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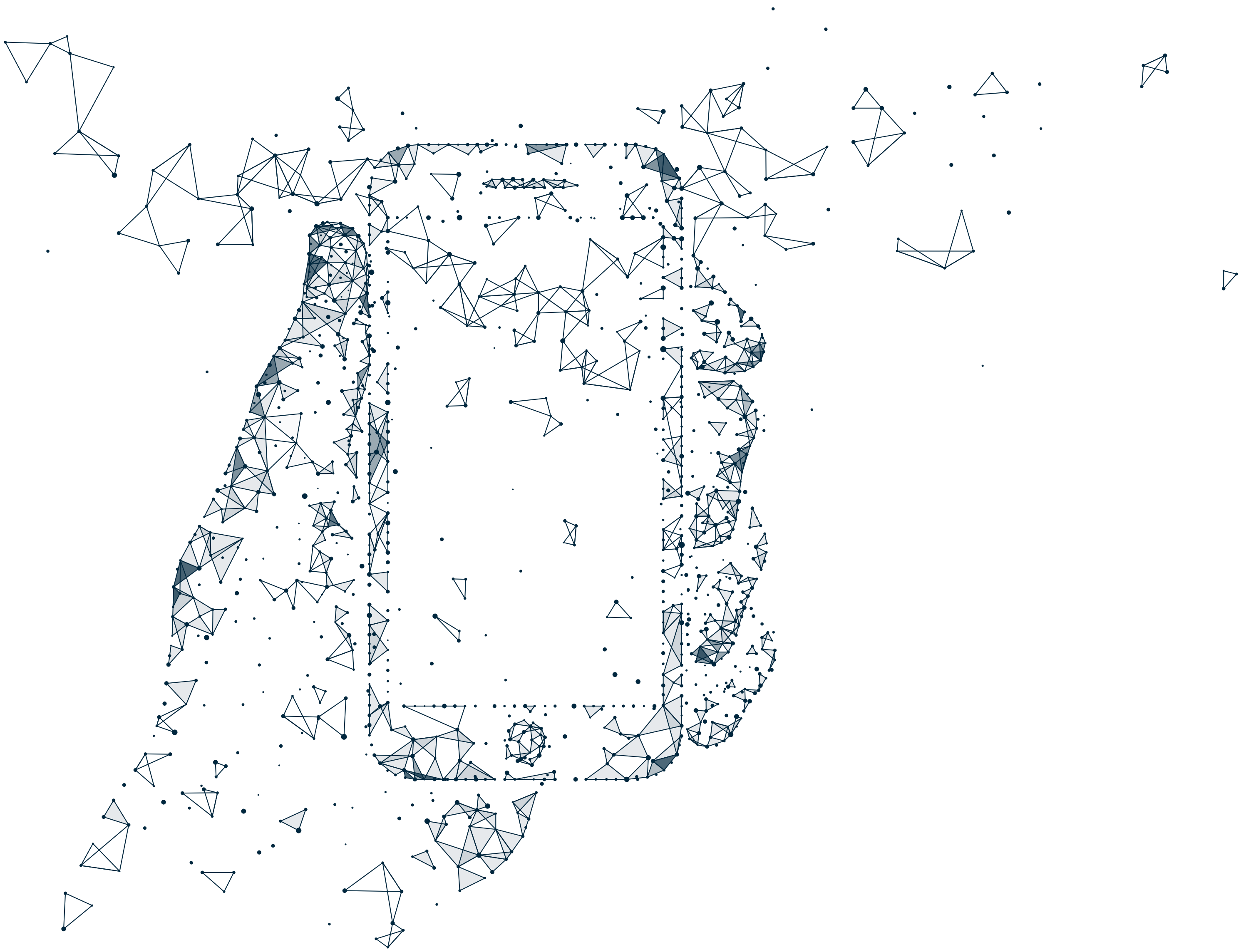

Global Microscope 2020
The role of financial inclusion in the Covid-19 response

Supported by

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Center for Financial Inclusion Accion

IDB Invest

IDB Lab

About this report

The Global Microscope assesses the enabling environment for financial inclusion across five categories and 55 countries.

This year, regulators and policymakers have faced a number of challenges as a result of the economic crisis caused by the COVID-19 pandemic. In recognition of this, the Global Microscope report focuses on the role that financial inclusion has played in the crisis response, and on the policies that have made financial systems in 55 mid- and low-income countries more resilient and inclusive.

We conducted a series of expert interviews to help shape the research and inform our findings and would like to thank the following individuals for their time and insights:

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The Microscope was originally developed for countries in the Latin America and Caribbean region in 2007 and was expanded into a global study in 2009. Most of the research for this report—which included interviews and desk analysis—was conducted between June and September 2020.

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The complete index, as well as detailed country analysis, can be viewed on these websites:
https://www.eiu.com/n/campaigns/microscope2020
www.eiu.com/microscope
https://idbinvest.org/en/publications
https://www.centerforfinancialinclusion.org/series/global-microscope

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IDB Lab is the innovation laboratory of the IDB Group, the leading source of development finance and know-how for improving lives in Latin America and the Caribbean (LAC). The purpose of IDB Lab is to drive innovation for inclusion in the region, by mobilizing financing, knowledge, and connections to co-create solutions capable of transforming the lives of vulnerable populations affected by economic, social or environmental factors. Since 1993 IDB Lab has approved more than US$ 2 billion in projects deployed across 26 LAC countries, including over US$ 300 million to develop the Venture Capital industry in the region. www.idblab.org

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Executive summary

The global health crisis provoked by the COVID-19 pandemic shuttered large parts of the global economy as governments around the world imposed lockdowns to mitigate the spread of the virus. The economic consequences of the lockdowns have affected the poor disproportionately. Early in the crisis, central bankers recognised the need to establish and strengthen inclusive financial channels in order to let liquidity flow quickly down the "last mile" and ease the suffering of the most vulnerable. The crisis put financial inclusion at the centre of governments' priorities as they tried to reach those who were most affected by the lockdowns. Rebuilding economies will require more than preserving powerful global and national players; small businesses will need to be saved, and employment will need to be ensured for workers in both the informal and formal sector. Recovery needs to reach the most vulnerable and proceed from there.

The 2020 Global Microscope explores the role that financial inclusion has played in policymakers' crisis response, providing data on how the 55 countries included in the index have leveraged their financial infrastructures to support vulnerable individuals, small businesses and the financial providers that serve poor households.

Digital infrastructure investments pay off

Of the 55 countries included in the 2020 Global Microscope, 44 implemented cash transfers to support vulnerable segments of the population. In countries where the financial sector had already invested in digital financial infrastructure, policymakers were able to use digital distribution channels to pay funds to beneficiaries in need. Of the 44 countries that implemented cash transfers, 28 leveraged digital infrastructures to distribute payments via financial or mobile money accounts. Of the 20 countries with the highest scores in the Microscope's Infrastructure domain, all but one implemented an emergency cash programme. These include low-income countries such as Kenya that have invested in building payments, identification and connectivity infrastructure prior to the pandemic. These interventions will likely have positive and long-lasting effects on financial inclusion.

Digital IDs can facilitate verification for cash transfers, but better data integration is needed to target beneficiary populations

Fifty of the 55 countries in the 2020 Global Microscope have a national ID system that is at least partially digitised. Digital identification can help to facilitate the delivery of social assistance cash transfers, but it cannot ensure that such benefits reach all who are eligible. Social protection programmes rely on the ability to target specific populations based on income and other characteristics. In a number of countries, cash transfer programmes have targeted workers from the informal sector who were not registered in tax and social security databases or government protection programmes. Governments have used a variety of methods to find and target beneficiaries, including using digital tools to allow eligible households to self-register for benefits. However, by relying on digital channels, governments risk excluding millions of women, who have lower levels of access to mobile phones and digital IDs and are among the most vulnerable segments of the population.

Digital channels are here to stay

Proportional customer due diligence and the approval of electronic Know Your Customer (e-KYC) methods are essential for creating an inclusive digital financial system. While the 2020 Global Microscope shows that more than half of the countries included in the index have not formally implemented e-KYC methods, some countries have made changes in response to the COVID-19 pandemic. For example, 11 countries in the Microscope relaxed due diligence requirements or allowed remote account opening during the pandemic. An analysis by Glenbrook attributes the opening of 60m new accounts globally to countries with pre-existing enabling environments and those that quickly adapted their rules.[1]

Non-banks face major disruptions, affecting financial service availability for the poor

Economic shutdowns have upended business models for many financial institutions that target the poor. Their primary clients are among the most affected by the health and economic crises, and their high-touch business methods have had to either halt or adapt to increased physical distancing and stay-at-home requirements. Non-deposit-taking institutions, especially small and medium-sized institutions, are usually not supervised by the same regulators as banks, which may mean that support provided by those regulators does not reach some of the institutions that serve the most vulnerable communities. Regulatory frameworks and supervisory authorities differ based on the level of risk that financial institutions pose to the financial system. However, during this crisis it has become clear that the collapse of microfinance and non-bank financial institutions represents a social risk that financial authorities should take into consideration. In order to provide effective support to microfinance institutions and other institutions that promote financial inclusion, regulators must be in close contact with the sector, must possess and analyse the necessary data to understand these institutions' portfolios, and must then act accordingly.

Financial authorities should adapt to protect consumers from emerging risks

Cases of financial fraud have increased as bad actors seek to take advantage of pandemic-related uncertainty, as well as changes in consumer behaviour, such as the shift to digital banking.[2] Governments and financial institutions will have to work together to address these challenges and foster a sense of trust among new entrants to the financial system. The introduction of comprehensive data privacy and cybercrime protections should remain a priority for governments that promote the increased use of digital financial services.

1 https://www.findevgateway.org/sites/default/files/publications/submissions/72016/Emergency%20Disbursements%20during%20COVID-19_20200718.pdf

2 https://www.globenewswire.com/news-release/2020/06/24/2052648/0/en/As-More-Transactions-Shift-Online-During-Pandemic-the-Financial-Services-Industry-Experiences-a-Surge-in-Fraudulent-Activity.html

Introduction

The global health crisis provoked by the COVID-19 pandemic shuttered large parts of the global economy as governments around the world imposed lockdowns to mitigate the spread of the virus. The economic consequences of these lockdowns have affected the poor disproportionately. According to the World Bank, the COVID-19 pandemic could push up to 100m people into extreme poverty. Almost half of the projected new poor will be in South Asia, and more than one-third will be in Sub-Saharan Africa. Unemployment has spiked, and billions of workers in the informal economy are struggling to earn a living.[3] Estimates from the first month of the crisis showed incomes for informal workers dropping by an average of 81% in Africa and the Americas.[4]

As businesses around the world found themselves unable to trade and individuals found themselves unable to work, they sought savings, credit, government assistance and other financial tools to even out the shocks and persevere down the path to a new normal. For those who are disconnected from the financial system and lack access to such tools, the way forward could be decidedly bleak. The 2020 Global Microscope explores the role that financial inclusion has played in policymakers' crisis response, providing data on how the 55 countries included in the index have leveraged their financial infrastructures to support vulnerable individuals, small businesses and the financial providers that serve poor households.

The Global Microscope data assesses the enabling environment for financial inclusion across five dimensions 1) Government and Policy support, 2) Stability and integrity regulation, 3) Products and outlets regulation, 4) Consumer protection, and 5) Infrastructure.

This year, many of the efforts made by regulators and policymakers to contain the

Government and Policy	Stability and Integrity	Products and Outlets	Consumer Protection	Infrastructure
1. National strategies	1. Market entry requirements	1. E-money and simplified accounts	1. Financial services users	1. Payments infrastructure
2. Financial and digital literacy	2. Operational requirements	2. Credit	2. Insurance users	2. Connectivity
3. Government digitisation	3. Customer due diligence	3. Emerging services	3. Data protection	3. Digital IDs
	4. Supervisory capacity	4. Inclusive insurance		4. Credit information
	5. Cybersecurity	5. Financial outlets		

3 https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_743036/lang--en/index.htm

4 https://www.ilo.org/global/about-the-ilo/newsroom/news/WCMS_743036/lang--en/index.htm

COVID-19 crisis were not necessarily captured by laws and regulations. For this reason, the Microscope team conducted additional interviews with key experts and analysed secondary sources to understand how financial authorities were responding to the crisis. Our findings are summarized in the country summaries below. The rest of the report highlights some of the policy responses and existing regulations and infrastructures that facilitated the financial authorities' response to the current crisis.

Early in the crisis, central bankers recognised the need to establish and strengthen inclusive financial channels in order to let liquidity flow quickly down the "last mile" and ease the suffering of the most vulnerable.[5] The crisis put financial inclusion at the centre of governments' priorities as they tried to reach those who were most affected by the lockdowns. Rebuilding economies will require more than preserving powerful global and national players; small businesses will need to be saved, and employment will need to be ensured for workers in both the informal and formal sector. Recovery needs to reach the most vulnerable and proceed from there.

An important component of this effort is ensuring that institutions that serve the poor have the tools to survive the crisis. As we conducted research for the 2020 Global Microscope, microfinance institutions (MFIs), mobile payment services and agent networks were all facing an extremely challenging business environment. Economic lockdowns, falling income among clients and moratoria on payments have halted MFIs' income from loan repayments. At the same time, economic uncertainty and questions about the future viability of their business model have limited MFIs' access to capital and liquidity from funders.[6] While survey data from the Consultative Group to Assist the Poor (CGAP) allayed some of the early concerns about a liquidity crisis among institutions in the sector, there may be a solvency challenge on the horizon as repayment freezes expire and institutions determine which loans will be repaid and which could end up in default.[7] In markets with different regulations for microfinance, regulators may need to acknowledge the role of these providers in aiding the recovery of low-income clients and provide support to ensure that they can fulfil this responsibility.[8]

Mobile money providers and particularly the cash-in cash-out (CICO) agent networks that support them also saw dramatic drops in revenue as a result of lockdown measures. In several countries CICO agents were not considered essential services despite their crucial role in distributing government payments and providing financial services to the most vulnerable populations. Furthermore, the reduction of transactions fees and decline in transaction amounts threaten the long term viability of agent networks' business model.

Financial inclusion strengthens resilience and enables low-income individuals to take advantage of productive opportunities; these benefits are in jeopardy if financial services providers (FSPs) that target these communities collapse. FSPs have supported their clients during the COVID-19 pandemic with loan forbearance and fee readuction both voluntary and imposed by regulators. These institutions are in need of government support.

To remain in business, FSPs need access to liquidity facilities similar to those provided

5 https://www.bis.org/speeches/sp200330.htm

6 https://www.coronavirusandtheeconomy.com/question/how-will-coronavirus-change-global-microfinance-industry

7 https://www.cgap.org/blog/there-liquidity-crisis-among-mfis-and-if-so-where

8 https://www.cgap.org/research/publication/microfinance-and-covid-19-framework-regulatory-response

by central banks to much larger institutions, which are generally under distinct regulatory regimes. Governments and regulators should provide such support to institutions that are well managed but find themselves in trouble as a result of the pandemic. After all, these institutions provide essential financial channels that governments can use to support vulnerable populations during this crisis. Even in economies where digital payment services reach large portions of the population, agent networks and institutions can play a significant role in providing cash-in/cash-out points so that individuals can convert digital funds and use them however they need.

