHED BY WWW.CGAP.ORG. 9TH NOVEMBER 2023. CLICK HERE TO ACCESS FULL ARTICLE

Guidance for regulators: Applying gender-intentional approaches

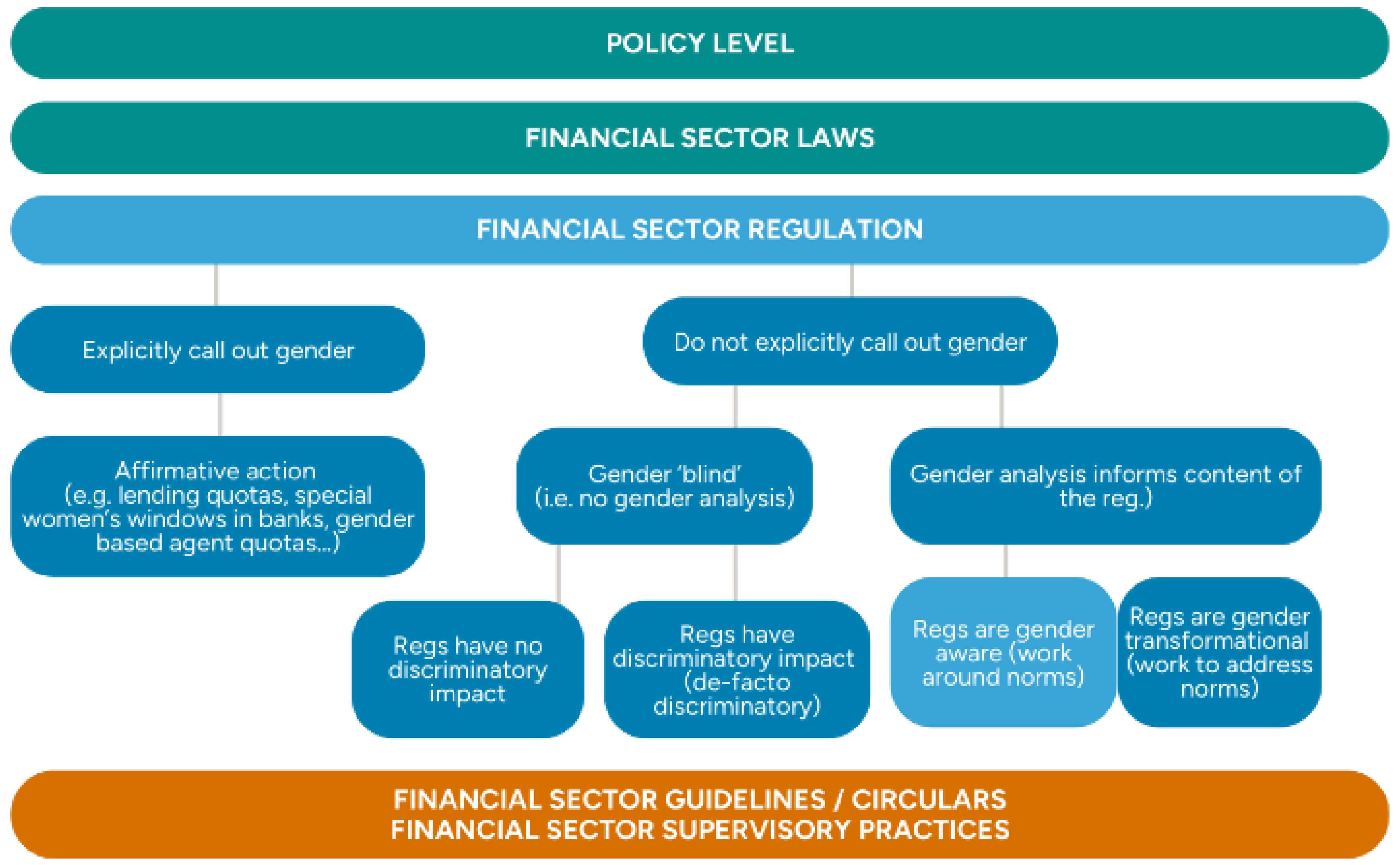


Figure 1: Tiers of Financial Sector Policy and Regula

Despite the advancements in financial inclusion in recent decades, there is still inequality between men and women in accessing, using, and gaining value from financial services. While many civil servants and regulators in the financial sector are carrying the mantle of promoting gender equity in financial inclusion, more regulators need to follow suit if we hope to close the gender gap.

