

# 2018 CGAP Financial Inclusion Funder Survey



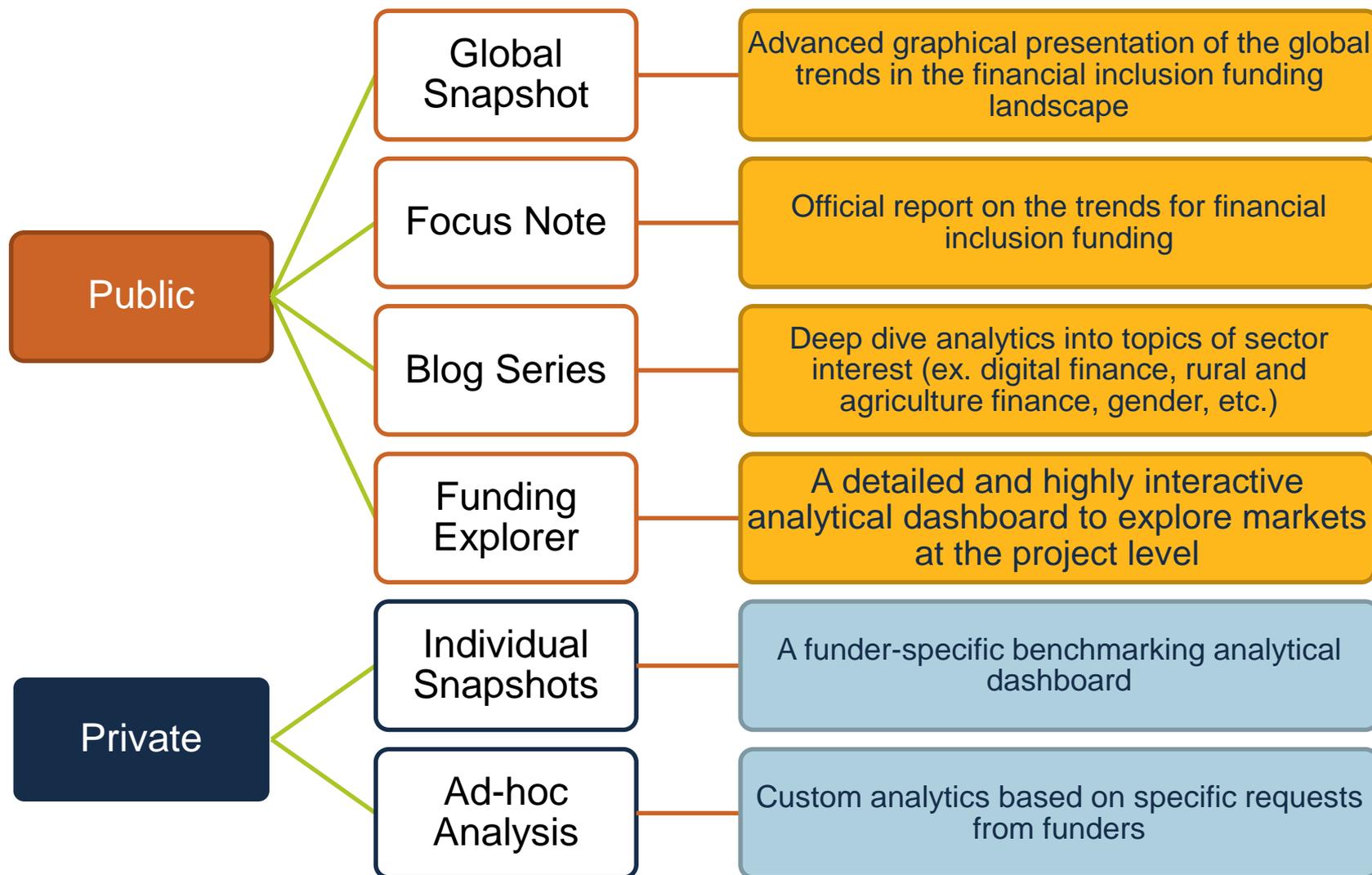
# Goals of the survey

**Analyze trends** in funding for financial inclusion in order to anticipate changes and help funders adapt their strategy

**Improve coordination** among funders by identifying who is doing what and where, gaps and areas of concentration

**Improve accountability** by collecting and disseminating data on funders' portfolio to help funders report on their financial inclusion operations

# Funder Survey Products



# Financial inclusion focus

- The survey covers funding commitments at the end of each year for projects aimed at advancing financial inclusion either directly or indirectly, as part of broader development projects, including micro and small enterprises, digital finance, women, and youth (among many others).
- Funders are asked to report the commitments that are explicitly focused on financial inclusion.