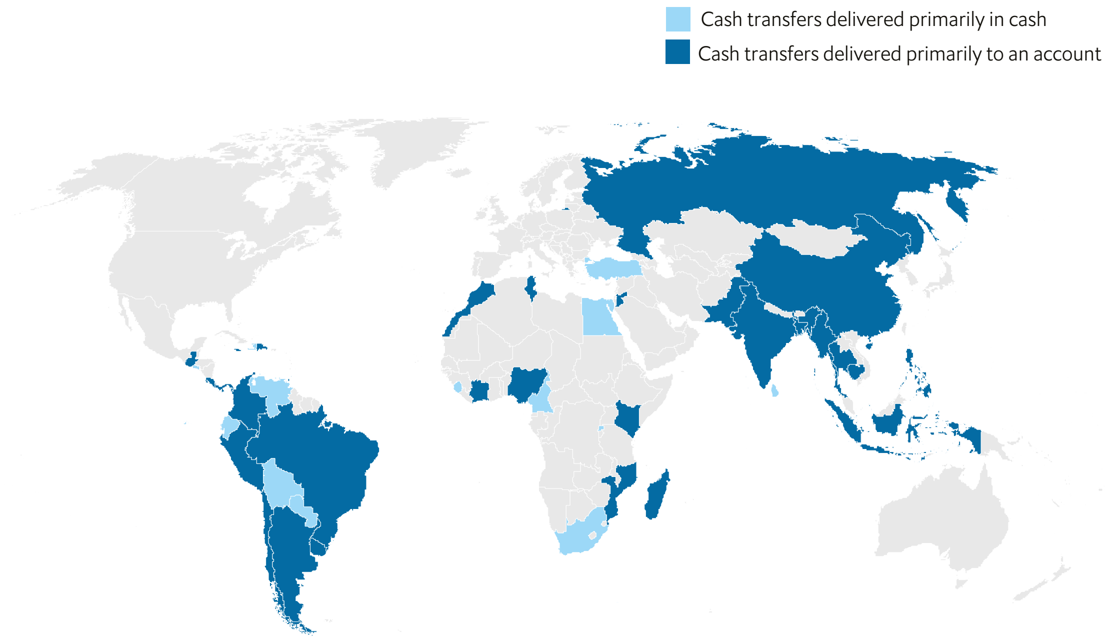
Key findings

Digital infrastructure investments pay off

As economies slowed under lockdowns and individuals experienced a sudden loss of income, those without savings quickly found themselves in need of support. Of the 55 countries included in the 2020 Global Microscope, 44 had implemented cash transfers to support vulnerable segments of the population by the time of publication (see Figure 1).[9] While the amounts, durations and eligibility requirements of these cash transfers varied widely among countries, the need to respond quickly did not. In countries where the financial sector had already invested in digital financial infrastructure, policymakers were able to use digital distribution channels to pay funds to beneficiaries in need. During the COVID-19 pandemic, these channels provide the added benefit of supporting physical distancing requirements by removing the need for large groups to gather to receive cash distributions. Of the 44 countries that implemented cash transfers, 28 leveraged digital infrastructures to distribute payments via financial or mobile money accounts.

In Chile, for example, the government channelled funds through a basic ID-linked account (CuentaRUT), which covers most low-income people in the country.[10] In Russia, benefits were

Figure 1
Emergency cash transfers in response to the COVID-19 pandemic



Source: The Economist Intelligence Unit

9 https://www.ugogentilini.net/?p=1004

10 https://blogs.worldbank.org/voices/responding-crisis-digital-payments-social-protection-short-term-measures-long-term-benefits

transferred through the government's national payment system, Mir, established by the Central Bank of Russia. In Madagascar, funds were distributed through Paositra Money, the post office's mobile money service.

Digital transfers ensure that social assistance can be distributed quickly, securely and without leakage. While conditions vary from country to country, the Centre for Global Development (CGD) noted that digital infrastructure—which includes high levels of access to identification, mobile phones and financial accounts—enabled governments to deliver COVID-19 cash transfers efficiently and quickly.[11]

Digital infrastructures have allowed governments to identify, register and mobilise funds on a massive scale. In Brazil, the government's aid for informal workers, microentrepreneurs, the self-employed and the unemployed reached around 67m individuals, starting in April 2020. A public bank opened digital savings accounts for individuals who did not already have one so that they could receive the benefit, creating 25m new financial accounts as part of the programme. Beneficiaries have used around 40% of the funds to make digital payments to utilities and businesses, and for Internet purchases, demonstrating increased adoption of digital finance among a previously unbanked population.[12] Thailand's government targeted around 24m individuals via digital cash transfers, leveraging its payment platform, PromptPay.[13, 14] PromptPay enables recipients to easily receive and transfer funds using their citizen ID or mobile phone number instead of a bank account number, via electronic channels.[15]

11 https://www.cgdev.org/blog/covid-19-how-countries-can-use-digital-payments-better-quicker-cash-transfers

12 Central Bank of Brazil

13 https://thepattayanews.com/2020/03/25/thai-government-set-to-hand-out-5000-baht-a-month-to-informal-workers-to-help-them-after-the-covid-19-coronavirus-crisis/

14 https://www.nationthailand.com/business/30385559?utm_source=homepage&utm_medium=internal_referral

15 bangkokbank.com/en/personal/digital-banking/promptpay

In Colombia, a new cash transfer programme for households that were not previously covered by social protection cash transfers reached 2.6m households and opened 1m new digital wallet and mobile phone payment service accounts in order to distribute the funds.[16] In addition, the government notified 3m individuals via SMS that assistance funds were available while the country was locked down.[17] Pakistan leveraged previous investments in digital infrastructure for social protection payments to implement a fully digital system of COVID-19 assistance payments, delivered to 16.9m households in just ten days.[18] Jordan combined an existing social protection beneficiary database with tools to remotely contact and enrol individuals in COVID-19 cash transfer programmes, quickly reaching out to 200,000 individuals to confirm if they had a mobile wallet, and provided extensive communications to deliver information on creating one if they did not.[19, 20]

In countries where digital payment infrastructure is still at an early stage, governments can support its development in three ways.[21] First, they can invest in digital infrastructure such as connectivity for citizens, digital identification, and interoperable financial management systems. Second, governments can facilitate enabling policies, such as ensuring a robust data privacy regime, enforcing cybersecurity protections, and providing fair and non-discriminatory access to payment systems. The 2020 Global Microscope demonstrates that

16 https://www.cgdev.org/publication/covid-19-colombia-impact-and-policy-responses

17 https://www.findevgateway.org/sites/default/files/publications/submissions/72016/Emergency%20Disbursements%20during%20COVID-19_20200718.pdf

18 https://www.app.com.pk/global/ehsaas-emergency-cash-programme-covering-around-109-million-people-sania-nishtar/

19 https://blogs.unicef.org/evidence-for-action/how-responding-to-the-syrian-humanitarian-crisis-helped-jordan-support-its-population-during-covid-19/

20 https://www.worldbank.org/en/news/press-release/2020/06/25/us374-million-to-provide-cash-assistance-to-poor-and-vulnerable-households-in-jordan

21 Interview Ghiyazuddin Mohammad

such investments are necessary: only 22 of the 55 countries in this year's index comprehensively protect individuals' financial data, even fewer (18 of 55) have an entity with strong capacity to enforce data protection, and 24 countries still need to open up at least one category of payment system to fair and non-discriminatory commercial access for all market participants. Lastly, governments can create demand by prioritising these channels in their cash transfer programmes.

Many countries lack sufficient connectivity to rely exclusively on digital solutions for social assistance payments. Increasing their applicability will require solutions for feature phones and smartphones, as well as the provision of training to beneficiaries, especially populations such as older adults and/or women who may have previously lacked access to these technologies. Regulators and institutions should avoid unnecessarily limiting the functionality of these digital payment accounts in order to improve the value proposition for users. For example, the

Figure 2. Top performers in 2020 in the Infrastructure domain

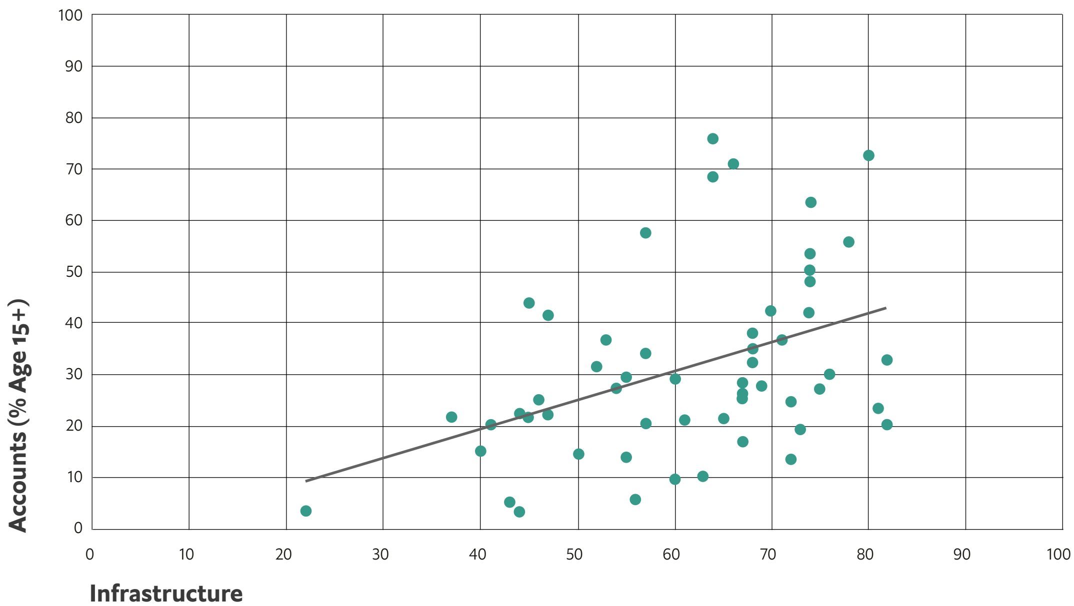
Rank / 55	Δ	Country	2018	2019	2020	Δ
=1	↔	Argentina	82	83	82	-1
=1	↔	Peru	77	83	82	-1
3	↔	Uruguay	78	81	81	0
4	▲ 13	Thailand	71	69	80	+11
5	▲ 3	Brazil	67	72	78	+6
6	▼ 2	Colombia	74	78	76	-2
7	▼ 2	Mexico	74	75	75	0
=8	▼ 1	Chile	80	74	74	0
=8	▲ 4	China	65	71	74	+3
=8	▼ 3	Costa Rica	63	75	74	-1
=8	▲ 14	Russia	66	65	74	+9
=8	↔	South Africa	72	72	74	+2
13	▼ 1	Indonesia	71	71	73	+2
=14	▼ 6	El Salvador	64	72	72	0
=14	▼ 6	Panama	67	72	72	0
16	▲ 3	Ecuador	59	67	71	+4
17	▼ 5	Kenya	62	71	70	-1
18	▼ 3	Bolivia	70	70	69	-1
=19	▼ 1	Dominican Republic	66	68	68	0
=19	▲ 6	India	61	63	68	+5
=19	▲ 6	Rwanda	62	63	68	+5

Score is the weighted average of the following indicator scores: 5.1 Payments infrastructure; 5.2 Digital IDs; 5.3 Connectivity; 5.4 Credit information and other data-sharing systems

Figure 3

Correlation between Microscope's Infrastructure score and Findex's Account (% Age 15+)

Correlation Co-efficient (r) All countries 0.42



Source: The Economist Intelligence Unit

accounts could link to savings and credit products and provide a means of paying utility bills.

Of the 20 countries with the highest scores in the Microscope's Infrastructure domain, all but one implemented an emergency cash programme, and 14 of these countries leveraged their digital infrastructures to distribute payments via financial and mobile money accounts. These include low- income countries such as Kenya that have invested in building payments prior to the pandemic. (See Figure 2)

These interventions will likely have positive and long-lasting effects on financial inclusion. The scores in the Infrastructure domain are the inputs with the strongest correlation to account ownership data from the World Bank's 2017 Global Financial Inclusion (Global Findex) Database.(See Figure 3)

Digital IDs can facilitate verification for cash transfers, but better data integration is needed to target beneficiary populations

As governments have rolled out financial support programmes in response to the COVID-19 pandemic, some have found it challenging to properly identify beneficiary populations. Providing identification for all individuals is a vital support for increasing financial inclusion and improving access to financial services. Foundational identity programmes can also foster social inclusion, enabling individuals to use a unique ID for multiple purposes including enrolling in school, accessing healthcare and voting.

Fifty of the 55 countries in the 2020 Global Microscope already have a national ID system that is at least partially digitised (see Figure 2). However, access to identification is not universal in many Microscope countries, and more than half of the countries have not approved electronic Know Your Customer (e-KYC) schemes that facilitate remote and digital account opening.

The 2020 Microscope found that eight countries have started offering e-KYC options since 2019. Brazil's central bank has developed an open data portal to simplify KYC for remotely opening digital accounts, even in the absence of a national e-ID system. In Russia, a private firm is authorised to provide e-KYC services to banks, and the government is developing its own solution that categorises customers into three levels of risk. In 2020 Thailand approved the use of facial recognition technology for opening online deposit accounts at six commercial banks. Sierra Leone's new e-KYC system should be fully implemented by the end of 2020 and uses blockchain technology to reach the 20% of adults who are financially excluded based on a lack of proper identification. The country has built on lessons learned during its Ebola virus epidemic in 2015 and is working towards universal identification, which facilitates financial inclusion but also assists with contact tracing, providing and tracking healthcare, and targeting payments to healthcare workers and patients.[22]

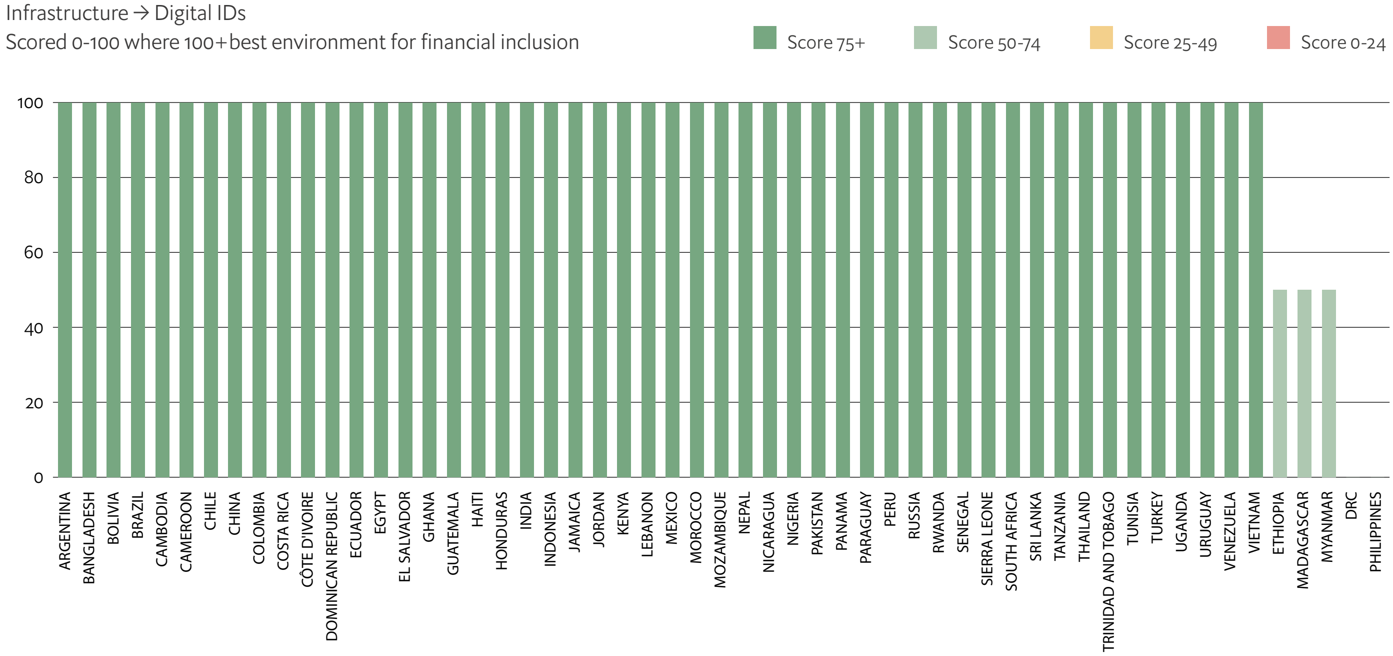
In addition to facilitating alternative channels for financial inclusion and account opening, universal digital identification is important for ensuring that social protection programmes are secure and properly targeted and can avoid payment errors. Digital identification can help to facilitate the delivery of social assistance

Figure 4

National ID systems with digital applications

Infrastructure → Digital IDs

Scored 0-100 where 100+best environment for financial inclusion



22 https://blogs.worldbank.org/digital-development/tracking-down-ebola-biometrics-and-digital-identity

cash transfers, especially in the context of physically distanced interactions during the COVID-19 pandemic. However, it cannot ensure that such benefits reach all who are eligible. Social protection programmes rely on the ability to target specific populations based on income and other characteristics. This can be an intensive process at the best of times and is particularly complex when numerous individuals and families need social assistance for the first time. Digital ID systems can facilitate this process when it is integrated with other systems, including social registries, SIM registration, and utility and tax databases.