SOURCE: PUBISHED BY WWW.CGAP.ORG. 22ND NOVEMBER 2023. CLICK HERE TO ACCESS FULL ARTICLE

Fintech 3.0: A new era of financial inclusion

Fintech has long been viewed negatively in certain circles. This is primarily because companies in the payments, money transfer and investing space are often seen as focused on the tech instead of the regulated activities in which they are participating. But I see that as changing.

If fintech 1.0 was about payments—think Stripe, Plaid, Paypal and the like—and fintech 2.0 was about blockchain, then I see fintech 3.0 as about inclusion. Banking has long been a tool for the wealthy to make more money. With fintech 3.0, I believe that we can move the tools from boardrooms to neighborhoods.

PHOTO CREDITS: SMART RESEARCH

SOURCE: PUBLISHED BY WWW.FORBES.COM. NOVEMBER 29TH 2023. CLICK HERE TO ACCESS FULL ARTICLE

Empowering financial inclusion

Decentralised Finance (DeFi) is a pioneering force, making breakthroughs in the field of finance and revolutionising the centrally dependent financial sector. It has already made a difference in several countries and Pakistan is no exception.

DeFi offers a glimmer of hope for financial inclusivity and empowerment, particularly for women in the country. By leveraging blockchain technology and eliminating traditional barriers, DeFi is revolutionizing access to financial services, opening doors that were once firmly closed.

PHOTO CREDITS: THE NEWS

SOURCE: WWW.THENEWS.COM.PK. 20TH OCTOBER 2023. 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

Reaching financial equality for women 2023 edition

The response to financial inequality has been well-intentioned but fragmented. Success is dependent on everybody doing their part. Drawing on decades of experience, research, and in-field activity, this 10-point action plan to reach financial equality for women aims to help end the continued economic exclusion of half the world's population and build more resilient national economies.

These 10 actions are equally important: they are not sequential steps but mutually reinforcing actions for all stakeholders committed to reaching financial equality. This plan builds on the G20 Global Partnership for Financial Inclusion 2020 policy recommendations and was first launched in the 2021 Generation Equality Forum build-up.

PHOTO CREDITS: UNSGSA

SOURCE: WWW.UNSGSA.ORG. 6TH NOVEMBER 2023. CLICK HERE TO ACCESS FULL ARTICLE

Inclusion through innovation in financial services: Winning over businesspeople and consumers in Indonesia

Innovation in financial services is gaining acceptance in Indonesia, and its benefits are becoming increasingly evident.

To bring confidence and trust towards digital financial services among individuals and businesspeople, the World Bank conducted a financial inclusion pilot program and supported financial literacy initiatives of regulators.

These efforts aimed to increase ownership and usage of formal financial services by leveraging digital financial services.

PHOTO CREDITS: WORLD BANK

SOURCE: WWW.WORLDBANK.ORG. 13TH NOVEMBER 2023. CLICK HERE TO ACCESS FULL ARTICLE

Fintech DiiMO closes a $1.2 million investment to drive financial inclusion in Central America

PHOTO CREDITS: DiiMO

In a notable achievement for the growing startup ecosystem in Central America, the fintech DiiMO celebrates the success of its recent Pre-Series A financing round, in which it raised a total of USD $1.2 million, composed of equity and a line of credit.

This investment aims to expand DiiMO's influence in the region and strengthen its commitment to financial inclusion.

SOURCE: WWW.CONTXTO.COM. 29TH NOVEMBER 2023. CLICK HERE TO ACCESS FULL ARTICLE.

