



# Ecosystem Working Group

Digital Financial Services Focus Group

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Washington DC

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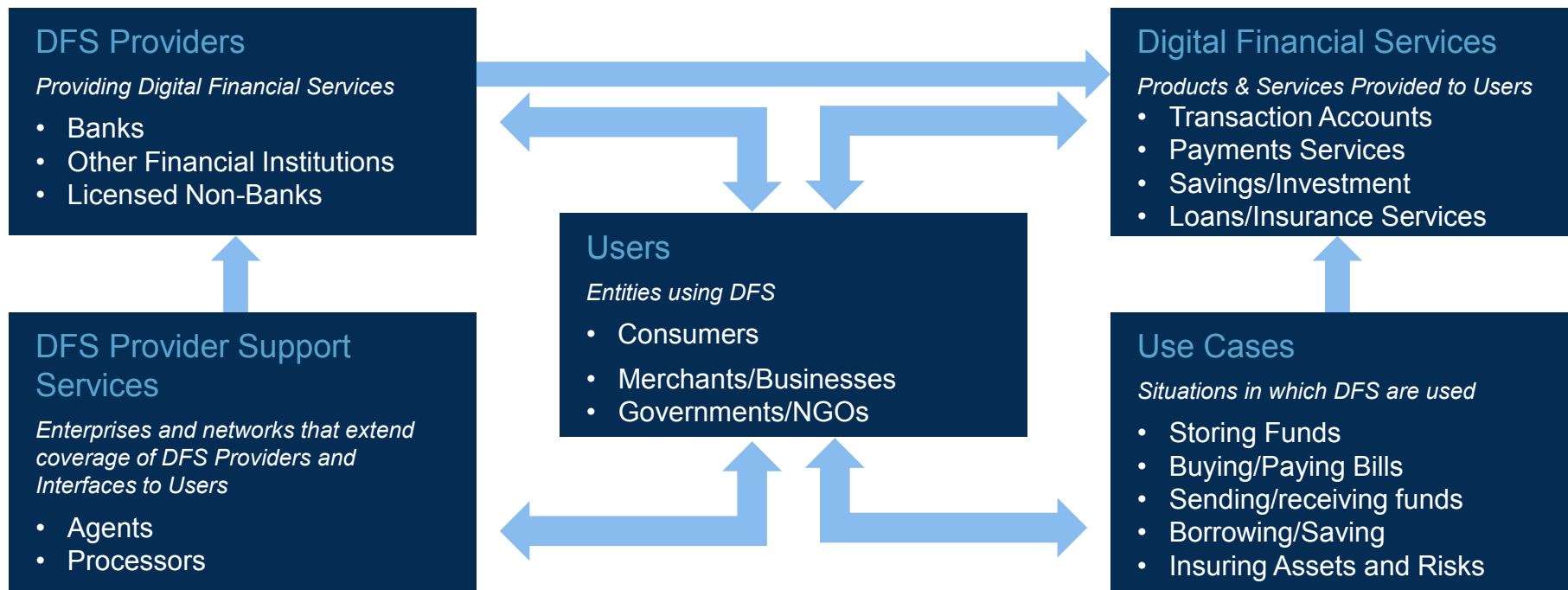
# Ecosystem Working Group Objectives

Describe the DFS Ecosystem

Provide a taxonomy for use by participants in the Ecosystem

Define the key elements and principles of the ecosystem necessary to enable financial inclusion; identify barriers and obstacles

# Describing the Ecosystem



<b>Infrastructure Readiness</b> <i>Technical Systems to Enable Digital Financial Services</i>	<i>Payments Systems</i>	<i>Energy Availability</i>
	<i>Voice and Data Communication Networks</i>	<i>Identity Systems</i>
<b>Enabling Environment</b> <i>Regulatory, Supervision and Standard Setting Enabling Environment (national, regional and international)</i>	<i>Regulators</i>	<i>Standards Bodies</i>
	<i>Financial Inclusion Policies</i>	<i>Industry Groups</i>