In many cases, individuals who became newly unemployed during the COVID-19 pandemic were workers in the informal sector who were not registered in tax and social security databases, and potentially not even in social protection programmes. In a number of countries, cash transfer programmes targeted workers from the informal sector, reaching 79% of the entire population in the Philippines, 75% in El Salvador, 38% in Chile and 31% in Tunisia. Governments have used a variety of methods to find and target these beneficiaries. In Morocco, cash transfers reached 3m informal-sector workers by using the health-sector database for targeting purposes. In Guatemala, authorities have targeted individuals using public utility bills that document low levels of consumption. Colombia used a tax database to identify vulnerable workers in the informal sector; its cash transfers have reached 10.5m informal-sector workers, or 21% of the population.

Some countries took advantage of the strong incentives for individuals to self-register for benefits. South Africa, Pakistan and Brazil, for example, launched multimedia campaigns inviting digital applications for emergency relief, to be made through mobile phones, WhatsApp or websites.[23] According to a CGD report, South Africa received 13m applications, of which around 6m were deemed to be valid. In Pakistan, the Ehsaas programme received 146m SMS requests for assistance, of which 48m were unique claimants.[24]

One of the main risks of relying on digital channels to register and identify participants for cash transfer programmes is the pervasive gender gap in access to mobile phones (see Figure 3) and IDs. On average, the gender gap in access to mobile phones in Microscope countries is 7 percentage points. The gender gap in access to identification in these countries is also 7 percentage points. These gaps threaten to exclude some of the most vulnerable segments of the population from emergency relief transfers. Low-income populations face severe risks as a result of the COVID-19 pandemic, and these risks are exacerbated for women. Women's employment is disproportionately in the informal sector, and the lack of social protection for workers in this sector has already affected women's ability to support their families. Some countries have adopted strategies to ensure that emergency relief is reaching women. Peru, for example, delivers stimulus checks to the woman in the household by default.[25]

23 https://www.cgdev.org/sites/default/files/digital-technology-social-assistance-transfers-covid-19-relief-lessons-selected-cases.pdf

24 https://www.cgdev.org/sites/default/files/digital-technology-social-assistance-transfers-covid-19-relief-lessons-selected-cases.pdf

25 http://documents1.worldbank.org/curated/en/378931596643390083/pdf/Digital-Cash-Transfers-in-Times-of-COVID-19-Opportunities-and-Considerations-for-Womens-Inclusion-and-Empowerment.pdf

Digital channels are here to stay

As physical distancing becomes the norm, fuelling a desire to avoid crowds, long lines and enclosed indoor spaces, financial institutions have increased their efforts to promote digital channels and remote banking. Expanding service channels and moving them closer to excluded customers, whether physically or virtually, has long been a strategy to increase financial inclusion. However, even in countries where digital channels had been established prior to the pandemic, some activities still required a visit to a branch. That is now changing.

Proportional KYC requirements and approval for e-KYC methods are essential for creating an inclusive digital financial system. While the 2020 Global Microscope shows that more than half of the countries included in the index have not formally implemented e-KYC methods, some countries have made changes in response to the COVID-19 pandemic. For example, 11 countries in the Microscope have relaxed KYC requirements or allowed remote account opening during the pandemic (see Figure 4). One analysis attributes the opening of 60m new accounts globally to countries with pre-existing enabling environments and those that quickly adapted their rules.[26] Colombia's Specialised Deposit and Payment Companies were authorised in 2015, and in early 2020 regulators allowed the lowest tier account that can be used to receive social benefits to be opened remotely.[27] In Brazil and Chile, where assistance payments are made via state-owned banks, beneficiaries can open accounts with just a national ID number.[28] The Central Bank of West African States, which includes Côte d'Ivoire, Senegal and six other countries, enabled remote account onboarding in 2020 for first- and second-tier e-money accounts under special COVID-19 rules, facilitating the opening of 5.8m accounts in April, compared with 1.8m in March.[29]

Being able to open a new account is an important step towards increasing financial inclusion, but real inclusion can only be achieved when users find value in using the accounts in the long term. Governments and financial service have worked together to encourage digital transactions and increase the use cases for their accounts. During the COVID-19 pandemic, 11 countries in the Microscope reduced transaction fees for accounts and five countries increased transaction limits, potentially enhancing the value proposition for clients. In Kenya, for example, M-PESA (the country's most popular mobile money system) waived transaction fees for 90 days and increased transaction limits in co-ordination with authorities.[30] Banking regulators also waived fees for transfers between bank accounts and mobile wallets.[31] After this measure was adopted, the central bank reported a 10% increase in the number of daily transactions.[32] In Rwanda, the government eliminated charges on all mobile money transfers, as well as merchant fees on payments for all contactless point-of-sale (via mobile) transactions. By late April users were making 3m transactions a week—five times the pre-pandemic norm.[33] In the Philippines, e-money transfer services waived their user fees for the

26 https://www.findevgateway.org/sites/default/files/publications/submissions/72016/Emergency%20Disbursements%20during%20COVID-19_20200718.pdf

27 https://www.findevgateway.org/sites/default/files/publications/submissions/72016/Emergency%20Disbursements%20during%20COVID-19_20200718.pdf

28 https://www.imf.org/~/media/Files/Publications/covid19-special-notes/en-special-series-on-covid-19-digital-solutions-for-direct-cash-transfers-in-emergencies.ashx

29 https://www.findevgateway.org/sites/default/files/publications/submissions/72016/Emergency%20Disbursements%20during%20COVID-19_20200718.pdf

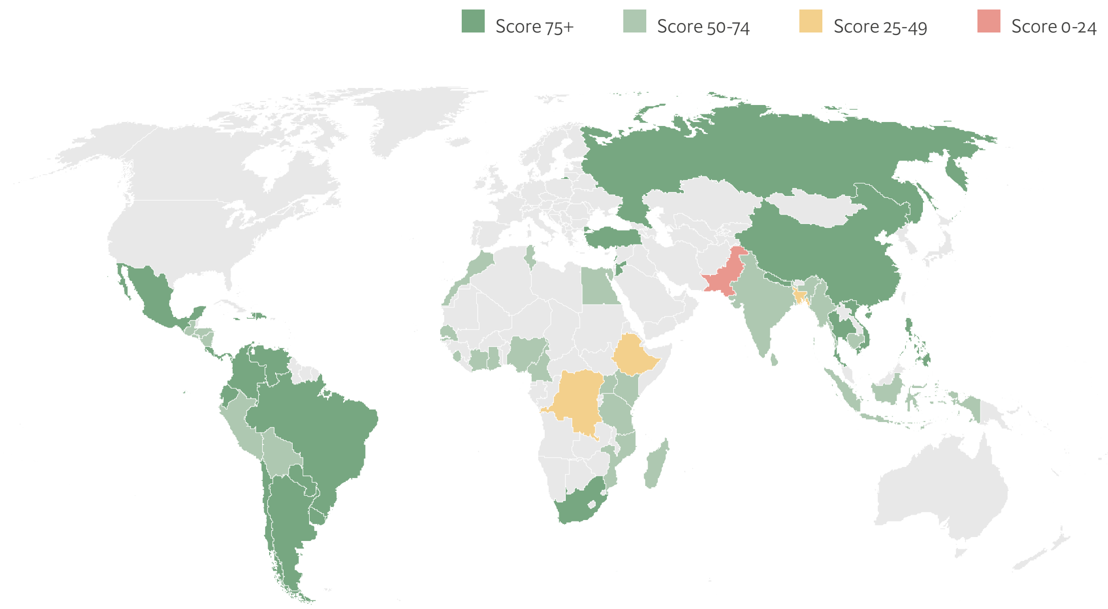
30 https://www.finextra.com/newsarticle/35475/covid-19-m-pesa-waives-fees-to-discourage-cash-usage

31 https://home.kpmg/xx/en/home/insights/2020/04/kenya-government-and-institution-measures-in-response-to-covid.html

32 https://www.economist.com/middle-east-and-africa/2020/05/28/the-covid-19-crisis-is-boosting-mobile-money

33 https://www.economist.com/middle-east-and-africa/2020/05/28/the-covid-19-crisis-is-boosting-mobile-money

Figure 5
Gender gap in mobile subscribers
Map shows 2020 country scores classified by score



Source: The Economist Intelligence Unit

duration of the quarantine, and the central bank suspended licencing and registration fees for such services "to encourage financial institutions to actively offer safe, efficient and reliable digital channels".[34]

Non-banks face major disruptions, affecting financial service availability for the poor

Governments around the world have provided support to individuals, prioritising low-income households and individuals in the informal economy who are most affected by the drop in economic activity caused by the COVID-19 pandemic. However, the financial institutions that serve these populations also need support. As in other sectors throughout the economy, economic shutdowns have upended business models for many financial institutions that serve the poor. Their primary clients are among the most affected by the health and economic crises, and their high-touch business methods have had to either halt or adapt to increased physical distancing and stay-at-home requirements.

Twenty-three Microscope countries created liquidity facilities that provide support to large financial institutions to contain systemic risks in the financial sector. However, efforts to protect financial institutions that serve the poor (agents, MFIs, mobile money providers and others) have varied, highlighting differences in regulatory regimes for non-bank financial institutions, as well as a lack of visibility into their portfolios.

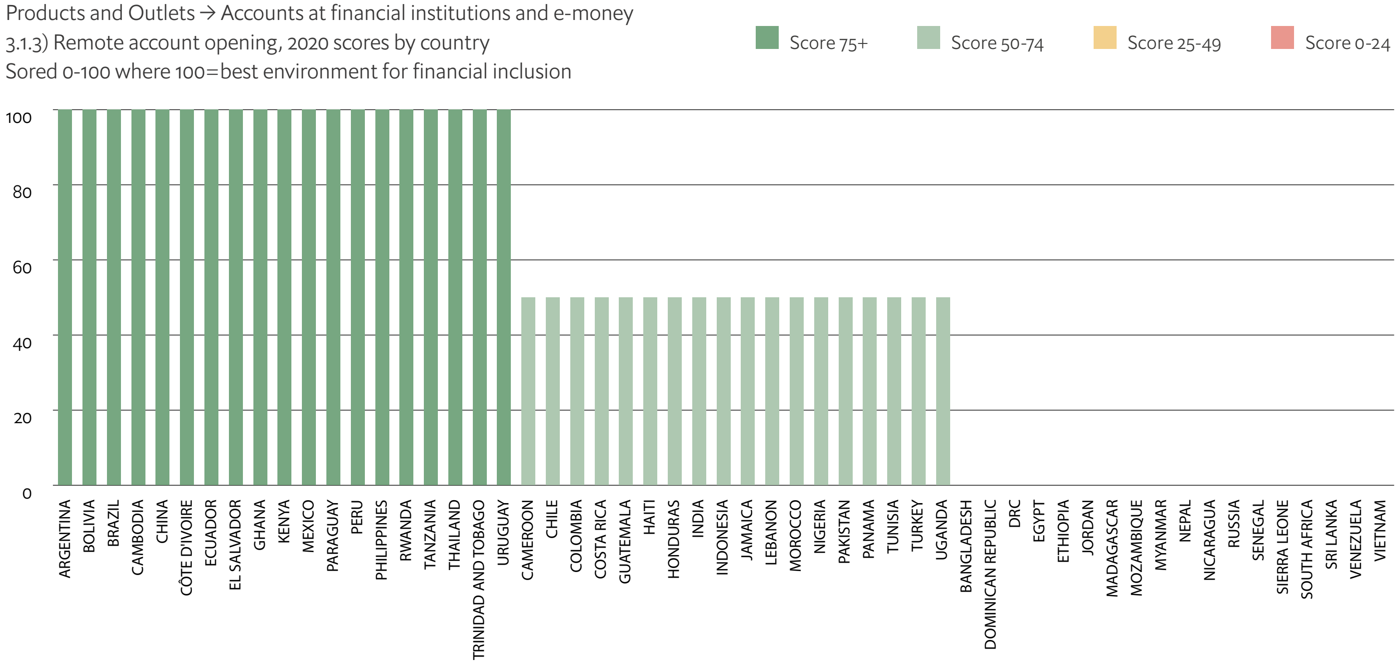
While bank branches and ATMs were considered essential services during lockdowns, several cash-in, cash-out (CICO) agents were

34 https://business.inquirer.net/295959/bsp-waives-fees-for-new-e-payment-services-as-people-shift-to-digital-transactions

Figure 6

Remote account opening by banks, non-banks, e-money issuers and agents

Products and Outlets → Accounts at financial institutions and e-money
3.1.3) Remote account opening, 2020 scores by country
Sored 0-100 where 100=best environment for financial inclusion



considered non-essential businesses. This created confusion in countries like Colombia and Kenya, where non-dedicated CICO agents were not allowed to operate during lockdowns.[35] Even in countries where CICO agents were allowed to operate, many saw their revenues fall due to the economic slowdown. In Uganda and Kenya, agents witnessed a 40% drop in the number of clients and the value of transactions in the first months of the pandemic.[36]

Mobile money providers had to bear the costs of operating agent networks with below-normal activity while also waiving cash-out fees, which represent 70% of their revenue.[37] Agents were also asked to disburse COVID-19 government payments using fee levels that were no longer viable during the crisis. In India, the government is offering temporary subsidies to rural agents to offset some of these loses. In Kenya, agents have a tiered fee structure that offers higher incentives to rural agents for distributing government payments.[38] In Nigeria, the central bank established the Shared Agent Network Expansion Facility, which provides financing to licence super agents and mobile money operators to expand their networks.[39]

MFIs are also facing challenges. Governments in 21 Microscope countries have imposed moratoria on repayments, and 27 countries have encouraged financial providers to restructure payments. To help institutions through this period, 23 countries created liquidity facilities for banks, but only 11 included MFIs in these

35 https://www.cgap.org/blog/agent-networks-vital-covid-19-response-need-support

36 https://www.microsave.net/wp-content/uploads/2020/07/200710-Uganda-CICO-report-Final-edited-version.pdf