Innovative gender bond series uplifts rural women to drive climate action in Asia

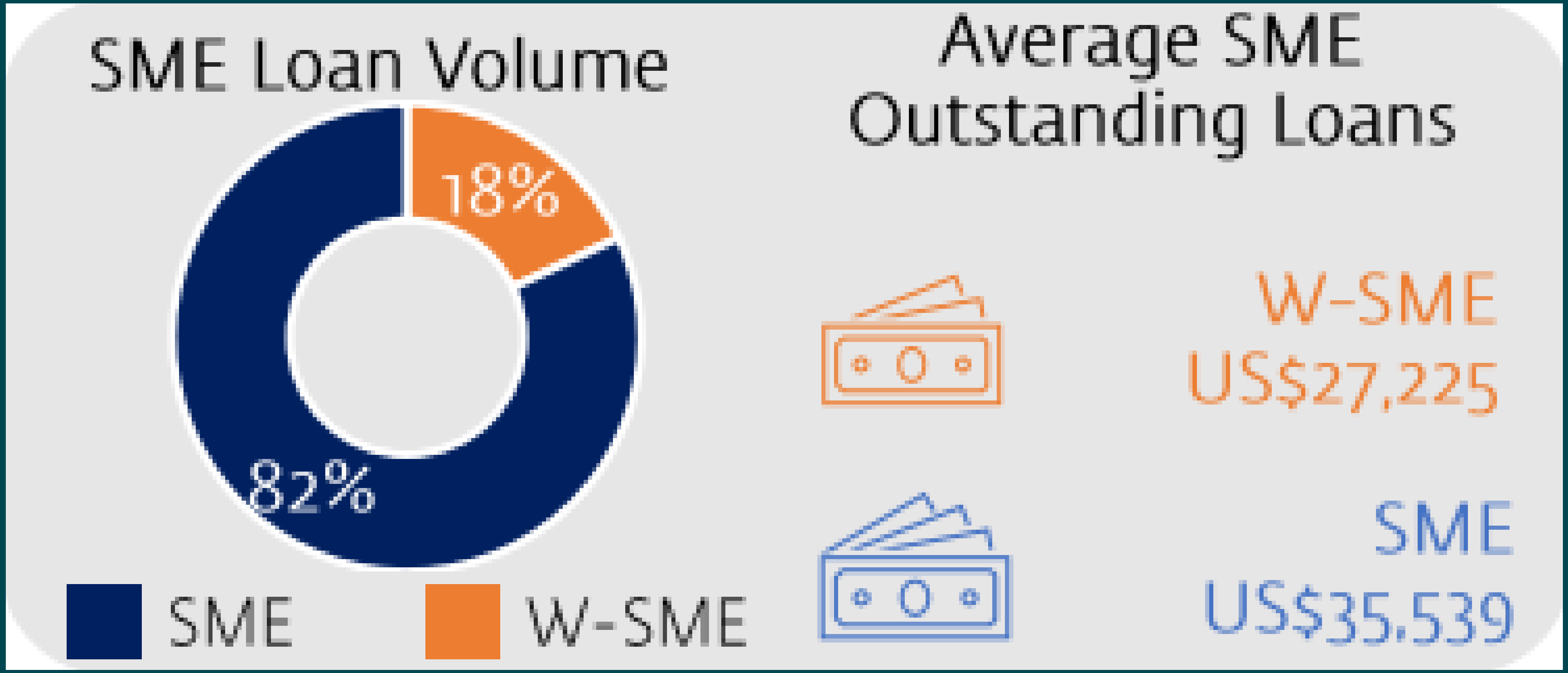
Rural women across Asia play a key role producing, processing, and trading agricultural products, and are often the primary users and managers of natural resources.

Despite this, discriminatory practices and stereotypes all too often limit their access to the technologies, information and economic opportunities needed to build resilience against environmental shocks and increase their incomes.

While women farmers are disproportionately affected by the adverse impacts of climate change compared with their male counterparts, they are also uniquely placed to promote meaningful change.

SOURCE: WWW.UNCDF.ORG. 14TH NOVEMBER 2023. CLICK HERE TO ACCESS FULL ARTICLE.

