|  |  |
| --- | --- |
| **Plenipotentiary Conference (PP-18) Dubai, 29 October – 16 November 2018** |  |
|  |  |
|  |  |
| PLENARY MEETING | **Corrigendum 1 to Document 55(Add.3)-E** |
|  | **28 October 2018** |
|  | **Original: English** |
|  | |
| African Telecommunication Union Administrations | |
| AFRICAN COMMON PROPOSALS FOR THE WORK OF THE CONFERENCE | |
|  | |
|  | |

Please replace proposal **AFCP/55A3/10** – Draft new Resolution [AFCP-4] – with attached text.

ADD AFCP/55A3/10

Draft New Resolution [AFCP-4]

Use of information and communication technologies to bridge the financial inclusion gap

The Plenipotentiary Conference of the International Telecommunication Union (Dubai, 2018)

recalling

*a)* that financial inclusion is a key enabler for reducing poverty and boosting prosperity: around two billion people globally do not have access to formal financial services and more than 50 per cent of adults in the poorest households are unbanked;

*b)* that one way to bridge this financial inclusion gap is through information communication technology (ICT), particularly mobile phone technologies;

*c)* that the purposes of the Union include to foster collaboration among the membership for the harmonious development of telecommunications, sharing of best practices and enabling services to be offered at lowest possible cost;

*d)* Resolution 1353 (Geneva, 2012) of the ITU Council, which recognizes that telecommunications and ICTs are essential components for developed and developing countries in achieving sustainable development, and instructs the Secretary-General, in collaboration with the Directors of the Bureaux, to identify new activities to be undertaken by ITU to support developing countries in achieving sustainable development through telecommunications and ICTs;

*e)* WTSA Resolution 89 (Hammamet, 2016) on promoting the use of information and communication technologies to bridge the financial inclusion gap,

recognizing

*a)* the studies and ongoing work in the study of mobile financial services in ITU-T SG3 and ITU-T SG12, and in particular Question 12/3 and Question 13/12;

*b)* that, according to the Global Findex Study of the World Bank, more than half of adults in the poorest 40 per cent of households in developing countries[[1]](#footnote-1)1 were still without accounts in 2014 [and, moreover, the gender gap in bank-account ownership is not significantly narrowing: in 2011, 47 per cent of women and 54 per cent of men had an account; in 2014, 58 per cent of women had an account, compared to 65 per cent of men, while at the regional level the gender gap is largest in South Asia, where 37 per cent of women have an account compared to 55 per cent of men;]

*c)* the establishment of the ITU‑T Focus Group on digital financial services (FG DFS) by the Telecommunication Standardization Advisory Group (TSAG) at its meeting in Geneva, 17‑20 June 2014, whose mandate focused on innovations in payments and delivery of financial services via mobile technologies occurring in both developed and developing countries;

*d)* ITU-T SG3 Technical report on DFS Glossary (2018);

*e)* the establishment of the ITU‑T Focus Group on digital fiat currency (FG DFC) by the Telecommunication Standardization Advisory Group (TSAG) at its meeting in Geneva, 2017, whose mandate focuses on studying the economic impact, ecosystem & regulatory implications of Digital Fiat Currency;

*f)* the Global Initiative for Financial inclusion (FIGI) which is a collaborative initiative among the World Bank Group, the BMGF, the Committee on Payments and Market Infrastructures (CPMI), and the International Telecommunications Union (ITU) with broad participation from public and private sector partners in its activities;

*g)* the work done by ITU‑T Study Group 2 on telecommunication finance during the last study period;

*h)* the work done by the development sector through Study group 2 on the issue of Digital financial services;

*i)* the ongoing work in the Development sector through the Arab states regional initiative on digital financial inclusion to support and enable access to and use of digital financial services, using telecommunications and information technology, and achieve high levels of digital financial inclusion;

*j)* the activities run through the Global Initiative for Financial Inclusion (FIGI)

considering

*a)* that the issue of access to financial services is one of global concern and requires global collaboration;

*b)* United Nations General Assembly Resolution 70/1 of 25 September 2015, on transforming our world: the 2030 Agenda for Sustainable Development, recognizing that it builds on the Millennium Development Goals and seeks to complete their unfinished business, and stressing the importance of the implementation of this new ambitious agenda, which has poverty eradication at its core and aims at promoting the economic, social and environmental dimensions of sustainable development;

*c)* that this new agenda, *inter alia*, undertakes the adoption and implementation of policies to increase financial inclusion and therefore integrates financial inclusion into several targets associated with the Sustainable Development Goals and their means of implementation;