37 https://www.cgap.org/blog/agent-networks-vital-covid-19-response-need-support

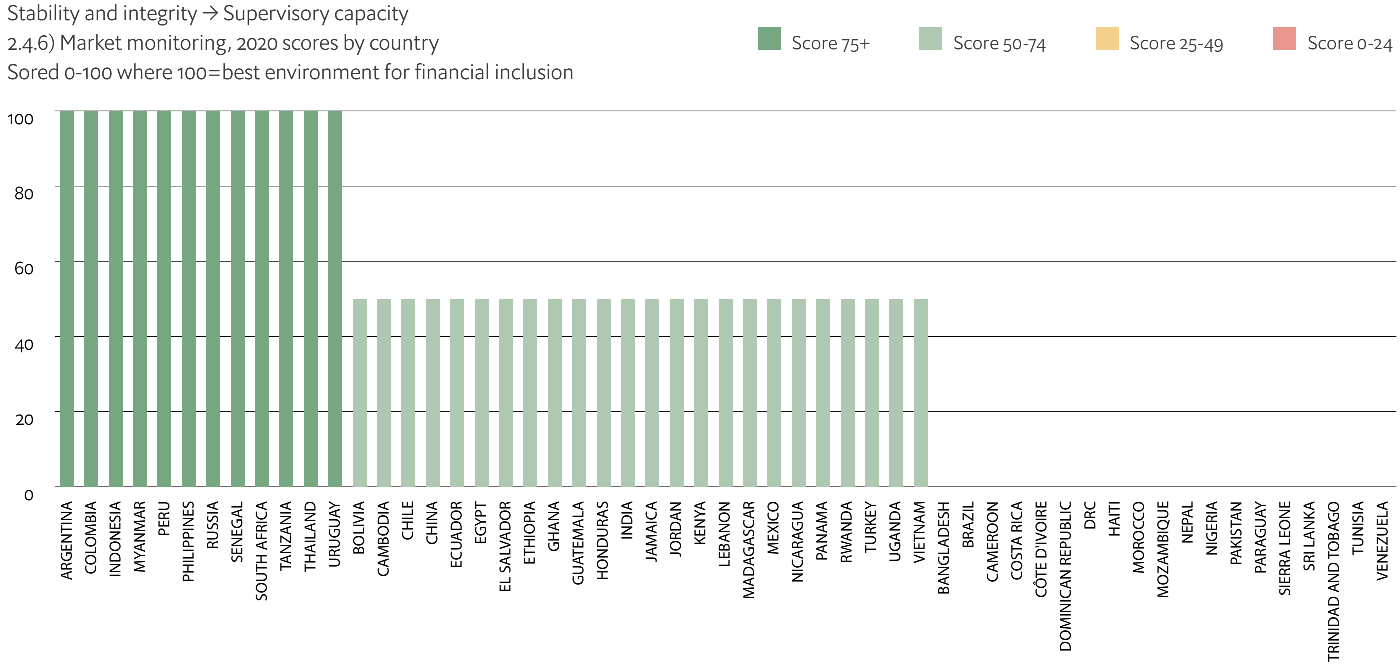
38 https://www.cgap.org/blog/agent-networks-vital-covid-19-response-need-support

39 https://www.afi-global.org/publications/3496/Regional-Policy-Framework-To-Strengthen-Agent-Networks-For-Digital-Financial-Services-DFS

Figure 7

Market monitoring for market providers that are not regulated as financial institutions

Stability and integrity → Supervisory capacity
2.4.6) Market monitoring, 2020 scores by country
Sored 0-100 where 100=best environment for financial inclusion



facilities or mandated banks to extend liquidity to MFIs. In many cases, MFIs—especially small and medium-sized institutions—are not supervised by the same regulators as banks, which may mean that the support provided by regulators does not reach some of the institutions that serve the most vulnerable communities.

According to survey data from CGAP, 75% of MFIs reduced the amount of money they loaned out as a result of the COVID-19 pandemic, and for two-thirds this reduction represented more than half of what they would normally be lending.[40] This reduced the amount of credit available to the poorest in the economy, as well as the income that small and medium-sized institutions rely on to sustain their operations. Governments need these institutions to remain operational in order to direct financial firepower for the eventual economic reopening and recovery.

Regulatory frameworks and supervisory authorities differ based on the level of risk that financial institutions pose to the financial system. However, during this crisis it has become clear that the collapse of microfinance and non-bank financial institutions represents a social risk, given that they serve over 140m low-income customers worldwide.[41] A survey on responses to the COVID-19 pandemic in Pakistan revealed that banks, non-banks, MFIs and larger institutions all want a more uniform regulatory environment; one side wants access to the support facilities provided to larger, more regulated institutions, and the other side is concerned about the more lenient regulation of smaller, non-bank financial institutions.[42]

40 https://www.cgap.org/blog/there-liquidity-crisis-among-mfis-and-if-so-where

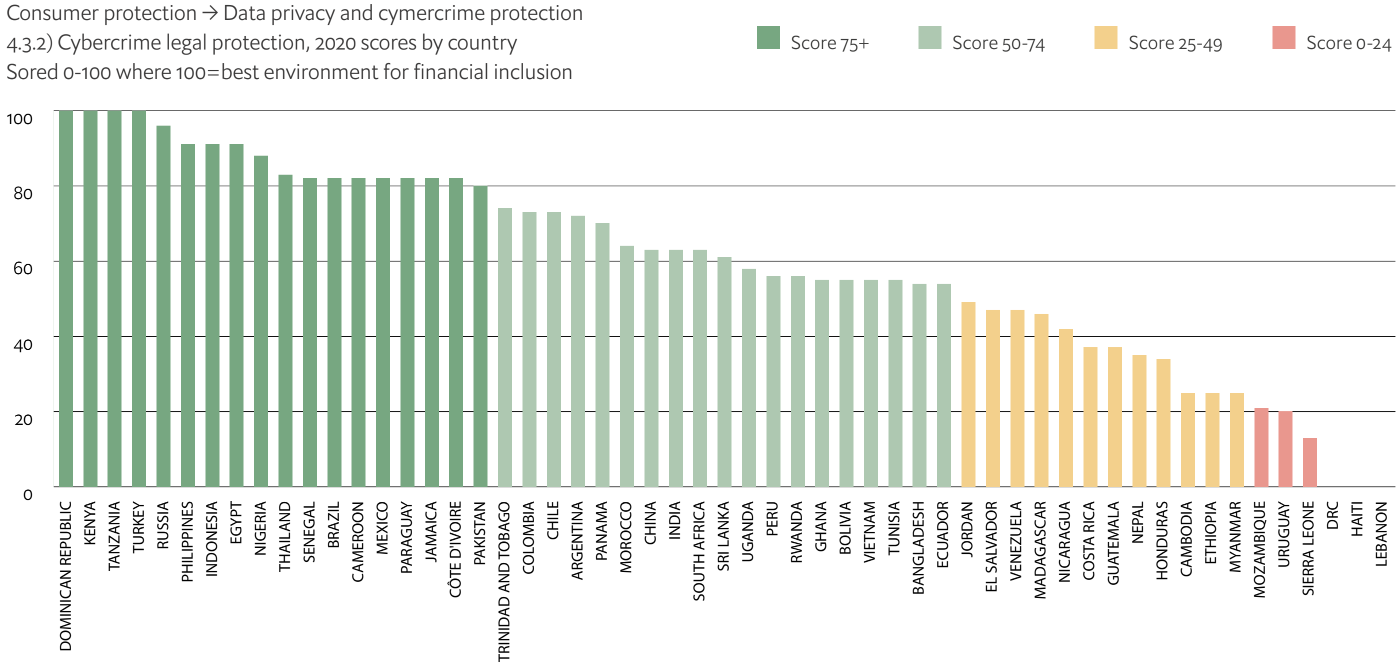
41 https://www.economist.com/leaders/2020/08/15/covid-19-is-causing-a-microcredit-crunch

42 https://www.financialaccess.org/assets/publications/2020/Covid19-MFIs.pdf

Figure 8

Cybercrime legal protection

Consumer protection → Data privacy and cymercrime protection
4.3.2) Cybercrime legal protection, 2020 scores by country
Sored 0-100 where 100=best environment for financial inclusion



In order to provide effective support to MFIs and other institutions that promote financial inclusion, regulators must be in close contact with the sector, must possess and analyse the necessary data to understand these institutions' portfolios, and must then act accordingly. In Peru, regulators' knowledge of the sector and access to extensive data enabled them to act, providing liquidity to MFIs and reducing their supervisory burden during the pandemic, while also ensuring that clients received debt relief.[43] In India, the government's relief package channelled support for MFIs and non-bank financial institutions through banks and provided incentives to push banks to on-lend the funds received.[44]

Unfortunately, the 2020 Global Microscope shows that the regulatory experience necessary to implement such assistance is often lacking. Just 12 of the 55 countries in the Microscope have dedicated technical experts with advanced capacity to supervise non-bank financial institutions, and most countries could do more to understand and support the sector. Furthermore, 43 of the 55 countries in the 2020 Microscope do not regularly monitor providers that are not regulated as financial institutions but provide financial services that could affect the broader financial system (see Figure 5).

Financial authorities should adapt to protect consumers from emerging risks

The growth of digital financial services and mounting economic pressures have created new risks for financial service users. Cases of financial fraud have risen as bad actors seek to take advantage of pandemic-related uncertainty, as well as changes in consumer behaviour,

43 https://www.findevgateway.org/sites/default/files/users/user331/Peru.pdf

44 https://www.bloombergquint.com/business/smaller-nbfcs-may-see-limited-relief-from-rbis-tltro-20

such as the shift to digital banking.[45] Scams have proliferated around the world, including phishing attacks seeking personal information in exchange for cash or "free" services, offers of emergency funds, and even fraudulent recalls of cash said to be contaminated with coronavirus. These scams have the potential to undermine trust in governments, financial institutions, and the digital channels that are vital to supporting clients during the pandemic.[46] The introduction of comprehensive data privacy and cybercrime protections should remain a priority for governments that are promoting the increased use of digital financial services. Governments and financial institutions will also need to work together to address these challenges and foster a sense of trust among new entrants to the financial system. The Dominican Republic, Kenya, Tanzania and Turkey have the most comprehensive legal frameworks to investigate and prosecute cybercrime (see Figure 6).

Consumer protection regulations also need to keep pace with the risks posed by digital financial services. The Global Microscope assesses the comprehensiveness of regulation across four key areas: 1) Disclosure of relevant product information, 2) Aggressive sales and debt collection practices, 3) Non-discrimination in financial services provision and 4) Standards for complaints resolutions. This year, Tanzania emerged as the leader in the Sub-Saharan Africa region after passing new regulations, prohibiting aggressive selling and misrepresentation and requiring lenders to disclose current and potential conflicts of interest to consumers. However fourteen countries in the 2020 Global Microscope do not have consumer protection standards for digital financial services similar to those set for banks and other financial service institutions. In Argentina, regulated digital financial service providers are not classified as financial institutions, which means that the financial consumer protection framework does not apply to them. In Peru, they are subject to a simplified consumer protection regime because they are presumed to present lower risks to consumers. If individuals are to adopt digital channels as a true alternative to in-person banking, they must be assured that they will benefit from the same protections as via physical channels. Furthermore, in the coming years it will be important to assess, as well as additional measures needed to that address specific risks emerging in digital channels such as algorithmic bias and privacy issues. Less than half the countries in our sample (22 out of 55) have comprehensive legal frameworks governing data privacy that applies to financial services providers.

45 https://www.globenewswire.com/news-release/2020/06/24/2052648/0/en/As-More-Transactions-Shift-Online-During-Pandemic-the-Financial-Services-Industry-Experiences-a-Surge-in-Fraudulent-Activity.html

46 https://www.cgap.org/blog/financial-scams-rise-coronavirus-hits-developing-countries

Global Microscope 2020: The enabling environment for financial inclusion

Asia and Eastern Europe

Regional findings and country summaries

Thailand, Russia and the Philippines saw the greatest improvements in the region, driven by the governments' need to promote digital channels as part of their response to the COVID-19 pandemic.

- Thailand saw the greatest improvement in the region, having eased remote accounting requirements and introduced an e-KYC system that uses facial recognition technology to verify customers' identity.
- Russia saw improvements in its market monitoring as it moved to regulate peer-to-peer (P2P) lenders and crowdfunding.
- The Philippines created a new set of rules and regulations for crowdfunding platforms.

Microscope 2020 scores

	Overall	Government and policy support	Stability and integrity	Products and outlets	Consumer protection	Infrastructure
India	73	87	69	94	81	71
Philippines	71	71	85	100	75	69
Indonesia	68	66	77	86	80	74
China	64	65	78	80	68	76
Thailand	63	59	69	80	69	81
Russia	60	62	68	67	88	74
Pakistan	58	78	60	68	76	65
Sri Lanka	49	67	71	43	35	66
Turkey	47	38	67	54	78	59
Nepal	45	74	47	34	48	47
Bangladesh	42	39	62	52	32	53
Vietnam	42	48	47	39	44	63
Cambodia	40	63	69	44	15	46
Myanmar	36	50	61	33	23	45

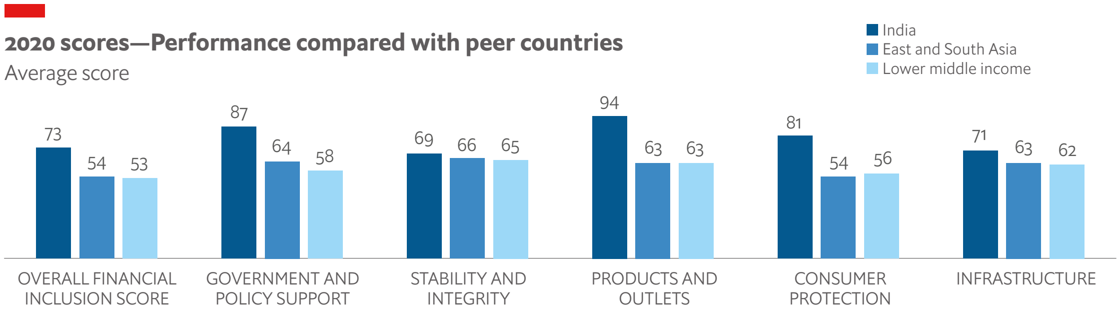
Score 75+ Score 50-74 Score 25-49 Score 0-24

India

How did the country's financial authorities respond to the COVID-19 crisis?
Banks and their agents (working as business correspondents) have operated as essential services during the lockdowns and have played an important role in delivering financial services door to door among the low-income population. The Reserve Bank of India (RBI) announced loan moratoriums until the end of August 2020. On April 17 2020 the RBI announced a dedicated line of funding for rural banks, SMEs, MSMEs, non-banking financial companies (NBFCs) and NBFC-MFIs through Targeted Long Term Repo Operations and refinance facilities for development finance institutions, including regulatory forbearance on asset classification of loans. The government also announced measures such as collateral-free loans, partial/full guarantees for priority sector loans, and subordinated debt and equity infusion for stressed financial institutions to support industry growth.

Financial inclusion measures
Enhanced credit facilities have been provided to NBFIs that service the unbanked population in rural and urban areas. The central government's direct benefit transfer schemes also ensured the effective delivery of relief for households that were dependent on daily wages but were unemployed during lockdown. As part of the Direct Benefit Transfer (DBT) scheme, 200m women who are Pradhan Mantri Jan Dhan (PMJD) account holders received US$7 (500) per month, and 30m widows and people with disabilities received US$13 (1,000) per month. Advance instalments of US$26 (2,000) were also provided to counteract the losses of 87m farmers under the PM Kisan scheme, and a subsidy for cooking gas was provided to 80m households for three months.

