

Global Partnership for Financial Inclusion meeting 23 and 24 January, Wiesbaden, Germany

<p>The Global Partnership for Financial Inclusion (GPFI) is an inclusive platform for all G20 countries, interested non-G20 countries¹ and affiliated partners to carry forward the work on financial inclusion, including the implementation of the Financial Inclusion Action Plan.</p> <p>The GPFI carries out its tasks in 4 Working Groups:</p> <ol style="list-style-type: none"> 1. Small and Medium-Sized Enterprise (SME) Finance 2. Regulations and Standard Setting Bodies (SSB) 3. Financial Consumer Protection and Financial Literacy (FCPFL) 4. Markets and Payment Systems (MPS) <p>Each year, one country is president of the G20. In 2016, China was the president. This year, Germany will be president of the G20 summit in Hamburg and in 2018, Argentina will be president. The previous, current and future president-countries always work together to ascertain continuity and are called the Troika.</p> <p>Guided by the three pillars of the German G20 Presidency in 2017: building resilience; improving sustainability; and assuming responsibility, the GPFI will develop ongoing processes further and will support the implementation of the G20 Financial Inclusion Action Plan (FIAP).</p> <p>The GPFI plenary meeting focussed on review and update of the Financial Inclusion Action Plan and this led to the following decisions:</p> <ul style="list-style-type: none"> ○ Implementation of the High Level Principles for Digital Financial Inclusion: Opportunities and Risks of Digital Financial Inclusion ○ Implementation of the G20 Action Plan on SME Financing ○ Financial Inclusion of Vulnerable Groups: Forcibly Displaced Persons ○ Cross-cutting issues will be taken into account and there will be a special focus, as far as inclusion is concerned, on gender, youth, poor people and rural areas. ○ Furthermore special attention will be given to remittances and financial literacy. 	<p>The GPFI FIAP moved from crisis response to a steady stage of carrying forward the work on financial inclusion, including the implementation of the Financial Inclusion Action Plan (FIAP).</p> <p><i>Natascha Beinker, Federal Ministry for Economic Cooperation and Development (BMZ), Germany</i></p> <p>Governments should walk the talk and stimulate the digitalisation “Better than Cash” by setting proper laws to protect the consumer. But there is no ‘one size fits all’ framework for it.</p> <p><i>Jeffrey Bower, Bower & Partners Consulting Services, Canada</i></p> <p>GPFI needs to track the evolution of its commitments, the state of implementing policies on national level and the impact of these policies. The accountability framework, in place since 2014, needs to be applied.</p>
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¹ **G20:** Argentina; Australia; Brazil; Canada; China; Germany; European Union; France; India; Indonesia; Italy; Japan; Mexico; Russia; Saudi Arabia; South Africa; South Korea; Turkey; United Kingdom; United States of America.

Non-G20: The Netherlands; Philippines; Portugal; Switzerland.

Partners: Alliance for Financial Inclusion (AFI), World Bank; International Finance Corporation (IFC); SME Finance Forum; Organisation for Economic Co-operation and Development (OECD); United Nations Secretary-General’s Special Advocate for Inclusive Finance for Development (UNSGSA); Women’s World Banking (WWB); Microinsurance Network (MiN); Consultative Group to Assist the Poor (CGAP); International Fund for Agricultural Development (IFAD); German Development Institute (DIE);

During this plenary meeting it was decided to adopt these issues into all 4 working groups. This will guarantee more achievements in terms of the potential of digital solutions, the creation of conducive framework conditions, the development of integrated approaches and customer protection.

Each Working Group revised and updated its objectives and key outcomes in order to include the 5 priorities that were agreed upon during the plenary sessions. Further refinement will be done by means of conference calls.

Spearheading the implementation of the activities set by the Working Groups are the Implementing Partners.

Key takeaways:

- No duplication of other work, keeping the focus on the specific added value of the GPI
- No more subgroups, perhaps even closing one down
- Digitalisation is a cross-cutting issue and already included in all subgroup activity plans
- Accountability is well-organised, however not well-communicated. It needs more emphasis and explanation in the FIAP
- The action areas identified earlier as far back as in Seoul in 2010, should not be greatly changed, but need some rewording, based on the input from the subgroups
- The timeline for the final report and FIAP will lead up to the next GPI plenary on 4 May. It will then be approved and sent for endorsement to the Finance ministers and Sherpas. This will be done in time for the G20 summit in Hamburg on 7 and 8 July

Jakob Schwab, *German Development Institute (DIE)*, Germany

There is a need for in-depth research about the Financial Inclusion of Forcibly Displaced Persons. The report will examine current national regulatory approaches being taken to address the issue of financial inclusion of FDPs, and the role of the central bank or financial regulator and other sectoral actors in each case.

Kennedy Komba, *Alliance for Financial Inclusion (AFI)*, Malaysia

The German G20 presidency plans to take first steps to implement the High Level Principles on Digital Financial Inclusion.

Volker Hey, *Federal Ministry for Economic Cooperation and Development (BMZ)*, Germany