



Global Partnership
for Financial Inclusion

THIRD PLENARY MEETING OF THE GLOBAL PARTNERSHIP FOR FINANCIAL INCLUSION

26 -27 September 2024

CO-CHAIR'S SUMMARY



On 26 -27 September 2024, the Global Partnership for Financial Inclusion (GPII) met in Rio de Janeiro, Brazil, for the last Plenary Meeting under Brazil G20 Presidency.

1. Inaugural and Opening Session

Carolina Barros, the Deputy Governor for Institutional Relations, Citizenship, and Conduct Supervision of the Central Bank of Brazil (BCB), through virtual message welcomed all participants in Rio expressing gratitude to all Members and Implementing Partners (IPs) for their commitment in achieving this year’s deliverables.

The GPII Co-Chairs thanked the Brazilian Presidency for their hospitality in the beautiful city of Rio de Janeiro and congratulated the whole group for its willingness to work together in the spirit of international cooperation.

The Brazilian Presidency made a very brief summary of the side event “The journey of financial inclusion: from access to financial well-being” held on the 25th of September at the FGV Cultural Center, stating the importance to continue discussing these very important topics with academia, private sector bodies and international organizations.

2. Session I: Presidency Priority – Policy Note on Financial Well-Being (FWB)

The two Sub-Committee Co-Leads (USA and Brazil) introduced the topic by thanking all Members for their collaborative engagement and explaining the importance of the note prepared by CGAP, OECD and UNSGSA with flexibility and adaptability. The need to consider country-specific circumstances has also been incorporated into the working definition of FWB. The OECD presented the section on measurement, which may be regarded as an initial step in the journey towards measuring FWB. It stated about the importance of monitoring FWB over time, measuring progress, evaluating programs, and defining the most appropriate policies.

There was general appreciation and strong support for the note, and members expressed their gratitude to the Sub-Committee Co-Leads for accommodating the comments received and finding a compromise for addressing them. Few members expressed their willingness to send their final comments, especially on the section on measurement.

3. High-level Panel Discussion: Accelerating Progress at the Last Mile of Financial Inclusion for Financial Well-being

Roberto Campos Neto, the Governor of the BCB, through virtual message welcomed HM Queen Máxima and congratulated her on her new appointment as the United Nations Secretary-General's Special Advocate for Financial Health (UNSGSA) on Wednesday, 25 September. HM Queen Máxima praised the Brazilian presidency for prioritizing financial well-being (FWB). "We have built the rails," she said. "Now what we really want to accomplish is that households everywhere in the world have the right financial tools to manage their day-to-day expenses, invest in their future, and protect themselves against shocks like illness, job loss, or climate-related events. This is what I call financial health."

Moreover, HM Queen Máxima recalled that since 2005, a lot of work has been done, but 1.5 billion people remain financially excluded. She highlighted several critical efforts and milestones, including data collection to track progress on financial inclusion, enabling regulation for innovation, the support of global financial sector standard-setting bodies (SSBs), the launch of national financial inclusion strategies, and the development of digital public infrastructure (DPI) to deliver broad social and economic benefits.

The GPI Co-Chairs thanked HM Queen Máxima for her presence at the GPI Plenary. They acknowledged the importance of her role over the years in advancing discussions on financial inclusion worldwide for the benefit of the underserved and the poor. The following round table delved deeper into the topics of financial inclusion, financial health, and its measurements. Countries and IPs provided specific examples of what they are doing in their jurisdictions and exchanged best practices.

4. Session II – Other issues

The session was dedicated to the presentation of the toolkit "Enabling Remittance Access through Improved Know Your Customer (KYC) and Consumer Due Diligence (CDD) at the Last Mile" by IFAD and of a document on "Financial Inclusion and the Protection of Vulnerable Consumers" by Consumers International.

IFAD conducted an analysis in seven African countries, that confirmed that KYC and CDD are the main obstacles to accessing remittances. In line with these results, the toolkit provides

practical guidance - based on best practices - to financial sector regulators and Remittance Service Providers (RSPs) to leverage innovation and break down barriers to remittance access.

Subsequently, Consumers International, the organization that brings together consumer groups from around the world, presented a toolkit to strengthen consumer protection and their rights to ensure fair finance. To tackle consumer vulnerability, it is necessary to address many gaps, including definition gaps, regulation gaps, innovation facilitators gaps, and monitoring gaps. Consumer International expressed their willingness to work together with the GPI on the topic.