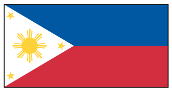
2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the launch of the National Strategy for Financial Inclusion (2019-2014). Furthermore, Aadhar cards have been linked to mobile phone and financial services accounts to improve delivery of government schemes and benefits.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**73**	**+2**
1	GOVERNMENT AND POLICY SUPPORT	87	+12
2	STABILITY AND INTEGRITY	69	0
3	PRODUCTS AND OUTLETS	94	+2
4	CONSUMER PROTECTION	81	0
5	INFRASTRUCTURE	71	+6

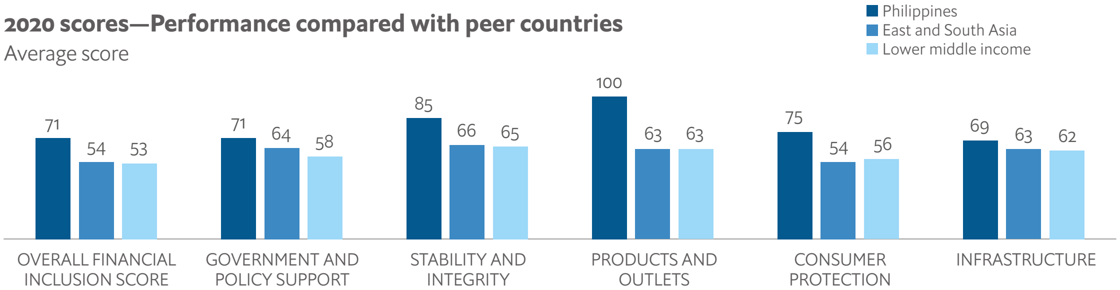


Philippines

How did the country's financial authorities respond to the COVID-19 crisis?
The Government of the Philippines has launched both fiscal and monetary measures in response to the COVID-19 pandemic. The Bangko Sentral ng Pilipinas (BSP) has introduced a series of regulatory relief measures for the banking sector, including a temporary relaxation of compliance reporting requirements., determined on a case-by-case basis, and provided easier access to a rediscounting facility. BSP-supervised financial institutions are required to grant a 30-day extension for all loan payments that are due during the enhanced community quarantine period without charging interest, penalties, fees or other charges. The BSP has waived fees and charges for financial institutions setting up digital payment services. There is a further waiver of fees for beneficiaries using such services during the enhanced quarantine period.

Financial inclusion measures
The government's fiscal package provided an emergency cash aid programme to 18m low-income households, enabling cash transfers ranging from PHP5,000 to PHP8,000 a month for two months. The BSP has reduced the minimum liquidity ratio (MLR) for standalone thrift banks, rural banks and co-operative banks from 20% to 16% until December 2020. To promote the extension of loans to MSMEs, and to promote liquidity and credit in the financial system, the BSP has allowed loans to MSMEs to be considered part of banks' compliance with reserve requirements and has reduced credit risk weights from 75% to 50%.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements to regulatory frameworks for emerging services including a new set of rules and regulations for crowdfunding platforms.

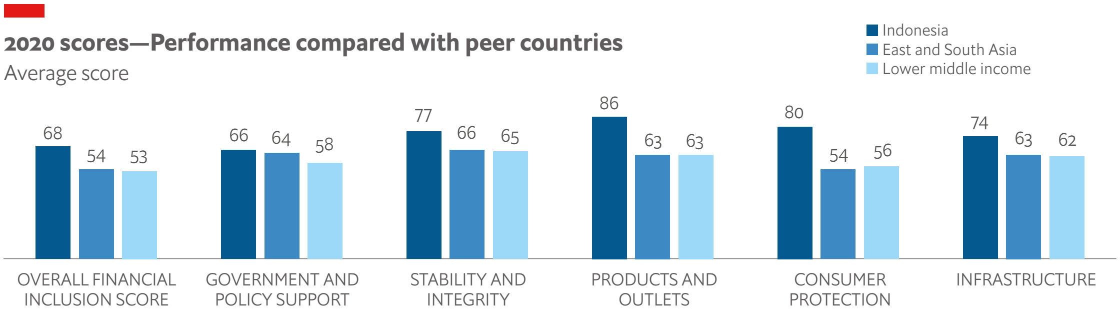
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**71**	**+2**
1	GOVERNMENT AND POLICY SUPPORT	71	0
2	STABILITY AND INTEGRITY	85	0
3	PRODUCTS AND OUTLETS	100	+10
4	CONSUMER PROTECTION	75	0
5	INFRASTRUCTURE	69	+5

Indonesia

How did the country's financial authorities respond to the COVID-19 crisis?
In March 2020 the Indonesian Financial Services Authority (OJK) allowed the immediate restructuring of debt to MSMEs, with payment of interest or principal (or both) delayed for a maximum period of one year. The government also allowed the postponement of credit or leasing payments based on debtors' ability to pay, and in agreement with banks or leasing companies. The government has appointed state-owned insurance companies to provide financial guarantees for banks to provide working capital loans for MSMEs. In addition, the government relaxed credit-scoring and loan-restructuring requirements.

Financial inclusion measures
Coverage of the conditional cash transfer programme—Program Keluarga Harapan (PKH)—was increased from 9.2m to 10m beneficiary families. The government also introduced an unconditional cash transfer programme for 9m households outside the Greater Jakarta area that were left out of existing social assistance programmes. Under the National Economic Recovery (NER) plan, the government allocated Rp1.415trn (US$96bn) to Permodaan Nasional Madani (PNM) for its microfinance programme (with the aim of increasing demand) and has allowed a grace period until December 2020. To encourage digitisation, the government conducted a door-to-door Quick Response Code Indonesian Standard (QRIS) education programme and eliminated the transaction fee to increase uptake of QR payments.

2020 scores—Performance compared with peer countries
Average score

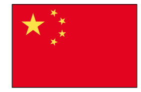


Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in the coverage of its private credit bureaus.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**68**	**-1**
1	GOVERNMENT AND POLICY SUPPORT	66	0
2	STABILITY AND INTEGRITY	77	+1
3	PRODUCTS AND OUTLETS	86	0
4	CONSUMER PROTECTION	80	0
5	INFRASTRUCTURE	74	+1

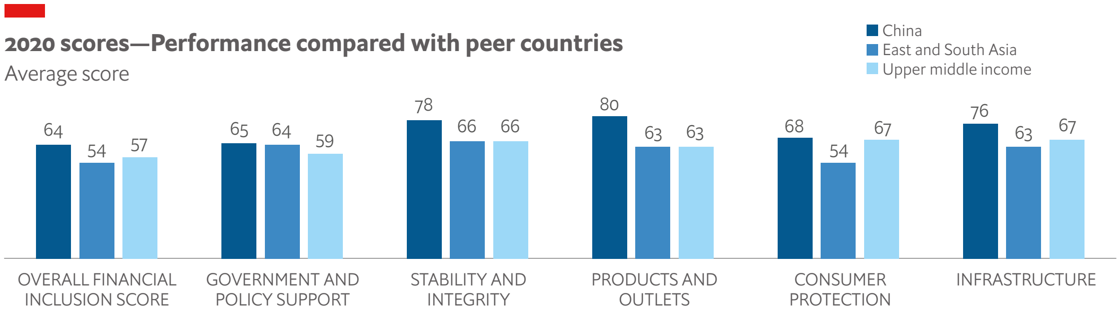
China



How did the country's financial authorities respond to the COVID-19 crisis?
To ensure unimpeded financial services, the People's Bank of China (PBoC) directed banks to make arrangements for operating their outlets during the pandemic. Banks were directed to consider offering a moratorium on principal and interest payments to eligible borrowers until March 2021. Liquidity injections into the banking system have been made via open-market operations, and re-lending and re-discounting facilities have been expanded by RMB1.8trn to support manufacturers of medical supplies and daily necessities; micro, small and medium enterprises (MSMEs); and the agricultural sector.

Financial inclusion measures
The PBoC directed its branches to continue anti-money laundering and countering financing of terrorism (AML/CFT) supervisory activities but allowed simplified due diligence measures to support charitable activity and medical aid. The central government instructed local governments to increase the coverage and benefits of Dibao (China's cash transfer programme), which is routed through banks. In Wuhan, the government provided temporary assistance of RMB3,000 to quarantined migrants who were facing difficulties. On the digital front, China has created a surveillance system and is collecting health and travel-related data through smartphones. It also launched an app with a colour-coded health rating system.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by an increase in the coverage of it public sector credit bureau.

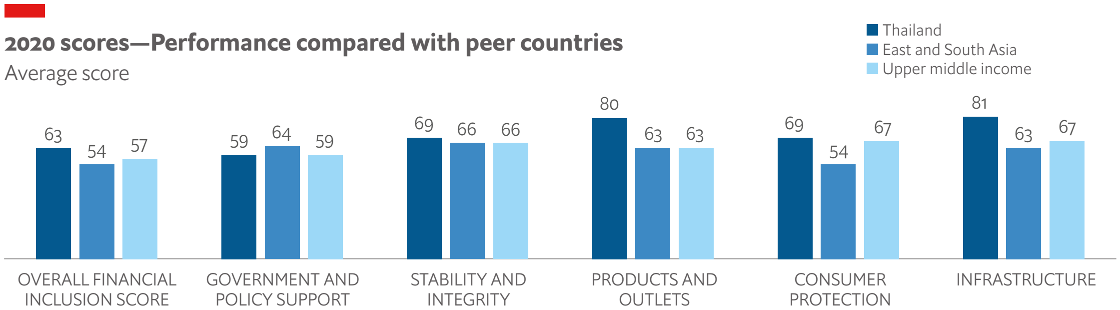
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**64**	**0**
1	GOVERNMENT AND POLICY SUPPORT	65	0
2	STABILITY AND INTEGRITY	78	0
3	PRODUCTS AND OUTLETS	80	0
4	CONSUMER PROTECTION	68	0
5	INFRASTRUCTURE	76	+3

Thailand

How did the country's financial authorities respond to the COVID-19 crisis?
This year Thailand's financial authorities implemented several fiscal and monetary measures in response to the COVID-19 crisis. The central bank reduced interest rates from 1.25% to 0.5%, extended principal and interest payments on credit card and small loans, provided liquidity support to mutual funds, established a corporate bond liquidity stabilisation fund, and provided a filing and payment extension for excise tax and customs for affected businesses. Additionally, the central bank has allowed commercial banks to use investment-grade bonds as collateral to borrow from its lending facility (valued at over THB1trn, or US$30bn), and has eased liquidity for commercial banks that buy investment units of COVID-19-affected money market funds and daily fixed income funds.

Financial inclusion measures
Thailand leveraged its digital payment infrastructure to support emergency cash payments totalling THB15,000 (US$477), which were provided to roughly 8.3m farmers and temporary workers who were not registered in the social security system. The cash payments were made via bank account transfers in three monthly batches from May to July 2020. Authorities extended a grace period on principal payments for SME, micro-finance and nano-finance loans; introduced a special loans programme for low-income households via pawn shops; and provided a one-year extension for principal and interest payments on small loans from commercial banks and other financial institutions, beginning in March 2020.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by Thailand's adoption of a new Payment Systems Roadmap (2019-2021) that aims to support open infrastructure and interoperability by implementing new industry standards.

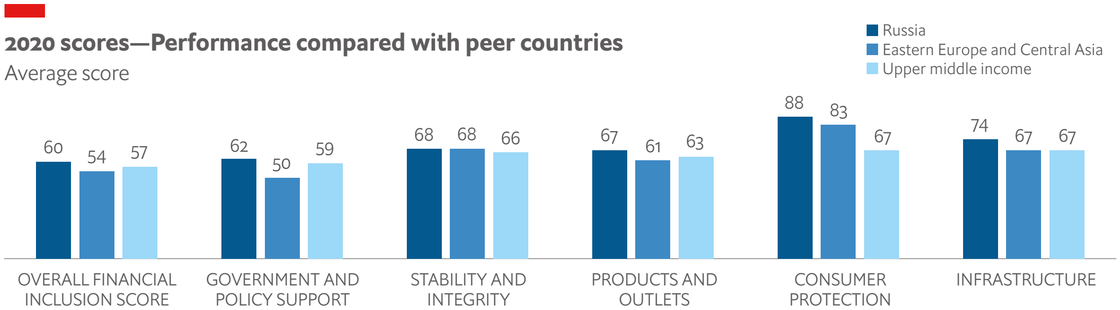
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**63**	**+7**
1	GOVERNMENT AND POLICY SUPPORT	59	+2
2	STABILITY AND INTEGRITY	69	+10
3	PRODUCTS AND OUTLETS	80	+14
4	CONSUMER PROTECTION	69	-2
5	INFRASTRUCTURE	81	+11

Russia

How did the country's financial authorities respond to the COVID-19 crisis?
To stimulate lending, the Central Bank of Russia (CBR) introduced one-month and one-year repo auctions to provide ruble liquidity to credit. Irrevocable liquidity lines to the value of RUB5trn are also available to banks. In addition, the CBR has allocated over RUB700bn to provide preferential loans to SMEs and other companies. The government has specifically sought to provide additional capital to state microfinance organisations that provide SMEs with soft loans. Grace periods for loans have been introduced for up to six months for borrowers facing a decrease in income larger than 30%. In addition, on the recommendation of the CBR, commercial banks may offer payment deferrals, price reductions and other options to make payments affordable. The CBR has also capped transaction costs. The newly amended National Economic Recovery Plan foresees the establishment of a broad e-government infrastructure to cover public services, from postal services to issuing licences and permits for business.

Financial inclusion measures
The Russian government has made significant cash transfers to society to cushion the impact of the pandemic. Beneficiaries include medical workers, those who have lost their job because of the virus, and families with children. In addition, eligibility for state-subsidised mortgage lending has been expanded. Like other government payments, COVID-19-related transfers can be paid in cash, as well as by bank transfer or via the government-run Mir card payment system. Support for the financial sector also included measures to promote remote customer services, with the specific aim of ensuring that the offerings of non-bank financial institutions are available in rural areas. These measures included relaxing requirements laid down in Russia's 2001 AML/CFT law.

2020 scores—Performance compared with peer countries
Average score

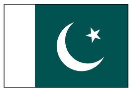


Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in its market monitoring as it moves to regulate P2P lenders and crowdfunding.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**60**	**+3**
1	GOVERNMENT AND POLICY SUPPORT	62	0
2	STABILITY AND INTEGRITY	68	+2
3	PRODUCTS AND OUTLETS	67	+20
4	CONSUMER PROTECTION	88	0
5	INFRASTRUCTURE	74	+9

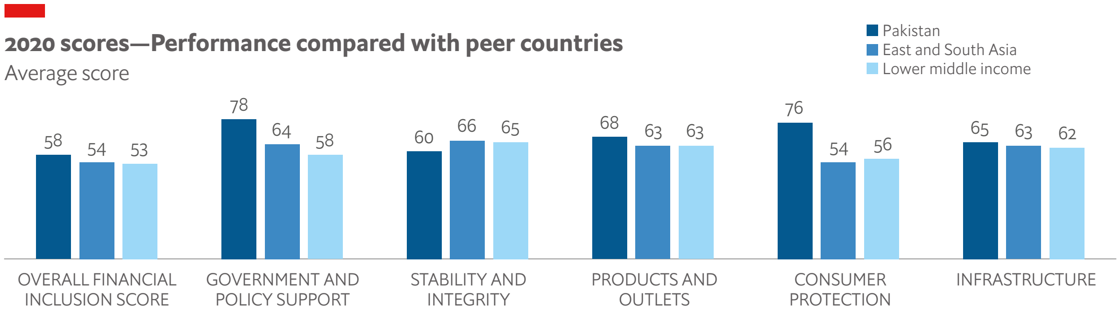
Pakistan



How did the country's financial authorities respond to the COVID-19 crisis?
The State Bank of Pakistan (SBP, the central bank) launched a number of relief and stimulus measures in response to the COVID-19 pandemic. To ensure adequate liquidity in the financial system, it reduced banks' capital conservation buffer (CCB) from its existing level of 2.5% to 1.5% to enhance the funds available for lending. It allowed banks to defer the repayment of principal on existing loans for up to a year, applicable to all types of borrowers. The SBP also permanently increased banks' existing regulatory lending limits to SMEs to support business continuity. To promote digital channels, the SBP instructed commercial banks to waive all fees on online fund transfers.