# Project/Recipient Typology

## Themes

- Micro and small enterprises
- Digital finance
- Rural and agricultural finance
- Women
- Housing
- Islamic finance
- Refugees and displaced people
- Informal finance
- Green finance
- Poor
- Youth
- Migrants
- Household level finance
- Essential services (water, sanitation and health)
- Other (Please specify in the comments tab)
- None (Please specify in the comments tab)

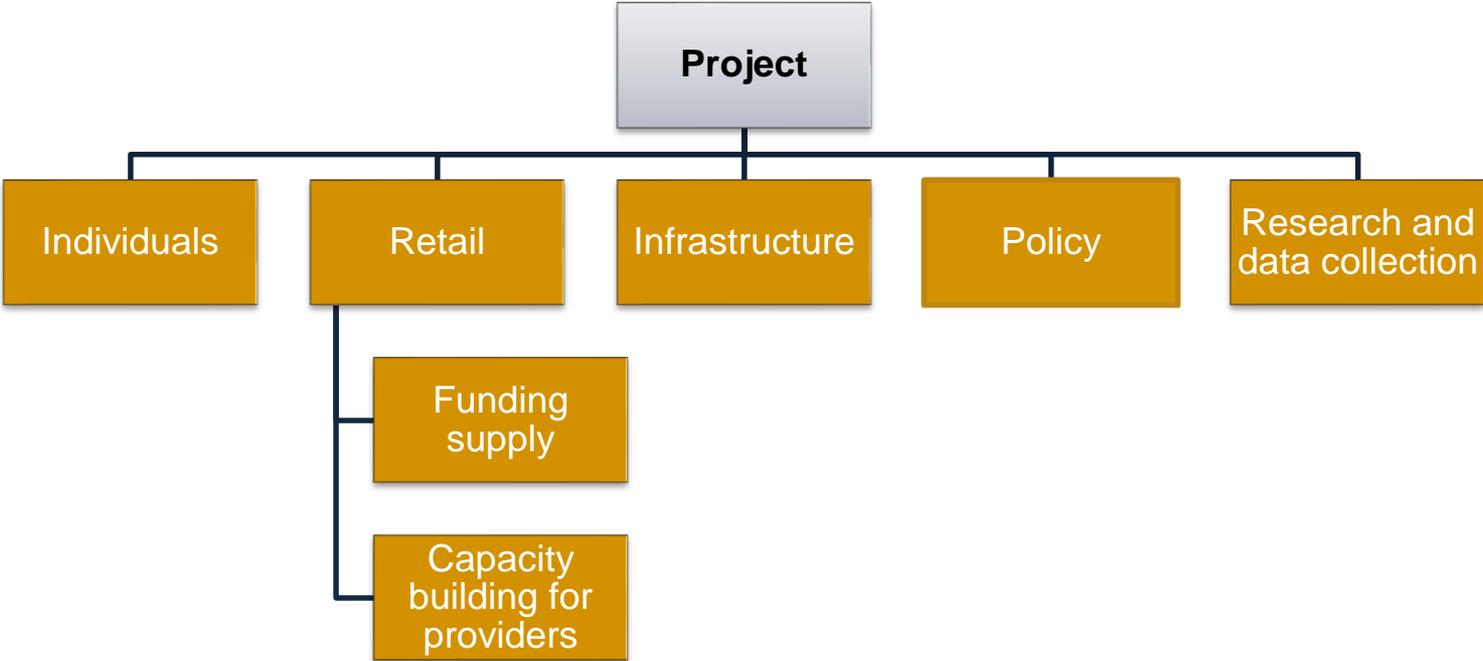
## Recipient Types

- Government: Central Bank
- Government: Other
- Development agency
- Intermediary: Microfinance investment vehicle/intermediary
- Intermediary: Apex
- Infrastructure: Credit bureau, registry, or reporting system
- Infrastructure: Payment/digital platform
- Foundation/NGO
- Network/Association
- FSP: Bank
- FSP: DFS provider (e.g. payments/transfers, mobile money, e-money)
- FSP: Nonbank financial institution (registered, e.g. MFI, financial cooperative, etc.)
- FSP: Informal provider (not registered, e.g. SHG, ROSCA etc.)
- Mobile network operator
- Research/university/academic
- Contractor
- Market facilitator
- Development program
- Other (specify in the comments column)