5. Session III: New G20 Action Plan on MSME Finance

During the session, the IFC and the World Bank presented a new version of the G20 Action Plan on MSME Finance prepared by IFC-SMEFF, OECD and World Bank. The structure and key messages remain unchanged, but additions and changes were made as per comments received from the Members. For instance, the relevance of horizontal policy actions has been explained; the application of recommended actions to countries at different stages of development has been clarified; gender-disaggregated data has been added; more issues regarding consumer protection have been covered; a table on key targeted interventions has been included. The IPs also indicated a compromised solution on the matters where they received conflicting comments, for instance, on climate finance and challenges affecting MSMEs. Moreover, a series of options to implement the Action Plan have been proposed, particularly the use of light self-assessment tools, surveys and/or webinars.

All Members appreciated the work done by the Implementing Partners. Some countries expressed their willingness to send further suggestions before finalizing the deliverable.

6. Session IV: Last Mile and Quality Inclusion

During the session, the involved IPs (CGAP, BTCA, WB), as well as the Brazilian presidency presented the Policy Options to Improve Last Mile Access and Quality Inclusion through digital infrastructure, including Digital Public Infrastructure (DPI), Consumer protection and other FIAP objectives. The IPs presented the main changes in the document based on comments received from members on the first version. The new version reflects on why there is a persistent portion of the world population that have not been able to be financially included. It focuses on the dynamics that explain why the good practices that have worked to include millions have not worked for some segments of the population and unpack those dynamics. “Last Mile” refers to

women, rural populations, migrants, people with disabilities, indigenous populations, youth, the elderly, etc. The document summarizes the main solutions to address the demand and supply side barriers that make financial inclusion difficult for specific groups, distinguishing policy options with market-wide effects (Information and Communications Technology, Digital Public Infrastructure, Consumer Protection, etc.) and policy options targeting specific population segments. The quality chapter was also reformed and builds on prior GPI work, especially the 2016 financial inclusion indicators that have started the effort to investigate the quality dimension of financial inclusion. The chapter and the indicators suggested in this deliverable focuses on the quality of supply: products and services and their delivery. The membership expressed its support to the note, highlighting the good results yielding from the discussion and restructuring based on members comments and some countries expressed their willingness to send further final suggestions within the agreed timeline.

7. Session V: Priorities of next Presidency

In the last session, South Africa presented the deliverables for its upcoming G20 Presidency in 2025, with key themes being Solidarity, Equality, and Sustainability. The first priority will be “Moving from Access to Usage.” Despite significant progress in improving access, 1.5 billion people globally still do not have a bank account. It is important to continue in the effort to expand access and improve the usage of quality financial services, particularly in the Global South where the usage remains low and significant gaps persist. This will build upon current 2024 GPI deliverable, which focuses on last mile access through digital infrastructure, consumer protection and other FIAP objectives. The second priority will focus on remittances, and in particular the contribution of digitalization to reduce costs, that remain high especially in some part of the world. Moreover, specific attention will be devoted to the policy options for a more integrated and interoperable payment system, the setting up of national digital financial identity systems and the interventions needed to raise consumer awareness through financial literacy programs. From a logistical standpoint, three meetings are planned during the course of the Presidency, in March, May and September of 2025.

Representatives from Australia, UK, USA, Japan, Germany, France, Italia, Switzerland, the Netherlands and the European Commission (EC) stated that they condemn the Russian



aggression against Ukraine; the EC and the Netherlands also called for an end of the hostilities in Gaza.

Finally, at the conclusion of the meeting, the Co-Chairs expressed gratitude to all Members, IPs, and relevant stakeholders for their effective cooperation and fruitful discussions. Special thanks were extended to the Presidency for the wonderful hospitality in Rio de Janeiro.

The Brazil G20 Presidency expressed gratitude to all GPIFI members, GPIFI co-chairs, IPs, and APs for their commitment and help in finalizing all foreseen deliverables. It welcomed South Africa for the upcoming G20 presidency and USA as a new Troika member, while appreciating efforts of India which will depart from the troika during the ensuing Presidency. After thanking all, both Co-chairs stated that they would continue to work with new Presidency along with the new Troika.

GPIFI Co-Chairs - Magda Bianco and Chanchal Sarkar