Financial inclusion measures
The SBP launched a scheme to defer the repayment of principal on existing loans for up to a year. This was applicable to individuals and MFIs, among other categories of borrowers. The main fiscal stimulus measure targeting low-income individuals was an emergency cash transfer programme launched by the government, worth approximately US$860m. The programme covered the unbanked population, and individuals were able to check their eligibility and register through a customised online portal. Recipients were informed via SMS, and funds were targeted and delivered to female heads of household.

2020 scores—Performance compared with peer countries
Average score

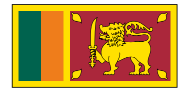


Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the launch of the "Digital Pakistan" programme that aims to improve digital skills and literacy.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**58**	**+1**
1	GOVERNMENT AND POLICY SUPPORT	78	+6
2	STABILITY AND INTEGRITY	60	0
3	PRODUCTS AND OUTLETS	68	0
4	CONSUMER PROTECTION	76	0
5	INFRASTRUCTURE	63	+3

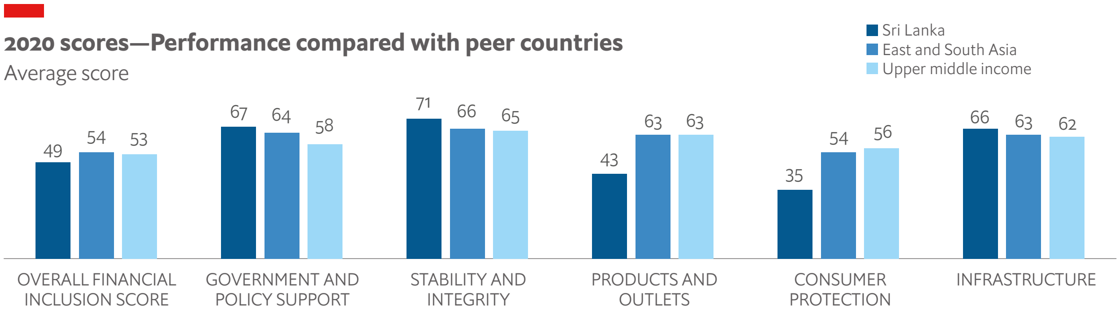
Sri Lanka



How did the country's financial authorities respond to the COVID-19 crisis?
To provide monetary stimulus in response to the COVID-19 pandemic, the Central Bank of Sri Lanka (CBSL) reduced interest rates by 2% after March 2020. To ensure financial stability and liquidity, the CBSL cut the regulatory reserves ratio of commercial banks by 3%, and reduced the interest rate on its advances to commercial banks by 6.5%. The CBSL earmarked funds equivalent to 1% of GDP to provide refinancing and concessional lending facilities, and a six-month moratorium on bank loans was instituted for the tourism, garment, plantation and information technology sectors.

Financial inclusion measures
The Sri Lankan authorities introduced some measures to make their economic policy response to the COVID-19 pandemic inclusive and pro-poor. The most significant step was a direct cash transfer of around US$270m to provide immediate relief to low-income individuals, most of whom were likely to be unbanked. SMEs' income tax arrears were partially waived, and a three-month moratorium was placed on small-value personal banking and leasing loans. Inward remittances were made exempt from certain regulations and taxes, which helped lower income families who are dependent on support from relatives working abroad to survive the economic downturn and potential loss of income.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the government approval of the country's first National Financial Inclusion Strategy in March 2020.

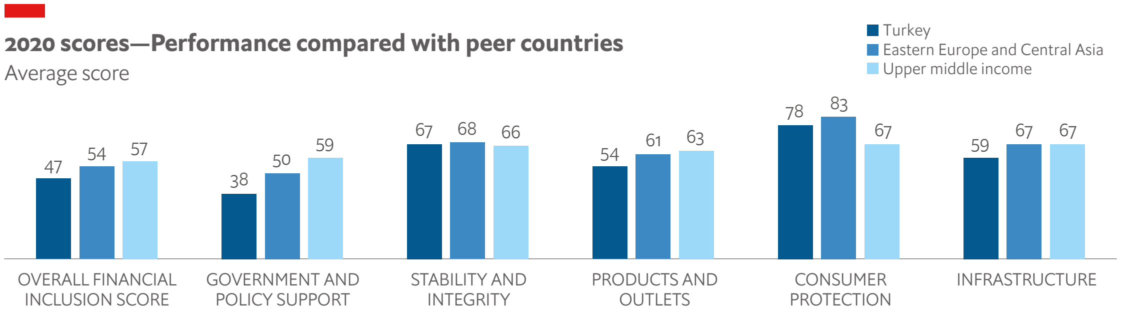
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**49**	**+4**
1	GOVERNMENT AND POLICY SUPPORT	67	+25
2	STABILITY AND INTEGRITY	71	-1
3	PRODUCTS AND OUTLETS	43	0
4	CONSUMER PROTECTION	35	0
5	INFRASTRUCTURE	66	-1

Turkey

How did the country's financial authorities respond to the COVID-19 crisis?
The central bank ensured liquidity by cutting its policy rate, providing low-cost funding to primary dealer banks, increasing its bond purchases and reducing reserve requirements. The central bank and the Banking Regulation and Supervision Agency encouraged banks to keep lending and to defer loan repayments in numerous ways, including forbearance measures. State-backed lending to exporters and SMEs was increased. State banks granted crisis-hit firms a three-month moratorium, launched generous retail lending campaigns, rapidly expanded their loan books and received capital injections. The minimum monthly payment on credit card balances was cut from 30% to 20%, and debt enforcement and bankruptcy proceedings were suspended. Charges for electronic fund transfers (EFTs) were lowered to encourage electronic payments, and the maximum amount payable by contact-free card was raised.

Financial inclusion measures
Social assistance was increased as part of the crisis response. Notably, extra one-off or increased cash transfers were made to existing social assistance beneficiaries, and to 1.6m additional households that applied online and were found to be eligible. These payments were made to post office (PTT) accounts. In recognition of lockdown measures and contagion risks, PTT employees visited homes to enable citizens to withdraw cash without having to visit post offices or ATMs. Some financial measures also specifically benefited poor populations. Reportedly, 5.6m households with incomes under TL5,000 (about US$700) per month were able to borrow a total of TL33bn on easy terms from state banks, under state guarantees, between March 30 and May 13. Payments on loans extended by state banks to farmers, small traders and artisans were postponed for three to six months without interest.

2020 scores—Performance compared with peer countries
Average score

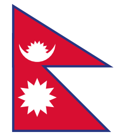


Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by a reduction in bank's fees for account opening. However Turkey also saw a comparative reduction in the reach of connectivity infrastructure.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**47**	**-1**
1	GOVERNMENT AND POLICY SUPPORT	38	0
2	STABILITY AND INTEGRITY	67	0
3	PRODUCTS AND OUTLETS	54	+2
4	CONSUMER PROTECTION	78	0
5	INFRASTRUCTURE	59	-1

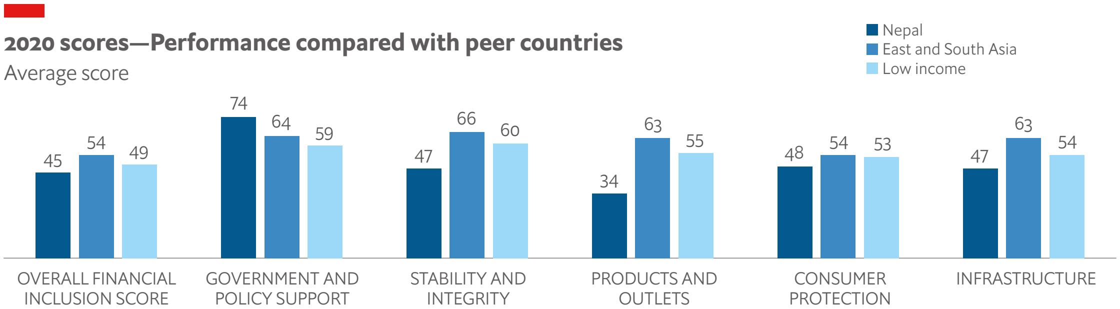
Nepal



How did the country's financial authorities respond to the COVID-19 crisis?
Nepal Rastra Bank (NRB, the country's central bank) has unveiled rescue packages through its annual monetary policy for the fiscal year 2020-21 to mitigate the economic effects of the COVID-19 pandemic. The policy aims to support businesses by extending loan repayment deadlines, providing access to refinancing facilities and extending grace periods for infrastructure projects. It provides a fund of NER50bn to badly affected sectors like tourism and to MSMEs at a low rate of interest. The NRB has also directed banks to increase their loans to priority sectors—such as agriculture, energy and tourism—and to MSMEs.. The NRB has lowered the policy rate from 3.5% to 3% and announced that additional liquidity support will be made available through the long-term repo facility.

Financial inclusion measures
The Asian Development Bank has extended credit of $250m in concessional loans to help the Government of Nepal strengthen the country's public health systems and mitigate the adverse economic and social impacts of the pandemic, particularly on the poor. This funding will also support the government to extend its social protection programme to include food distribution to the poorest and most vulnerable households, as well as the provision of employment support to the unemployed poor, especially women and returning migrant workers.

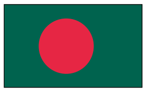
2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 reflect improvements in its digitization strategy and supervisory capacity.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**45**	**0**
1	GOVERNMENT AND POLICY SUPPORT	74	+3
2	STABILITY AND INTEGRITY	47	+2
3	PRODUCTS AND OUTLETS	34	0
4	CONSUMER PROTECTION	48	0
5	INFRASTRUCTURE	47	0

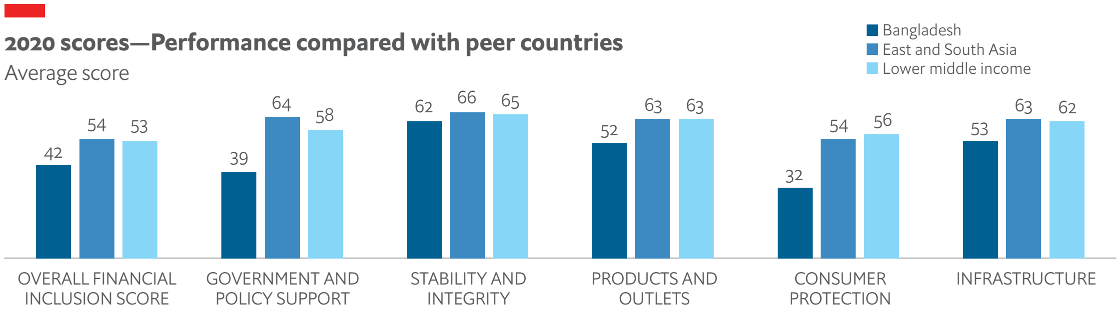


Bangladesh

How did the country's financial authorities respond to the COVID-19 crisis?
The government and the Bangladesh Bank (BB, the central bank) introduced several measures to support the financial sector in response to the COVID-19 pandemic. To ensure liquidity in the financial system, commercial banks' cash reserve requirement (CRR) was reduced from 5.5% to 4% on a bi-weekly basis. The BB also announced a moratorium on interest payments on bank loans for the period from April 1 to May 31, with the waiver of interest based on loan size. To promote mobile financial services, monthly transaction limits were increased from approximately US$900 to US$2,300 and charges were waived on cashing out up to US$12 per day

Financial inclusion measures
The Bangladeshi government's main direct measure targeting low-income individuals was the disbursement of cash aid, worth approximately US$142m. It targeted 5m families, each of which received about US$30. In order to reach unbanked individuals, disbursements were made using mobile financial services. The BB also launched a refinance scheme specifically for low-income professionals, farmers and micro-entrepreneurs. Under this scheme, MFIs will be able to access funds from the BB for onward lending to their customers. In addition, the government announced direct cash assistance for informal-sector workers, as well as health insurance for medical professionals and bankers.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

There were no significant changes in the enabling environment for financial inclusion since 2019.

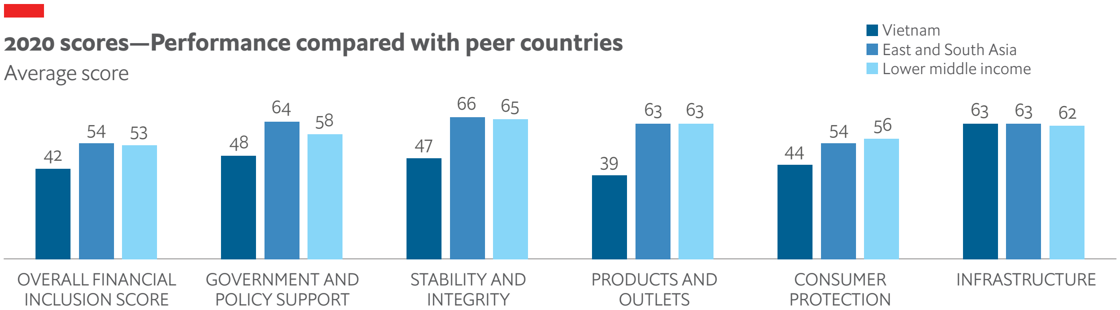
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**42**	**42**
1	GOVERNMENT AND POLICY SUPPORT	39	39
2	STABILITY AND INTEGRITY	62	62
3	PRODUCTS AND OUTLETS	52	52
4	CONSUMER PROTECTION	32	32
5	INFRASTRUCTURE	53	53

Vietnam

How did the country's financial authorities respond to the COVID-19 crisis?
Vietnam's financial authorities have implemented several initiatives to respond to the COVID-19 crisis. The central bank has cut interest rates by 0.25 to 1 percentage point, and commercial banks have lowered lending rates. The Vietnam Bank for Social Policies (VBSP, a government policy bank that serves the poor) offered low-interest and collateral-free loans to micro- and small businesses affected by COVID-19 to meet payroll obligations. The government also continues to invest in the necessary infrastructure to provide services to citizens digitally. The National Services Portal, which has seen a significant increase in usage during the COVID-19 crisis, announced in August that 1,000 services are now available digitally, including registration for and payment of social, health and unemployment insurance.

Financial inclusion measures
The crisis response measures are designed to reach vulnerable and poor populations. The government introduced direct cash payments to individuals, and in April 2020 unemployment benefits were extended to employees taking temporary leave and those without employment insurance (e.g. workers without a labour contract and informal workers). In response to quarantines for whole neighbourhoods and cities, the government also implemented cash transfers for people in quarantine, medical staff engaged in fighting the pandemic and personnel in security-related positions (police, military, Ministry of Public Security staff). These can be paid directly into accounts at financial institutions.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the approval of the National Financial Inclusion Strategy 2025 in January 2020.