## SDG Focus

- GOAL 1: No Poverty
- GOAL 2: Zero Hunger
- GOAL 3: Good Health and Well-being
- GOAL 4: Quality Education
- GOAL 5: Gender Equality
- GOAL 6: Clean Water and Sanitation
- GOAL 7: Affordable and Clean Energy
- GOAL 8: Decent Work and Economic Growth
- GOAL 9: Industry, Innovation and Infrastructure
- GOAL 10: Reduced Inequality
- GOAL 11: Sustainable Cities and Communities
- GOAL 12: Responsible Consumption and Production
- GOAL 13: Climate Action
- GOAL 14: Life Below Water
- GOAL 15: Life on Land
- GOAL 16: Peace and Justice Strong Institutions
- GOAL 17: Partnerships to Achieve the Goal

# Funding Purpose



# Individuals

Knowledge, skills and behavior

- **Overall purpose:** build the knowledge, understanding, skills, attitudes and behaviors that clients need to manage personal, household or enterprise finances.
- Include individuals, households, micro and small enterprises (MSEs)
- Examples of funders' support include:
  - Financial education
  - Business training linked to credit
  - Strengthen self-managed organizations
  - Other

# Retail

## Financing and building the provider ecosystem

- **Overall purpose:** promote a wide range of strong financial services providers that provide responsible and appropriate products and services to customers.
- Retail institutions include:
  - Bank
  - Digital financial services (DFS) provider (e.g. payments/transfers, mobile money, e-money)
  - Nonbank financial institution (registered, e.g. Microfinance Institutions (MFI), financial cooperative, etc.)
  - Informal provider (not registered, e.g. Self-Help Groups (SHG), Rotating Credit and Savings Associations (ROSCA) etc.)
- At the retail level, funders' support can be classified into **two categories**:
  1. **Financing:** to provide retail providers with the capital base to finance their operations and growth. Funders can finance retail institutions directly, or indirectly by channeling funds through intermediaries or wholesale institutions, such as apexes, investment funds and holdings
  2. **Capacity building:** efforts to strengthen retail providers to become more sustainable and deliver better and more responsible products such as
    - Management & governance
    - IT systems
    - Operations
    - Responsible finance
    - Product development \* (see details on the next slide)
    - Delivery channels
    - Other
- Capacity building efforts can be provided directly to the retail institutions, or indirectly through networks or holdings.

# \*Product development purpose

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Payments and remittances

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Insurance

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Savings

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Leasing

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Credit

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Account

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Investment

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E-money

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Other (Please specify in the comments tab)

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# Infrastructure

Infrastructure that explicitly support and develops financial access

- **Overall purpose:** strengthen market infrastructure to make financial markets inclusive in an efficient and responsible way.
- Several fundamental functions that can benefit from funders' support:
  - Payment infrastructure: strengthen operational networks that link bank accounts and/or provide the functionality for monetary exchange. Examples of payment systems are Real time gross settlement (RTGS), Automated clearing house (ACH), interoperability, Society for Worldwide Interbank Financial Telecommunication (SWIFT), switches, ATM networks
  - Providers of capacity building services: strengthen organizations that provide technical support services to retail providers such as training institutes, technical assistance (TA) providers, universities
  - Information infrastructure: provide reliable and timely information through the support of MIS provider, auditing, rating, benchmarking, credit bureaus, public good data and research (e.g. FinScope, geo-spatial mapping of retail providers)
  - Delivery channels: support the development and functioning of branchless banking, agent networks, internet banking, mobile banking, etc.

