



Press release

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Second GPFI/BIS conference explores implications of rapid progress on digital financial inclusion

The [Financial Stability Institute](#) of the Bank for International Settlements (BIS) hosted the second G20 Global Partnership for Financial Inclusion ([GPFI](#)) Conference on Standard-Setting Bodies and Financial Inclusion on 30–31 October.

The conference's theme was "Standard-setting in the changing landscape of digital financial inclusion". An estimated 2.5 billion people currently have no access to formal financial services such as payments, credit, insurance and savings. Conference participants explored the implications for regulators, supervisors, standard-setting bodies and customers themselves of the innovative, low-cost, digital transaction platforms that are facilitating financial inclusion.

The pace of change is dramatic, as shown in [a video prepared for the event](#). In Bangladesh, for example, in just two years a single digital transaction platform has reached nearly a quarter of the country's adult population of over 160 million. Similar platforms are emerging in other countries. In more than 80 countries,¹ mobile phones are used by hundreds of millions of poor households and tiny businesses that lack access to formal banking channels.

BIS General Manager Jaime Caruana noted in his [opening remarks](#), "The regulatory, supervisory and standard-setting challenges – and likewise the solutions – include those we currently face, and others we can only imagine as billions of new digital finance users go online."

The conference was attended by representatives from six global standard-setting bodies and the GPFI who are engaged in work relevant to digital financial inclusion. The standard-setting bodies represented were: the Basel Committee on Banking Supervision (BCBS), the Committee on Payments and Market Infrastructures (CPMI), the Financial Action Task Force (FATF), the International Association of Deposit Insurers (IADI) and the International Association of Insurance Supervisors (IAIS). In addition, the International Organization of Security Commissions (IOSCO) joining a GPFI gathering for the first time, in recognition that digital finance also includes investment products, accessed through digital transaction platforms.

¹ www.gsmamobileeconomy.com.



Mr Caruana noted that the participating bodies “have the opportunity – and indeed the responsibility – to prepare the standard-setting world for both the risks and the rewards of the digitisation of financial services”.

The G20 Leaders have recognised the critical role of the global standard-setting bodies in advancing financial inclusion. At their summit last year, the Leaders urged standard-setting bodies to focus on game-changing forces such as digital financial inclusion that touch the mandates of all of the standard setters.

The GPFI was established as a pillar of the overall G20 multi-year global development agenda in December 2010 following the G20 summit in Seoul, with the goal of implementing the G20 Financial Inclusion Action Plan. The GPFI’s membership includes both G20 and non-G20 countries committed to financial inclusion, in addition to other relevant implementing partners, including the Alliance for Financial Inclusion, the Better than Cash Alliance, the Consultative Group to Assist the Poor, the International Finance Corporation, the International Foundation for Agricultural Development, the Organisation for Economic Co-operation and Development, and the World Bank.