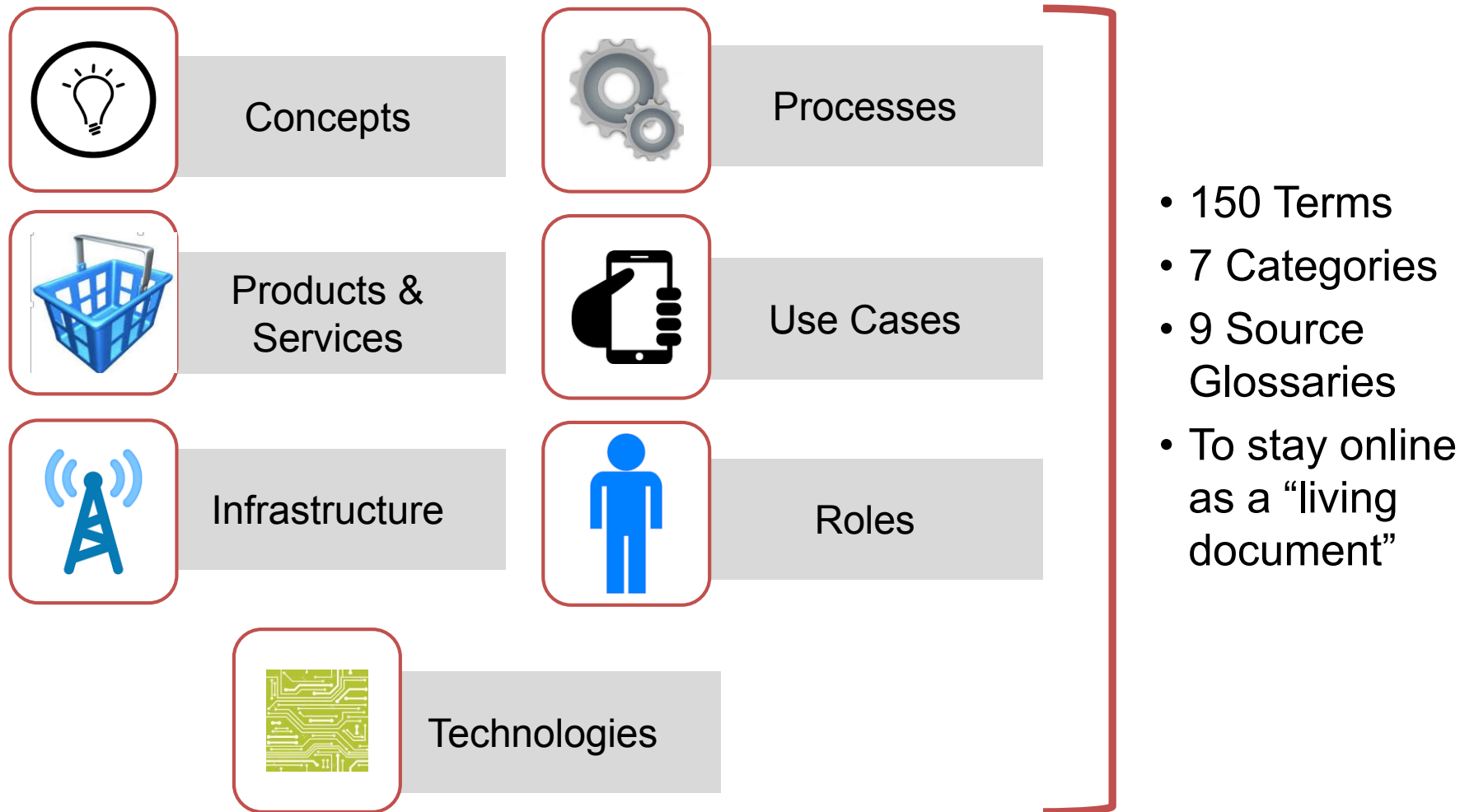


# Describing the Ecosystem

The Digital Financial Services ecosystem consists of **users** (consumers, businesses, government agencies and other enterprises) who have needs for digital financial products and services; the **providers** (both banks and non-banks) who supply those products and services through digital means; the financial, technical, and other **infrastructures** that make them possible; and the governmental **policies, laws and regulations** which enable them to be delivered in an accessible, affordable, and safe manner.

The DFS ecosystem aims to support **all people and enterprises** within a country, and should support national goals including financial inclusion, economic health, and the stability and integrity of the financial systems.

# Defining a Taxonomy: The DFS Glossary

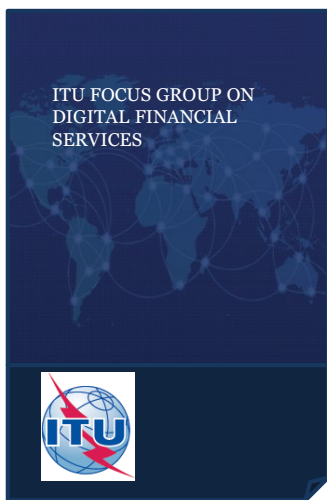


# ECOSYSTEM GROUP FOUNDATIONAL REPORTS



- **Introduction to the Ecosystem**
- **Regulation and the DFS Ecosystem**
  - ▶ **MOU (Memorandum of Understanding) – a Template for use by Central Banks & Telecommunications Regulators**
- **Review of National Identity Programs (2016)**
  - ▶ **48 programs reviewed**
  - ▶ **37 use biometrics; 16 use multiple biometrics**
  - ▶ **22 are used for KYC; just beginning to be used for other DFS purposes**

# ECOSYSTEM GROUP FOUNDATIONAL REPORTS



## Report on Enabling Acceptance of Electronic Payments by Merchants, Billers, Governments and other Payments Acceptors

- ▶ Value Chain Analysis
- ▶ Segmentation & Requirements
- ▶ Business Models
- ▶ Challenges