# Policy

Create and enabling, innovating and protective environment

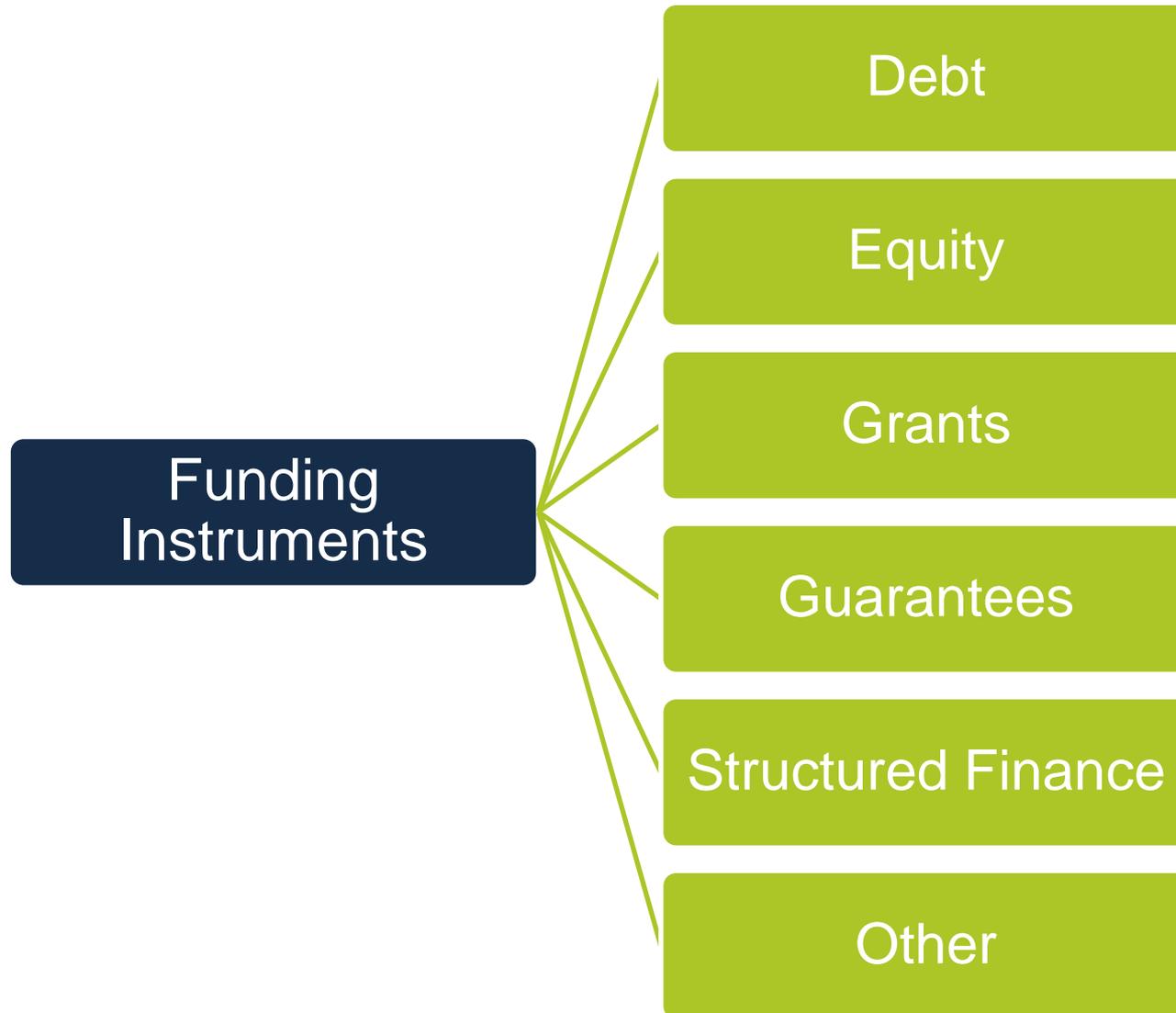
- Overall purpose: foster a conducive policy environment for financial inclusion that will enable innovation (while not undermining stability) and protect customers.
- Funders can provide support to governments, regulators, standard setting bodies, legislators to:
  - Regulation and supervision of Financial Service Providers (FSP)
  - Digital financial services policy
  - Consumer protection
  - Anti-money laundering/Combating the financing of terrorism (AML/CFT)
  - Advocacy
  - Other
- This support can be provided in the form of technical assistance, training, study tours, advocacy, research, etc.

# Research and data collection

Promote global learning and improve the knowledge base for the sector

- Funders can provide support to governments, regulators, standard setting bodies, legislators to:
  - Data collection
  - Market research/analytics
  - Impact assessment/evaluation
  - Promotion of global learning
  - Other