DATA VISUALIZATIONS

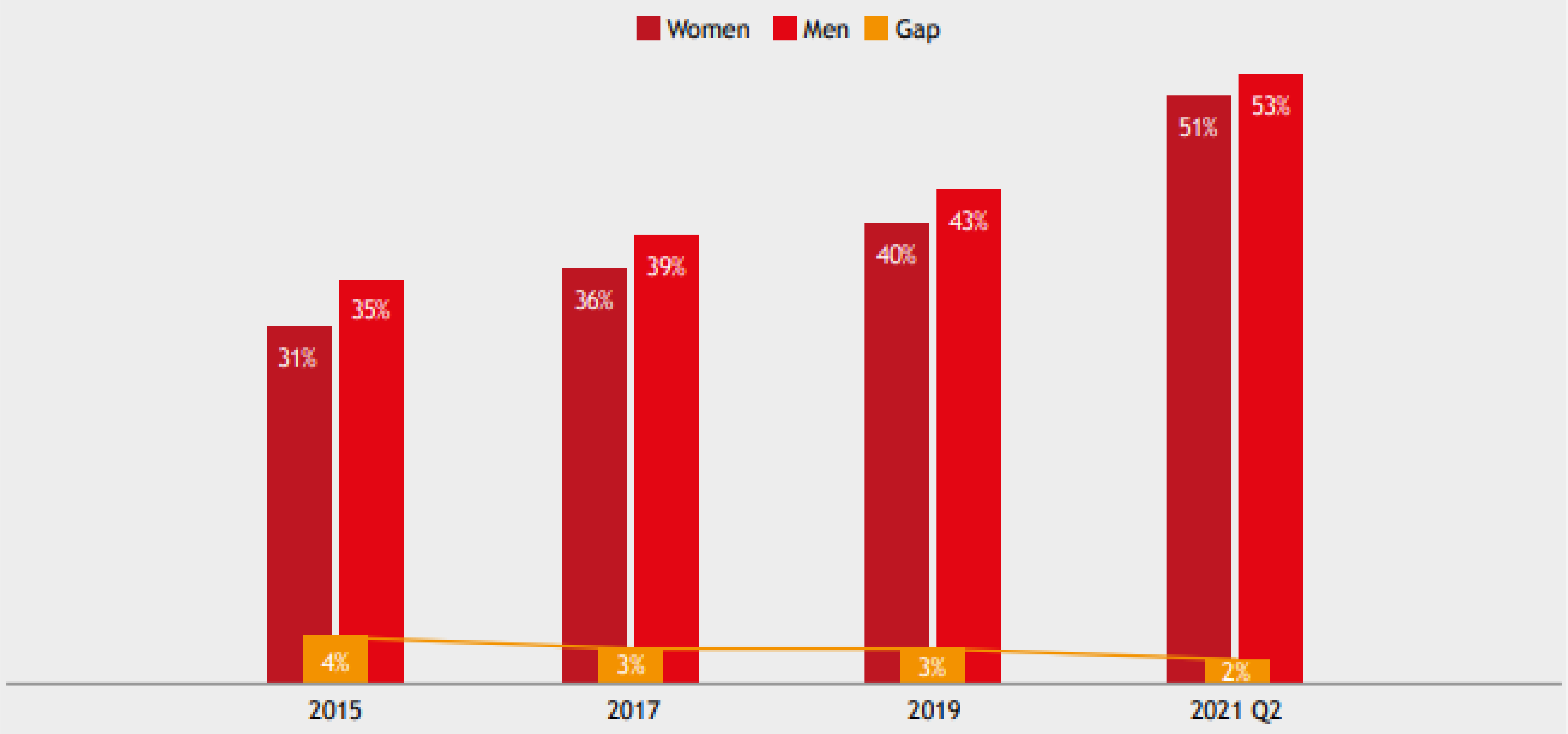


SOURCE: WWW.FINANCIALALLIANCEFORWOMEN.ORG. NOVEMBER 2023. CLICK HERE TO ACCESS FULL ARTICLE

Loans to W-SMEs (Women owned SMEs) accounted for 18% of the overall value of SME loan books in 161 surveyed IFC client FIs (Financial Institutions) in 2022. In addition, average outstanding loans to W-SMEs (US$27,225) were smaller than the average for the total SME portfolio (US$35,539)

Women represent just over 50 percent of the total population and face additional barriers to account access and usage compared to men, such as more precarious jobs, lower income, or lower educational levels.

FIGURE 2: PERCENT OF ADULTS WITH AN ACCOUNT IN THE FINANCIAL SYSTEM - INEI (ENAHO)



Source: World Bank Global Findex 2011-2021

SOURCE: WWW.AFI-GLOBAL.ORG. 30TH NOVEMBER 2023. CLICK HERE TO ACCESS FULL ARTICLE

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