

GLOBAL PARTNERSHIP FOR FINANCIAL INCLUSION (GPI)

Japan's G20 Presidency

2019 Priorities Paper

JAPAN'S GPI PRIORITY – Aging and Financial Inclusion

<PRIORITIES for G20 FINANCE TRACK in 2019>

Japan announced the Priorities for G20 Finance Track in 2019 on the occasion of the Leader's Summit at Buenos Aires in December 2018.¹ **One of the main priorities for G20 Finance Track in 2019 is "Aging and its policy implication."**

Under such priority, Japan would like to set "**Aging and Financial Inclusion**" as its priority theme for the GPI in 2019 under the consideration to maximize the GPI's contribution to the overall G20 Finance Track as well as completing the 2017 Financial Inclusion Action Plan (FIAP) toward 2020, which identifies "the elderly" as one of the vulnerable groups for financial inclusion.

<BACKGROUND>

Aging can create new challenges to financial inclusion, and overcoming these impediments contributes to achieving the G20's goal of sustainable and inclusive growth and reducing inequality.

The United Nations estimates that **by 2050 there will be more than two billion people that are aged 60 and over. Of these, 80 percent are expected to live in low and middle-income countries** where the pace of aging has accelerated; **most notably in Africa, followed by Latin America and Asia..**

Aging is a challenge for every human being. As they age, all individuals may face cognitive decline (including dementia), health and mobility issues, social isolation, and financial strain from increased longevity. While there may be common challenges, seniors are anything but homogeneous with diversity in terms of health, income and saving, housing, employment, family, gender or any combination of these. **The G20 needs to find ways to**

¹ https://www.mof.go.jp/english/international_policy/convention/g20/index.htm

address the growing risks of financial exclusion, fraud and abuse, as well as explore new opportunities resulting from aging.

Under Japanese Presidency, the Global Partnership for Financial Inclusion (GPII) will focus its work on **aging and financial inclusion**. A GPII report on aging and financial inclusion will be delivered at the Fukuoka FMCBG meeting in June.

In addition, Japan plans to host the GPII Forum to deepen the understanding of the issues and to share leading knowledge and experience from around the world.

<PROPOSED GOALS>

The proposed goals are as follows:

(i) Report that takes stock of emerging issues and discusses possible solutions

Japan will seek to formulate a report touching upon the items below. Japan will envisage that this report will be endorsed by FMCBG as the deliverable of the GPII. Upon the formulation, Japan will seek to build on the GPII's outcomes under past Presidencies.

- *Financial Inclusion of the Elderly*
 - Facilitating Access to Financial Services
 - ✓ To address cognitive and physical decline
 - ✓ Potential use of inclusive (digital) technologies
 - Responding to Diverse Financial Needs
 - ✓ To provide better financial services for individuals to manage the longevity risks
 - Strengthening Consumer Protection
 - ✓ To help protect the elderly from fraud.
- *Financial Inclusion of Other Vulnerable Groups*
 - Financial Education and Life Planning for Earlier Stages of Life
 - Risks and Opportunities for Youth, Women, SMEs and other Vulnerable Groups

(ii) GPII Forum

Japan will hold the GPII Forum on June 7 in Tokyo, Inviting high-level speakers and leading experts to discuss the conclusions of the stocktaking report and possible policy responses. To be held back-to-back with the FMCBG Meeting on June 8-9.

GPI Streamlining

According to the Buenos Aires Leaders Declaration, Leaders “*endorsed the Global Partnership for Financial Inclusion Roadmap which outlines a process to streamline its work program and structure.*” Also, the Buenos Aires Action Plan states that “*we also endorse the GPI Work Program and Structure: A Roadmap to 2020. We ask the GPI to ensure it meets the specified timeline to streamline its work program and structure so it continues to support economic growth and financial stability, and reduce inequality.*”

Under Japanese presidency, the work of streamlining will be continued through the steady implementation of the Roadmap according to its specified timeline toward 2020. The work will be led by selected Leads on Work Stream and Structure in close coordination with Troika and other GPI members.

Other Issues

Along with the above-mentioned streamlining process, the GPI will work on other scheduled issues based on the current FIAP in cooperation with subgroups.

Key Dates

- **January 17-18:**
G20 Finance Track Deputies Meeting in Tokyo
- **March 28-29 :**
GPI Plenary Meeting in Paris (co-hosted by OECD)
- **April 11-12**
FMCBG Meeting in Washington D.C.
- **June 6 :**
GPI Plenary Meeting in Tokyo
- **June 7:**
GPI Forum in Tokyo
- **June 6-7**
G20 Finance Track Deputies Meeting in Fukuoka
- **June 8-9 :**
FMCBG Meeting in Fukuoka
- **June 28-29 :**
G20 Leaders’ summit in Osaka