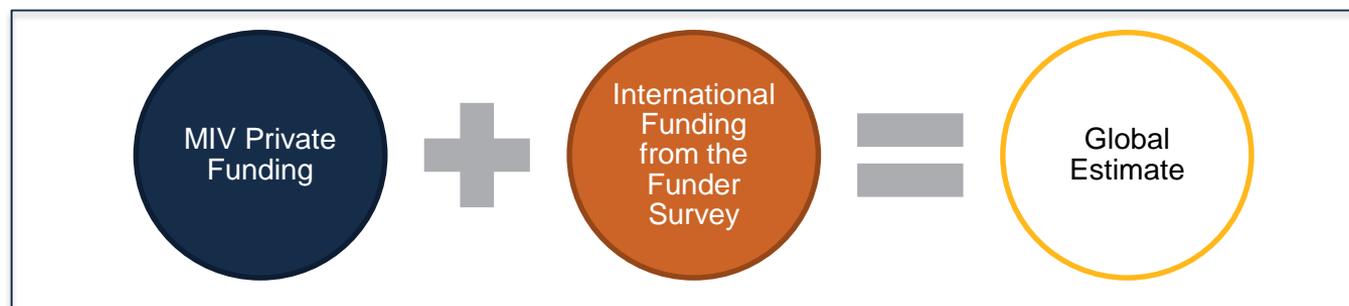
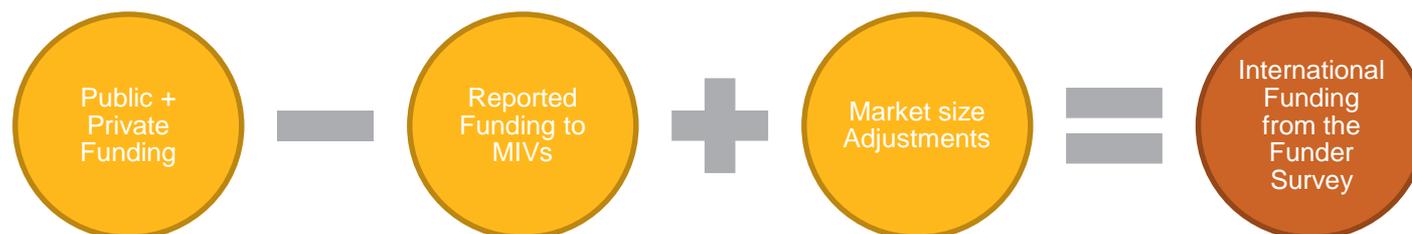
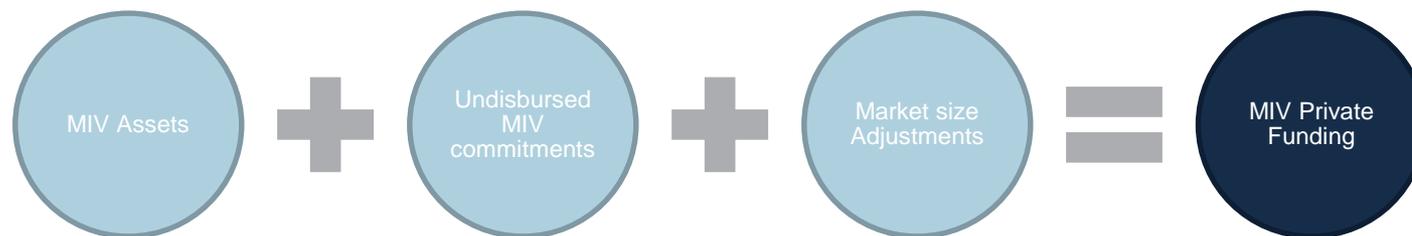
# Funding Instruments



# Funder Survey Participants in 2018

Multilateral Agencies	Bilateral Agencies	DFIs	Foundations & Other Investors
AFDB	DFAT	AFD Proparco	Bill & Melinda Gates Foundation
AsDB	DFID	DCA USAID	The MasterCard Foundation
EC	GAC	EBRD	Flourish/Omidyar Network
IFAD	GIZ	EIB	
World Bank	JICA	FMO	
	USAID	IDB Invest	
		IFC	
		KfW	
		OPIC	

# Global Estimate



# Publishing portfolio data

Improve transparency and coordination in the sector

- Since last year, CGAP and MIX have deepened their partnership to explore the potential of providing premium advanced analytics which will better serve funders and other sector actors to coordinate their efforts and better inform their decisions.
- As a result, we encourage funders to give us the permission to disclose their portfolio information to:
  - Provide aggregate analysis for the Cross-Border funder survey which will be publicly available.
  - Create more granular analytical products through a premium service powered by MIX.
    - The level of granularity to which the portfolio information will be disclosed is subject to negotiation based on specific funder concerns.
    - By default, there is full project level information disclosure if the project documentation is available online.
- If a funder decides against disclosure, all investment level information will continue to be treated as strictly confidential and only aggregated data will be shared.
- For questions on CGAP Funder Survey, contact:
  - Edlira Dashi, MIX: [edashi@themix.org](mailto:edashi@themix.org)
  - Olga Tomilova, CGAP: [olgatomilova@yahoo.com](mailto:olgatomilova@yahoo.com)



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