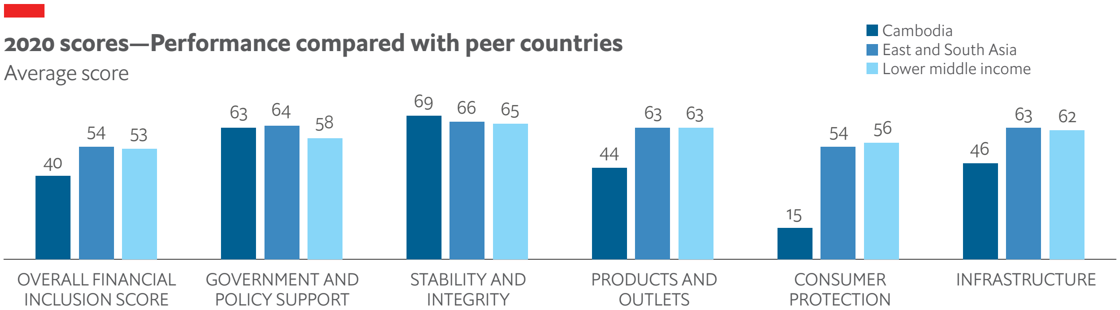
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**42**	**-1**
1	GOVERNMENT AND POLICY SUPPORT	48	+2
2	STABILITY AND INTEGRITY	47	0
3	PRODUCTS AND OUTLETS	39	0
4	CONSUMER PROTECTION	44	0
5	INFRASTRUCTURE	63	-3

Cambodia

How did the country's financial authorities respond to the COVID-19 crisis?
By July 2020 the government had issued five stimulus packages to battle the economic impact of the COVID-19 pandemic. As part of these packages, the government allocated US$50m in the form of low-interest loans to help small and medium-sized enterprises (SMEs). The funds will be distributed through the state-owned Rural Development Bank (RDB), with the goal of increasing local production capacity. The National Bank of Cambodia (NBC) also issued a directive to all banks and financial institutions, including MFIs, to restructure credit for loans in four priority sectors: tourism, garments, construction and transportation.

Financial inclusion measures
Cambodia has over 80 MFIs, with over 2m borrowers. The COVID-19 pandemic is being amplified by the country's ongoing over-indebtedness crisis, stemming from more than $8bn in loans from MFIs. The NBC has encouraged MFIs to offer loan deferment on a case-by-case basis but has not taken any further measures to support the sector. The government has implemented a cash transfer programme to support over 500,000 poor and vulnerable families, using the IDPoor programme to identify poor households. The government will spend around US$25m per month to support these families, and the cash payment programme is expected to last five months. A subsidised allowance is provided to over 150,000 employees who have been temporarily suspended from over 180 enterprises and factories in the garment and tourism sectors. Employees receive a monthly subsidy from the government, ranging from US$15 to US$40 depending on the number of days of suspension. The employee can withdraw this allowance via a third-party service such as WING using their ID card and mobile number.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the launch of the Bakong project, a new mobile payments platform that aims to foster greater interoperability. Furthermore, the country adopted the National AML/CFT Strategy for 2019-2023 which outlines a risk-based approach framework.

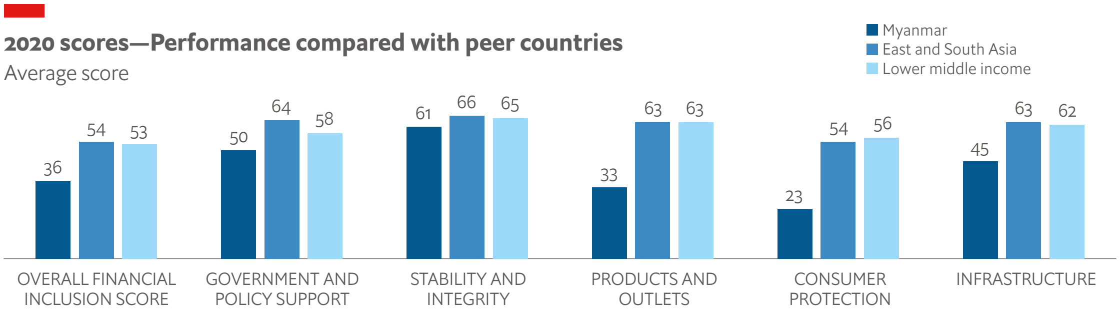
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**40**	**+4**
1	GOVERNMENT AND POLICY SUPPORT	63	+9
2	STABILITY AND INTEGRITY	69	+9
3	PRODUCTS AND OUTLETS	44	0
4	CONSUMER PROTECTION	15	+2
5	INFRASTRUCTURE	46	+1

Myanmar

How did the country's financial authorities respond to the COVID-19 crisis?
The Myanmar government developed the COVID-19 Economic Relief Plan (CERP), which allows banks to restructure and reschedule MSME loans that regularly pay interest and principal. The plan also includes a credit guarantee scheme implemented by the Ministry of Planning, Finance and Investment. The central bank will conduct credit auctions as necessary to inject more liquidity into the banking and financial sector, and it announced a temporary reduction in banks' reserve requirement ratio (from 5.0% to 3.5% of deposits) until September 2020. The government also increased the transaction limit for mobile service providers.

Financial inclusion measures
The CERP package established a rural cash for work programme, which provides unconditional cash and in-kind transfers through mobile financial service transfer. SMEs, hotel and tourism companies, and cutting, making and packaging (CMP) companies can also access credit at a 1% interest rate for a period of one year. The Central Bank of Myanmar relaxed key ratio requirements (like the debt-to-equity ratio) to ease the pressure on MFIs. The country's largest donor consortium, LIFT, is also facilitating access to US$60m of additional loan capital and is advocating for other regulatory adjustments that could double the amount of loan funds available to LIFT-supported MFIs.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the creation of the Financial Inclusion Roadmap 2019-2024, which adopts a new digital approach, and improvements in its inclusive insurance regulation.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**36**	**+2**
1	GOVERNMENT AND POLICY SUPPORT	50	+6
2	STABILITY AND INTEGRITY	61	0
3	PRODUCTS AND OUTLETS	33	+10
4	CONSUMER PROTECTION	23	0
5	INFRASTRUCTURE	45	0

Global Microscope 2020: The enabling environment for financial inclusion

Latin America and the Caribbean

The enabling environments of Brazil, Guatemala and Jamaica have seen the greatest improvements since 2019, driven by efforts to strengthen the digital financial services ecosystem.

- In Brazil, the central bank created an open data portal for financial providers that facilitates KYC and remote account opening.
- Jamaica approved a new Data Protection Act that provides a comprehensive legal framework and guidelines on how personal data should be collected, used, processed, stored and disclosed.
- Guatemala created the SIB Innovation Hub, a programme to facilitate interactions between the Superintendence of Banks and financial technology (fintech) companies.

Microscope 2020 scores

	Overall	Government and policy support	Stability and integrity	Products and outlets	Consumer protection	Infrastructure
Colombia	82	90	82	93	93	78
Peru	82	84	84	100	88	83
Uruguay	78	76	90	80	87	82
Argentina	74	96	71	80	88	83
Mexico	74	89	72	95	91	76
Brazil	71	74	69	90	75	80
Chile	66	70	65	62	78	75
Costa Rica	62	57	55	66	76	75
El Salvador	61	80	63	51	63	74
Paraguay	60	60	75	58	71	67
Bolivia	58	41	58	100	75	71
Jamaica	56	69	75	48	40	68
Honduras	55	64	67	64	70	59
Panama	55	49	60	52	76	73
Ecuador	54	45	59	60	73	74
Dominican Republic	53	51	54	47	74	71
Trinidad and Tobago	50	51	69	26	64	65
Nicaragua	43	21	57	59	77	57
Guatemala	39	42	57	39	28	49
Haiti	35	31	36	64	27	46
Venezuela	33	35	39	33	55	48

Score 75+ Score 50-74 Score 25-49 Score 0-24

Colombia

How did the country's financial authorities respond to the COVID-19 crisis?

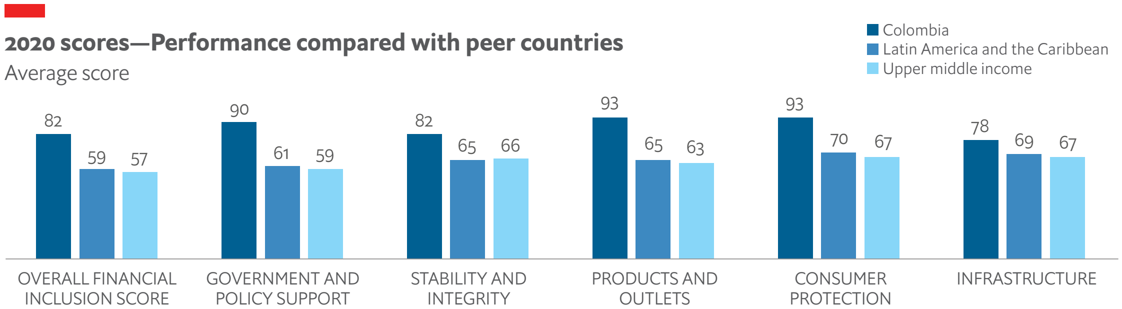
This year the Banco de la República (Banrep, the central bank) provided ample liquidity to the banking system through an unprecedented quantitative easing programme. Banks offered customers grace periods on existing obligations, debt restructurings and the disbursement of new loans. Credit flow was further reassured by measures to soften the provisions of overdue loans, as well as a government guarantee programme initially worth US$4bn. Regulation adopted in February to facilitate remote account opening and introduce flexibility to the approval of microloans became very convenient during the pandemic. Additional measures were taken in the second quarter to increase the limits on transactions performed through e-money accounts.

Financial inclusion measures

Electronic payments on existing cash transfer programmes such as Familias en Acción (FA), Jóvenes en Acción (JA) and Colombia Mayor (CM) increased during the COVID-19 pandemic. Since April the poorest 0.7m families among the 2.5m registered under FA, and the poorest 0.3m people among the 1.6m benefiting from CM, started to receive a partial refund of their VAT payments. The government also created Ingreso Seguro (IS) to reach an additional layer of the low-income population. By July 2020 IS had benefited 1.2m households that were previously unbanked. The government's loan guarantee programme, established in April, was open to any firm but was targeted to benefit SMEs and microbusiness, guaranteeing up to 60% of loans granted by banks and non-banks, including MFIs.

2020 scores—Performance compared with peer countries

Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by a reduction in the relative reach of connectivity infrastructure.

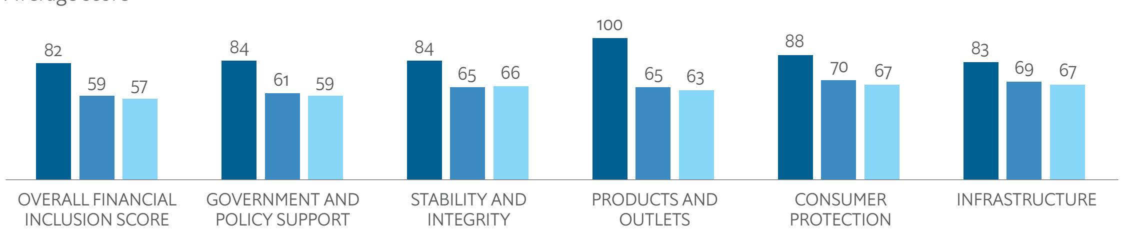
	2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE	**82**	**0**
1 GOVERNMENT AND POLICY SUPPORT	90	0
2 STABILITY AND INTEGRITY	82	0
3 PRODUCTS AND OUTLETS	93	0
4 CONSUMER PROTECTION	93	0
5 INFRASTRUCTURE	78	-1

Peru

How did the country's financial authorities respond to the COVID-19 crisis?
In response to the crisis, the Superintendence of Banks, Insurance and Pensions (SBS) and the central bank lowered interest rates from 2.25% to 0.25%, lowered bank reserve rates and introduced liquidity facilities. Key measures introduced by the SBS include policies to allow for loan modifications, increased transaction limits and loan payment restructuring for people in emergency zones. The SBS also relaxed the underlying guarantee requirements for electronic money issuers to increase the supply of e-money. Another measure expanded transaction limits on basic accounts (no-fee simplified accounts) to facilitate financial inclusion. The SBS also allowed credit co-operatives to restructure loans, delay payment schedules and adjust reporting timelines to comply with public health considerations.

Financial inclusion measures
The measures introduced by financial authorities in response to the COVID-19 emergency specifically addressed the needs of the poor by facilitating the use of financial inclusion services, such as basic accounts and e-money. Policy for credit co-operatives, which tend to provide services to the poor, helped to ensure financial access during the pandemic. The Ministry of Development and Social Inclusion has also introduced an emergency cash transfer programme called Bono Familiar Universal, which can be paid via direct deposit into a bank account or cellular account with Banco de la Nacion, or in cash at a designated agent. The government is also integrating financial inclusion into the national development and digital transformation strategy. In 2019 the government issued the National Plan for Competitiveness and Productivity 2019-2030 and one of the nine priority areas is to promote local and external financing mechanisms. The government has created special funds for entrepreneurs and farmers, and it aims to develop financial instruments such as microinsurance, factoring and leasing to improve financial inclusion for microentrepreneurs and businesses.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Change since 2019 were driven by introduction of new regulation to advance the financing of microenterprises which outlines a regulatory framework for crowdfunding platforms.

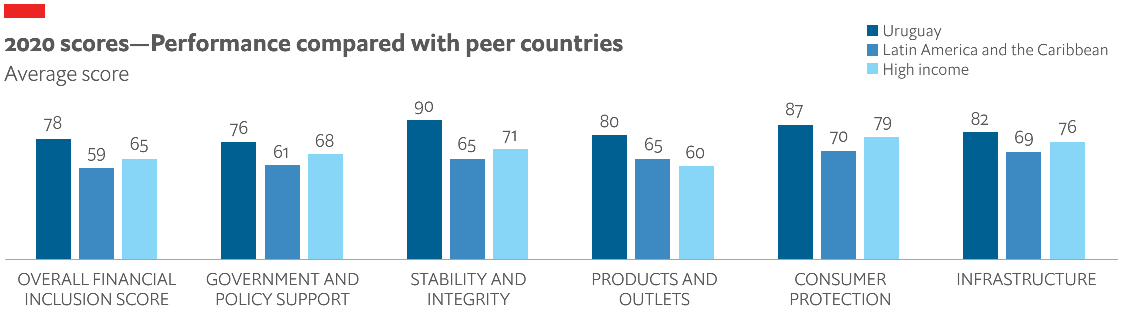
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**82**	**+2**
1	GOVERNMENT AND POLICY SUPPORT	84	0
2	STABILITY AND INTEGRITY	84	0
3	PRODUCTS AND OUTLETS	100	+10
4	CONSUMER PROTECTION	88	0
5	INFRASTRUCTURE	83	0

Uruguay

How did the country's financial authorities respond to the COVID-19 crisis?
The Government of Uruguay implemented a co-ordinated economic plan in response to the COVID-19 crisis. This plan included liquidity facilities, loan restructuring, tax deferrals and price stabilisation, in addition to support delivered through the country's strong social safety net. The central bank and the Ministry of the Economy and Finances issued policy to allow for loan extensions and promoted loans to micro- and small businesses, with a focus on sectors that had been heavily affected by the COVID-19 crisis, such as hospitality and tourism. The National Development Agency launched a credit guarantee fund with a value of up to US$2.5bn for loans to businesses, including micro- and small businesses. Banco Republica (BROU, the state-owned bank) extended loan maturities on social loans for 90 days, deferred credit card payments for 30 days and allowed up to 50% reductions in mortgage payments in April and May 2020.

Financial inclusion measures
Uruguay continues to build financial inclusion by offering expanded services, as outlined in the Financial Inclusion Law of 2010 and subsequent regulations. In response to the COVID-19 crisis, government social programmes introduced a food emergency basket benefit. Uruguay also doubled the benefit paid under the Uruguay Social Card (Tarjeta Uruguay Social) and the Equity Plan (Plan de Equidad), with electronic payments reaching 88,000 and 130,000 beneficiaries, respectively. In May 2020 the World Bank approved a US$20m loan to support testing and early detection of COVID-19. There was no mention of infrastructure gaps in the provision of assistance to vulnerable populations.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

There are no significant changes in scores since 2019.