*d)* the need for regulators from the telecommunication and financial services sectors to collaborate with one another and with, *inter alia,* their finance ministries and other stakeholders, and to share best practices, since digital financial services encompass areas which fall under the purview of all parties,

noting

*a)* the target of universal financial access by 2020 set by the World Bank, and that this goal will be achieved globally by providing access to a transaction account or electronic instrument to store money and send and receive payments, as the basic building block for people to manage their financial lives;

*b)* that the World Bank group has committed to enabling one billion people to gain access to a transaction account through targeted interventions;

*c)* that interoperability is, *inter alia*, an important element to enable electronic payments in a convenient, affordable, fast, seamless and secure way through a transaction account; indeed the need for interoperability was also one of the findings of the Committee on Payments and Market Infrastructures (CPMI) - World Bank group Task Force on payment aspects of financial inclusion (PAFI), which identified required improvements to existing payment systems and services in order to increase further financial inclusion, recognizing that implementation of existing standards and best practices should be a priority;

*d)* that, despite the huge success of mobile-money services in countries such as Kenya, Tanzania, Paraguay and Uganda and Zimbabwe, mobile financial services have not had the same success and scale of usage in many other emerging economies, and efforts to roll out standards and systems to support digital financial services will thus need to be continued and accelerated;

*e)* the importance of affordability of digital financial services, especially for people in low-income households, for achieving financial inclusion;

*f)* the work of FG DFS which was delivered to TSAG in 2017;

*g)* the increased interest in using mobile financial services in developing countries,

resolves

1 to continue studying the topic of digital financial services in order to increase the financial inclusion in developing countries;

2 to encourage collaboration between telecommunication regulators and financial services authorities to develop and implement standards and guidelines;

3 to encourage the use of innovative digital tools and technologies, as appropriate, to advance financial inclusion,

instructs ITU-T SG3 and ITU-T SG12

1 to continue studying and developing standards, regulations and guidelines in the area of digital financial services within Question 12/3 and Question 13/12;

2 to continue studying the areas of interoperability, digitization of payments, consumer protection, quality of service, big data and agents, where such studies, standards and guidelines do not duplicate efforts taking place in other institutions and relate to the mandate of the Union;

3 to continue its efforts in the area of the collaboration between Telecom regulators and Central banks;

4 to coordinate and collaborate with other relevant Standard Development Organizations (SDOs) and institutions with primary responsibility for financial services standards development, implementation and capacity‑building, and with other groups within ITU,

instructs ITU-D

1 to continue the regional studies related to digital financial inclusion;

2 to encourage regions to sponsor new initiatives for digital financial inclusion;

3 to continue its effort in supporting the membership in the awareness of digital financial inclusion,

instructs the Directors of Telecommunication Standardization and Development Bureaux

1to collaborate closely and provide information and support on the matters of this Resolution;

2 to report on the progress of the implementation of this resolution annually to the Council;

3 to support the development of reports and best practices on digital financial inclusion, taking into consideration relevant studies, where clearly within the mandate of the Union and not duplicative of work for which other SDOs and institutions are responsible;

4 to establish a platform or, where possible, connect to those already existing, for peer learning, dialogue and experience-sharing in digital financial services among countries and regions, regulators from telecommunication and financial services sectors, industry experts and international and regional organizations;

5 to organize workshops and seminars for the ITU membership in collaboration with other relevant SDOs and institutions in order to raise awareness and identify regulators' particular needs and challenges in enhancing financial inclusion,

invites the Secretary-General

to continue to cooperate and collaborate with other entities within the United Nations and other relevant entities in formulating future international efforts for effectively addressing financial inclusion,

invites Member States, Sector Members and Associates

1 to continue to contribute actively to ITU‑T& ITU-D study groups on issues related to use of ICTs to enhance financial inclusion, within the mandate of the Union;

2 to promote the integration of ICT, financial services and consumer-protection policies in order to enhance usage of digital financial services with the objective of increasing financial inclusion,

invites Member States

1 to contribute to the above activities and take active part in the implementation of this Resolution;

2 to develop and implement national strategies to address financial inclusion as a matter of priority and to leverage ICTs to bring financial services to the unbanked;

3 to undertake reforms that will leverage ICTs to achieve gender equality within the objectives of this resolution.

1. 1 These include the least developed countries, small island developing states, landlocked developing countries and countries with economies in transition. [↑](#footnote-ref-1)