



# Global Partnership for Financial Inclusion (GPI) 2016 Work Plan

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## *Markets and Payment Systems subgroup*

**Objective of the subgroup**

The overall goal of the subgroup is to advance utilisation of payment systems including remittances in the pursuit of increased and sustainable financial inclusion. The subgroup will focus on emerging technologies and business models and will incorporate strong links to market based approaches through engagement with financial service providers. The sub-group responds to the call in the G20's St. Petersburg Development Outlook for the GPI to explore in 2014 "targeted actions to . . . harness emerging mechanisms such as electronic payments and mobile technology that can significantly improve access".

**Markets and Payment Systems Subgroup structure**

- Co-chairs (countries): Australia, Mexico and TBC
- The subgroup includes non-G20 and G20 members: Brazil, Canada, EU, France, Germany, Indonesia, Italy, Netherlands, Republic of Korea, Switzerland, Turkey, UK and USA
- Subgroup Implementing Partners: AFI, BTCA, CGAP, IFAD and WB/IFC

**Key Outcomes**

Key outcomes for the subgroup during 2016 are:

**1. Monitoring progress of G20 National Remittance Plans**

In 2014, G20 Leaders agreed to the G20 Plan to Facilitate Remittance Flows which mandates the GPI to report on progress made by countries against their national remittance plans. National remittance plans were finalised under Turkey's presidency along with a monitoring framework. This framework outlines that the GPI will review progress on the national plans annually, with plans updated every two years. Consistent with these arrangements, the subgroup will monitor progress towards achieving the five per cent target and report on such progress in 2016.

Given the impact of de-risking activities on the remittance market, as highlighted by the survey conducted in 2015, this aspect will be covered in the monitoring as well. Both international agencies and G20 countries will be requested to provide an assessment of this aspect on the market.

## **2. Develop additional G20 Financial Inclusion Indicators to monitor the existence and use of payment eco-systems**

This work will take into account recent work on the measurement of payments. Supporting the Chinese Presidency's priority on Digital Inclusion Principles and Indicators in 2016, our work this year will focus on indicators on the usage of digital payments, disaggregated by key sectors including women, rural and youth. Over the longer term, we will develop indicators that cover access to, usage of and infrastructural enablement of payments for low-income market segments. The agreed indicators will enable a common approach to assessing and monitoring progress of developing inclusive payments, for use by individual countries. This work will include a focus on the use of payments by women both at individual and enterprise level.

## **3. Analysis of the roles of the public and private sector in the establishment and development of sustainable and payment eco-systems (for delivery in 2017)**

The terms of reference document for this work was completed in 2015 (with the terms of reference for the completed stocktaking report) and will be used to guide this deliverable in 2016 and 2017. The analysis will involve identifying policy options and implementation approaches (incorporating a set of principles, policy guidelines, implementation frameworks and practical guidelines) for the private sector, government agencies and other players in the payment services environment to guide their efforts in using payment systems to sustainably increase financial inclusion.

This work will include a guidance note for government agencies and private sector actors on establishing, developing and accessing sustainable and inclusive payment eco-systems. This note will also draw on insight gained from the 2015 stocktaking report on payment systems.

Given implementing partners' existing commitments in developing deliverables for 2016 such as the High-Level Principles on Digital Financial Inclusion, the Markets and Payment Systems subgroup will take this work forward following the Hangzhou Summit in September 2016.

### **GPI Timeline of events and outputs**

Date	Event	Location	Activities
1-3 March 2016	GPI workshop/meeting	Shanghai, China	Report on activities and agree work plan
15 July 2016	GPI plenary	Chengdu, China	Agree outputs to progress to finance deputies/ministers and G20 leaders

Output	Release date (TBC)	Responsible Parties
Agreed work plan	March 2016	Sub-group co-chairs
Agreed approach to monitoring remittance plans in 2016 and template for countries to demonstrate progress	March 2016	Sub-group co-chairs and WBG
Completed country templates outlining progress on remittance plans submitted to the GPFI	June 2016	Sub-group co-chairs to follow up with GPFI members
Draft of additional G20 Financial Inclusion Indicators relating to payments	June 2016 (TBC)	WBG, CGAP, AFI
Finalised additional indicators and population with available data	August 2016 (TBC)	WBG, CGAP, AFI