Global trends in international funding for financial inclusion, estimate (2011-2020)


Notes: Data reflects project commitments converted to USD. For further information, please refer to the Funder Survey methodology at https://www.cgap.org/sites/default/files/research_documents/CGAP_Funder_Survey_2020_Methodology.pdf.
How have international financial inclusion funding growth rates changed over time?

Year-over-year growth of estimated commitments for financial inclusion (2011-2020)


Notes: Data reflects project commitments converted to USD. For further information, please refer to the Funder Survey methodology at https://www.cgap.org/sites/default/files/research_documents/CGAP_Funder_Survey_2020_Methodology.pdf.
What do international financial inclusion funders fund? (Themes and funding purpose)

Number of projects by theme (2018-2020)

<table>
<thead>
<tr>
<th>Theme</th>
<th>2018</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>MSE</td>
<td>1418</td>
<td>1791</td>
</tr>
<tr>
<td>Rural &amp; Agri</td>
<td>505</td>
<td>401</td>
</tr>
<tr>
<td>Women</td>
<td>262</td>
<td>363</td>
</tr>
<tr>
<td>Youth</td>
<td>8</td>
<td>127</td>
</tr>
<tr>
<td>Essential services</td>
<td>49</td>
<td>62</td>
</tr>
<tr>
<td>Green / Climate change</td>
<td>29</td>
<td>62</td>
</tr>
<tr>
<td>Resilience</td>
<td>3</td>
<td>60</td>
</tr>
</tbody>
</table>

Funding composition by funding purpose (2014-2020)

<table>
<thead>
<tr>
<th>Funding Purpose</th>
<th>2014</th>
<th>2016</th>
<th>2018</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail Financing</td>
<td>86%</td>
<td>87%</td>
<td>90%</td>
<td>90%</td>
</tr>
<tr>
<td>Intermediated</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Policy</td>
<td>9%</td>
<td>4%</td>
<td>4%</td>
<td>4%</td>
</tr>
<tr>
<td>Infrastructure</td>
<td>4%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
<tr>
<td>Skills and capacity of clients</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
<td>2%</td>
</tr>
</tbody>
</table>

Notes: Data reflects project commitments converted to USD. More than one theme may be associated with the same project. MSE = Micro and small enterprises.; Rural & Agri = Rural and agricultural finance. Reported funding purpose is defined as follows: Retail Financing: Direct funding to retail providers to finance their operations and growth; Infrastructure: Funding for all forms of infrastructure as well as support functions that advance financial inclusion; Skills and capacity of clients: Building the knowledge, skills, and behavior of clients; Policy: Regulation and supervision, government strategies and policies, consumer protection, advocacy; Intermediated: Financing for retail providers channeled through intermediaries. * The intermediated classification was enhanced in the 2020 edition and is therefore not analogous to previous editions.
Who do international financial inclusion funders fund?

Financial inclusion funding recipients (2014-2020)

Trends in commitments by recipient type

Funding composition by recipient type

Source: CGAP Cross-Border Funder Survey 2014-2020, n=18 funders

Notes: Data reflects project commitments converted to USD. Other intermediary = Other intermediary e.g. bank, apex; Other = Service providers, contractors, etc.
How do international financial inclusion funders fund?

Financial inclusion funding instruments (2014-2020)

Trends in commitments by instrument

Funding composition by instrument

Source: CGAP Cross-Border Funder Survey 2014-2020; n=18 funders

Notes: Data reflect project commitments converted to USD. Other instruments include green bonds, compound bonds, etc.
Where do international financial inclusion funders fund?

Geographic allocation of financial inclusion funding (2014-2020)

Trends in commitments by region

Funding composition by region

Source: CGAP Cross-Border Funder Survey 2014-2020, n=18 funders
Notes: Data reflects project commitments converted to USD.
How much international funding is going to support digital financial services (DFS)?

### DFS funding commitments (2020)

**DFS funding composition by region**

- **Multi-region / global**: 0.70bn
- **Sub-Saharan Africa**: 0.68bn
- **Latin America and the Caribbean**: 0.30bn
- **South Asia**: 0.29bn
- **East Asia and the Pacific**: 0.13bn
- **Europe and Central Asia**: 0.08bn

**DFS funding composition by funder subtype**

- **DFI**: 1,008M (46%)
- **Foundation**: 536M (25%)
- **Multilateral**: 436M (20%)
- **Bilateral**: 203M (9%)

**DFS funding composition by instrument**

- **Equity**: 761M (36%)
- **Grant**: 750M (35%)
- **Debt**: 556M (26%)
- **Other Instrument**: 40M (2%)
- **Bilateral**: 203M (9%)
- **Multilateral**: 436M (20%)
- **DFI**: 1,008M (46%)

**Total DFS commitments: 2.2bn**

**5% of total reported financial inclusion commitments in 2020**

**Source:** CGAP Cross-Border Funder Survey 2020, n=16 out of 18 funders surveyed with eligible DFS commitments

**Notes:** Data reflects project commitments converted to USD. Other instruments include green bonds, compound bonds, etc.
How much international funding is going to support digital financial services (DFS)?

DFS funding commitments (2020)

DFS funding composition by purpose

- Retail Financing 38%
- Skills and Capacity of Clients 2%
- Retail Capacity Building 2%
- Policy 8%
- Intermediate 20%
- Infrastructure 30%

DFS funding composition by recipient type

- Support Functions
  - Funding intermediary (e.g., investment fund, microfinance investment vehicle, holding, Apex, etc.) 19%
  - Research organization/University/Academic institution 5%
  - Market facilitator – global (e.g., C
gap.org/fundersurvey)
  - Other 6%
- Infrastructure
  - Market infrastructure (e.g., network, association, etc.) 1%
  - Financial and digital infra. (e.g., payment, digital platforms, credit bureau, etc.) 3%
- Another development funder 10%
- Government
  - FSP: Bank 1%
  - FSP: Nonbank financial inst. (formal, e.g., MFI, financial cooperative, etc.) 4%
  - FSP: DFS provider (e.g., fintech, mobile money provider, etc.) 28%
  - FSP: Bank, Ministry of finance, etc. 13%

Source: CGAP Cross-Border Funder Survey 2020, n=16 out of 18 funders surveyed with eligible DFS commitments

Notes: Data reflects project commitments converted to USD. Reported funding purpose is defined as follows: Retail Financing: Direct funding to retail providers to finance their operations and growth; Retail capacity building: Direct efforts to strengthen retail providers to become more sustainable and deliver better and more responsible products; Infrastructure: Funding for all forms of infrastructure as well as support functions that advance financial inclusion; Skills and capacity of clients: Building the knowledge, skills, and behavior of clients; Policy: Regulation and supervision, government strategies and policies, consumer protection, advocacy; Intermediated: Financing for retail providers channeled through intermediaries. The intermediated classification was enhanced in the 2020 edition and is therefore not analogous to previous editions. DFS projects are classified by the primary recipient of the funding. For example, if the primary recipient is a retail FSP, the funding is classified under core market. If the recipient is a B2B fintech, then it goes to financial infrastructure under support functions.