### High Level Merchant and Payment Acceptor Segments

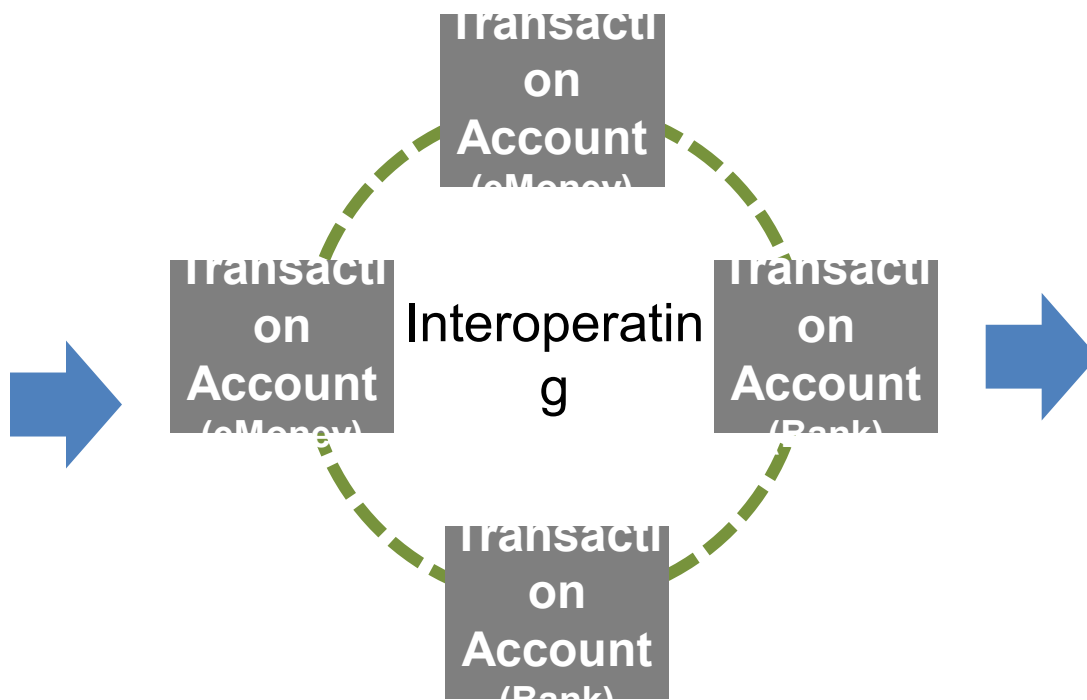
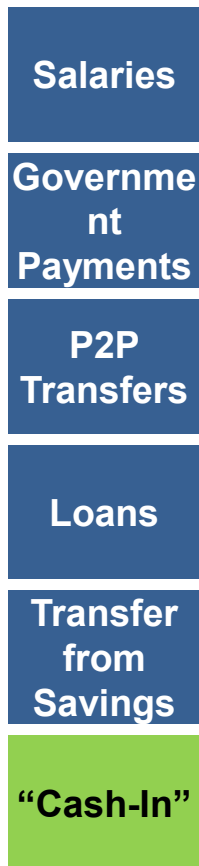
<b>M0</b> Consumers settling personal goods or services ("P2P")	<b>M1</b> Most basic sole proprietor	<b>M2</b> Small sole proprietor selling goods or services
<b>M3</b> Small farmer	<b>M4</b> Mid-sized retailer	<b>M5</b> Utilities and services
<b>M6</b> Transit	<b>M7</b> Large/top tier merchants	<b>M8</b> Government

### Merchant Services/Payment Acceptor Value Chain



# Barriers: Reaching Digital Liquidity

## Money In



## Money Out





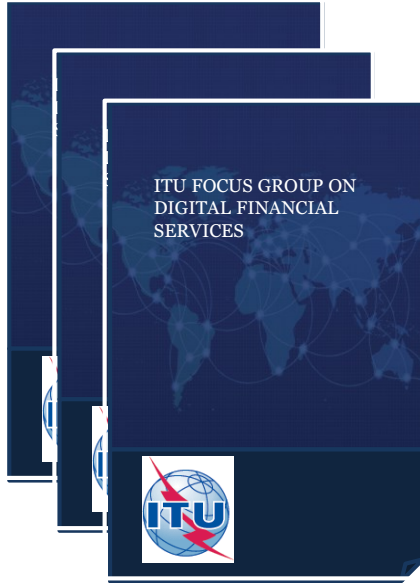
# Reports: Removing Barriers to Merchant Acceptance



## Four Reports

- **Enabling B2B Payments**
- **Integrating with Agricultural Platforms**
- **Merchant Data and Lending**
- **The Impact of Social Networks**

# Reports: Removing Barriers



## Bulk Payments

- ▶ Focus on connection to national identity programs

## The Role of Postal Networks

- ▶ Maximizing use of existing resources

## Over-the-Counter Transactions

- ▶ Threat or enabler to DFS?

# Highlights From Ecosystem Group Recommendations

