Inclusive Growth and Development within APEC

November 2017
Full summary report available on the ABAC Website:

https://www2.abaconline.org//page-content/22611571/Financial%20Inclusion
2 billion unbanked globally, with approx. 1.5 billion in Asia and the Pacific

Three pillars define the focus for Inclusive Growth and Development...

<table>
<thead>
<tr>
<th>Drive Deeper and Broader Financial Inclusion</th>
<th>Accelerate Productive Asset Accumulation</th>
<th>Enable Intergenerational Wealth Creation</th>
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<tbody>
<tr>
<td>10 Developing economies in APEC represent significant number of this financially excluded or underserved population</td>
<td>circa USD 10 trillion “Dead Capital” in poor dwellings globally</td>
<td>30-35% of GDP is the average latent value of the Informal economy</td>
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<tr>
<td>- Consumer protection</td>
<td>- Home ownership/Land titles/livestock</td>
<td>- Role of Government in removing barriers to graduation into formal economy</td>
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<td>- Digital finance/mobile banking</td>
<td>- Investing in home improvement</td>
<td>- Mobilising investment capital towards the MSME sector</td>
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<td>- Accessing more, and more affordable, products and better financial security e.g. micro-pensions/micro-insurance</td>
<td>- Increase opportunities to dignified retirements through access to pensions/superannuation</td>
<td>- Leveraging progress on financial market infrastructure to provide greater financial opportunity and benefits for the poor.</td>
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<td>- Savings and easy access to digital deposits</td>
<td>- Increase security through access to affordable insurance</td>
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<tr>
<td>- Remittances</td>
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<td>- DLT</td>
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<tr>
<td>- Supply Chain Finance</td>
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... and three enablers create the necessary eco-system

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<th>Data and Insights</th>
<th>Policy and Capacity</th>
<th>Research and Learning</th>
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<tr>
<td>Unique customer data to provide insights into consumer needs, wants and behaviours</td>
<td>Access, education, process, policy are essential components of the eco-system</td>
<td>Action-oriented Inclusive Growth to build awareness and understanding of frontier development models and approaches</td>
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<td>- Credit reporting and micro-Credit Bureaux</td>
<td>- Microfinance regulation</td>
<td>- Collaboratories with academic and development institutions, policy think tanks</td>
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<td>- Secured lending</td>
<td>- Leverage, with regulation, of non-traditional banking for the poor e.g. agent banking</td>
<td>- Piloting programs</td>
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<td>- Cross border data flows</td>
<td>- Consumer education/financial literacy</td>
<td>- Sustainable Development Goals Measurement Frameworks</td>
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<tr>
<td>- Customer centricity</td>
<td>- Institutional frameworks and safeguards</td>
<td>- Cebu Action Plan Measurement Frameworks</td>
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<td>- Financial / Unique ID</td>
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ABAC Asia-Pacific Forum on Financial Inclusion

Topics over the past 7 years

2011
- Remittances
- Credit Reporting
- Secured Lending
- Savings
- Financial ID

2012
- Remittances
- Credit Reporting
- Secured Lending
- Financial Education
- Consumer Protection
- Financial ID
- Microfinance Regulation

2013
- Remittances
- Credit Reporting
- Secured Lending
- Financial Education
- Consumer Protection
- Mobile Banking
- Retail Payments
- Institutional Frameworks

2014
- Country Focus:
  - China
  - Philippines
  - Peru
  - India
  - Thailand
  - Indonesia
- Credit Reporting
- Secured Lending
- Financial Education
- Consumer Protection
- Customer Centricity
- Non-financial data

2015
- Remittances
- Credit Reporting
- Secured Lending
- Financial Education
- Consumer Protection
- Insurance
- Savings
- Financial ID
- Institutional Frameworks

2016
- Defining FI
- Agrifinance
- DLT
- Financial Education
- Microfinance Regulation
- Insurance
- Supply Chain Finance
- Digital Financial Infrastructure
- Insolvency

2017
- Proposal is to focus prior years themes on an Implementation Agenda for FI toward achieving 3 main objectives:
  - Financial Product and Service Access and Usage
  - Requirements to accumulate assets
  - Wealth Creation
Appendix: About FDC – Foundation for Development Cooperation

Reach and Focus

- Independent organisation focussed on international development
- Focus on policy level interventions (as opposed to grassroots initiatives)
- In operation since 1990 and funded by an endowment provided by the founder
- Dominant focus in Financial Inclusion for the past two decades
  - Created two “assets” that provide an unparalleled channel to market across Asia and the Pacific
- In 2017 under new corporate-sector CEO incorporated a new arm to the traditional operations of the Foundation, called DevVentures, with the aim of “translating development opportunities into viable commercial initiatives defined by the right development outcomes”