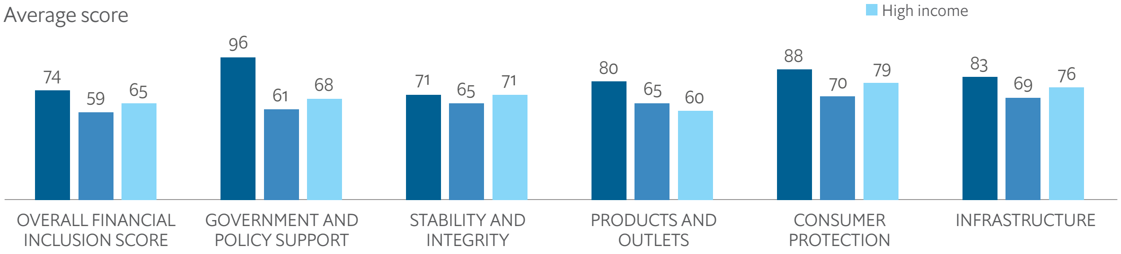
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**78**	**0**
1	GOVERNMENT AND POLICY SUPPORT	76	0
2	STABILITY AND INTEGRITY	90	0
3	PRODUCTS AND OUTLETS	80	0
4	CONSUMER PROTECTION	87	0
5	INFRASTRUCTURE	82	0

Argentina

How did the country's financial authorities respond to the COVID-19 crisis?
This year the Central Bank of the Republic of Argentina (BCRA) responded to the COVID-19 crisis by increasing the amount of credit available to individuals, MSMEs and larger firms. Financial institutions were considered essential services. The government provided emergency cash transfers and salary support to firms to avoid workers losing their jobs. In total, the government's financial response package was estimated to be worth 5.6% of GDP.

Financial inclusion measures
Co-operatives such as CrediCoop, which serve lower income customers, were included in the BCRA's subsidised loan programmes. Financial institutions opened up a variety of digital channels for their customers, including traditional banking applications, five-minute account-opening processes via mobile phone, and even WhatsApp-enabled customer service channels. Despite the availability of subsidised credit for small businesses and the self-employed, one bank reported that half of its eligible clients did not apply for these loans. In some cases, banks ended up with excess liquidity as demand was lower than expected.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 are driven by the publication of the National Plan for Financial Education which includes a gender approach. The government has also set new targets to expand its agent network one of the tenets of the National Financial Inclusion Strategy.

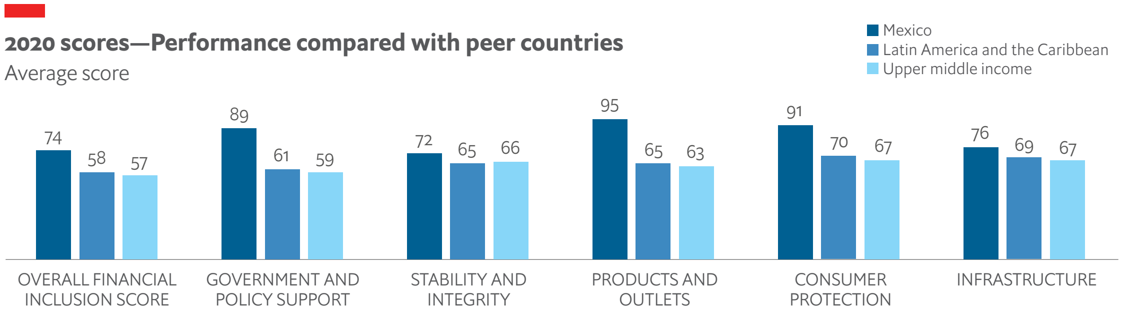
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**74**	**+4**
1	GOVERNMENT AND POLICY SUPPORT	96	+17
2	STABILITY AND INTEGRITY	71	-2
3	PRODUCTS AND OUTLETS	80	+4
4	CONSUMER PROTECTION	88	+6
5	INFRASTRUCTURE	83	-1

Mexico

How did the country's financial authorities respond to the COVID-19 crisis?
The government declared financial institutions and their agents to be essential services during the pandemic. The Banco de Mexico (Banxico, the central bank) deployed emergency measures to reassure banking and exchange rate stability, including lowering its policy interest rate and injecting liquidity of US$30bn (equivalent to 3.3% of 2019 GDP), both in domestic and foreign currency. The Comision Nacional de Banca y Valores (CNBV, the banking regulator) issued measures that introduced flexibility in complying with capitalisation requirements, enabling banks—including MFIs—to offer their creditors moratoriums and debt restructuring. The CNBV also increased limits to facilitate remote loan approval and account opening, adopted measures to allow account opening for minors aged 15 to 17 years old, and implemented rules to enforce open banking.

Financial inclusion measures
Banxico's liquidity facilities included development banks, MFIs and non-bank financial institutions. According to the government, the liquidity measures allowed the banking system to restructure 8.3m loans in April and May, including over 800,000 restructured by MFIs and government-owned development banks. The government advanced payments on existing cash transfer programmes (which are mostly earmarked to benefit the elderly, youth and people with disabilities) and created new programmes aimed at providing 3m loans to SMEs, microbusinesses and low-income independent workers. In July the government announced another new programme to increase the reach of cash transfers to up to 3.9m young adults. The geographical reach of Banco del Bienestar (the leading development bank to promote inclusion) increased during the pandemic; more than 603,000 new accounts were opened from January to June.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

There were no significant changes since 2019 in the enabling environment for financial inclusion.

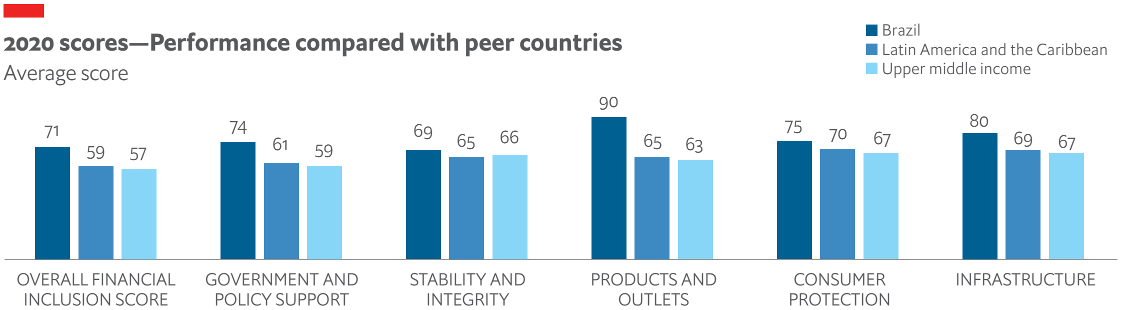
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**74**	**0**
1	GOVERNMENT AND POLICY SUPPORT	89	0
2	STABILITY AND INTEGRITY	72	0
3	PRODUCTS AND OUTLETS	95	0
4	CONSUMER PROTECTION	91	0
5	INFRASTRUCTURE	76	0

Brazil

How did the country's financial authorities respond to the COVID-19 crisis?
Brazil announced a series of fiscal measures (worth 11.5% of GDP) to mitigate the impact of the COVID-19 pandemic. Measures to increase liquidity in the financial system include a reduction of reserve requirements and capital conservation buffers, as well as a temporary relaxation of provisioning rules. The central bank also opened a facility to provide loans to financial institutions, backed by private corporate bonds as collateral; changed capital requirements for small financial institutions; and allowed banks to reduce provisions for contingent liabilities provided the funds are lent to SMEs. The five largest banks in the country agreed to consider requests from individuals and SMEs for a 60-day extension of their maturing debt liabilities.

Financial inclusion measures
Brazilian authorities adopted a series of inclusive fiscal measures to facilitate a timely response to the crisis. These included providing temporary income support to vulnerable households, such as cash transfers to informal and low-income workers; bringing forward the 13th pension payment to retirees; expanding the Bolsa Familia programme to include over 1m more beneficiaries; and providing advance payment of salary bonuses to low-income workers.

2020 scores—Performance compared with peer countries
Average score

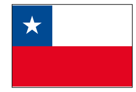


Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in the e-KYC systems through the creation of the BCB Open Data Portal that facilitates account opening for digital banks

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**71**	**+3**
1	GOVERNMENT AND POLICY SUPPORT	74	+3
2	STABILITY AND INTEGRITY	69	0
3	PRODUCTS AND OUTLETS	90	0
4	CONSUMER PROTECTION	75	0
5	INFRASTRUCTURE	80	+6

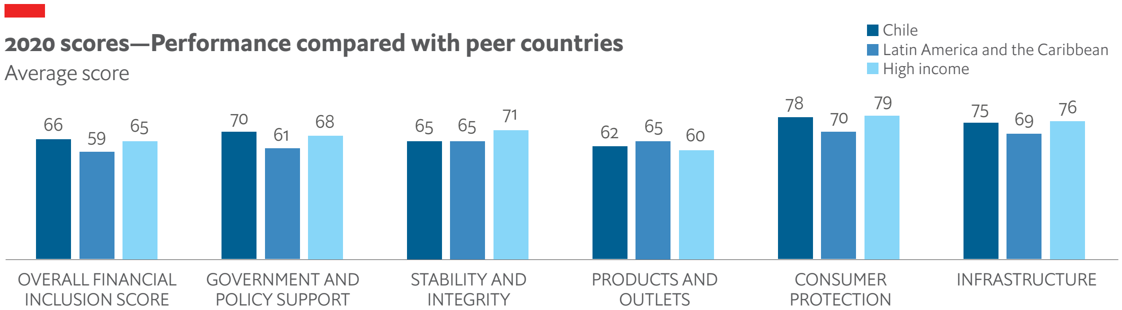
Chile



How did the country's financial authorities respond to the COVID-19 crisis?
Chile announced measures amounting to US$11.75bn, or about 4.7% of the country's GDP, in response to the COVID-19 crisis. Fiscal measures included higher healthcare spending, enhanced subsidies, unemployment benefits, tax deferrals, liquidity provisions to SMEs, and accelerated disbursements for public procurement contracts. This included US$2bn in support for vulnerable and independent workers, a stimulus package with new tax measures to boost liquidity for SMEs, and about US$1.5bn to support the middle class with mortgage payment delays and rent subsidies. Chile's central bank undertook interest rate cuts and introduced a new funding facility for banks and a special asset purchase programme. The Financial Market Commission, Chile's financial regulator, announced special measures for deferred loans and mortgage guarantees to safeguard SME loans. It also revised the timetable for implementing Basel III standards.

Financial inclusion measures
There is a special financial line for banks to continue financing and refinancing loans to households and companies, especially those that do not have access to the capital market. Chile's key pro-poor financial inclusion efforts include payments under the Bono COVID-19 initiative to 2m vulnerable people, predominantly informal workers. These payments were made possible by the national ID–linked basic bank account, CuentaRUT. Financial authorities launched Compra Agil, a new website, to help SMEs offer services and supplies to public entities.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

There were no significant changes to the enabling environment for financial inclusion since 2019.

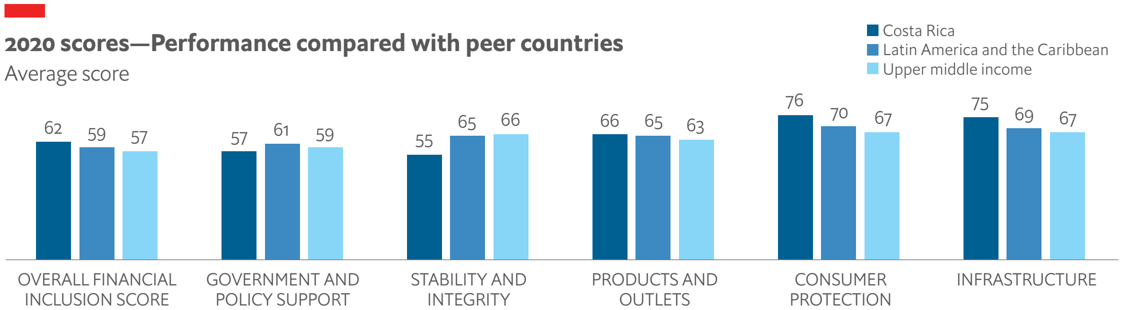
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**66**	**0**
1	GOVERNMENT AND POLICY SUPPORT	70	0
2	STABILITY AND INTEGRITY	66	0
3	PRODUCTS AND OUTLETS	62	0
4	CONSUMER PROTECTION	78	0
5	INFRASTRUCTURE	75	+1

Costa Rica

How did the country's financial authorities respond to the COVID-19 crisis?
The Central Bank of Costa Rica (BCCR) has promoted monetary easing, reducing its policy rate and promoting the reduction of interest rates across the board. The BCCR has also created a credit facility for commercial banks, with access to funds conditional upon increasing soft financing for individuals and households affected by the crisis. The financial supervisors eased credit conditions for debtors and encouraged financial institutions to allow debt restructuring. The government has a large subsidy programme in place for suspended workers and vulnerable populations, and tax exemptions and moratoriums on tax obligations have been put into effect. Other measures to ease the burden on businesses and workers include reduced contributions to the social security scheme.

Financial inclusion measures
The government has encouraged the state-owned commercial banking system, which caters to the bulk of the population, to reduce interest rates and ease credit conditions. The government also introduced a plan to salvage credit co-operatives (institutions that serve the poor), as well as a series of programmes designed to help SMEs. The Programa Alivio, for example, aims to provide assistance to 200 SMEs that have been affected by COVID-19 in the agriculture, food, industrial and services sectors.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the publication of new guidelines to reduce the gender gap and publication of sex disaggregated data in the National Statistics Programme.

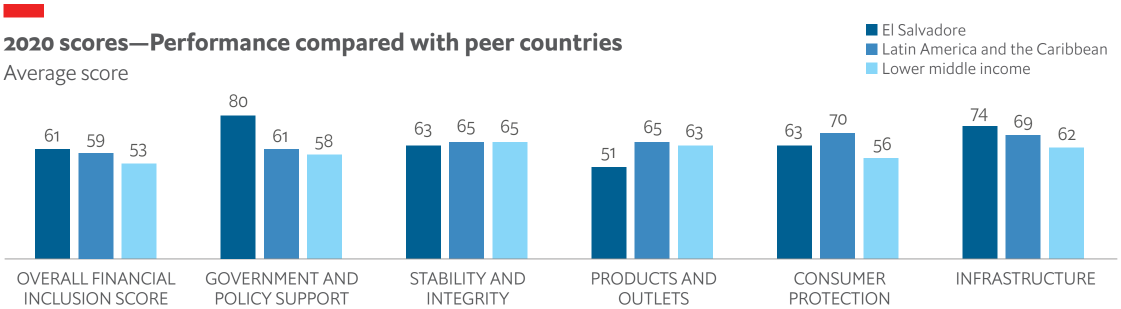
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**62**	**+5**
1	GOVERNMENT AND POLICY SUPPORT	57	+22
2	STABILITY AND INTEGRITY	55	-1
3	PRODUCTS AND OUTLETS	66	+11
4	CONSUMER PROTECTION	76	0
5	INFRASTRUCTURE	75	0

El Salvador

How did the country's financial authorities respond to the COVID-19 crisis?
El Salvador undertook several measures to respond to the COVID-19 crisis. Fiscal measures include a US$150 salary hike for employees in public-sector institutions affected by the pandemic, a US$300 subsidy provided to 75% of households, a three-month deferral of utility payments, a three-month extension for income tax payments for certain taxpayers, a three-month exemption from the special tourism tax for firms, and a temporary removal of import duties on essential medical and food imports. The central bank lowered banks' reserve requirements by 25% for newly issued loans, and reduced banks' reserve requirements for various liabilities by 8% . It also amended provisions for non-performing loans by freezing credit ratings, imposing a temporary moratorium on credit risk ratings, and temporarily relaxing lending conditions through a grace period for loan repayments.

Financial inclusion measures
The degree of inclusivity in El Salvador's policy response to the COVID-19 crisis is unclear. Subsidies only cover 75% of households, the US$300 subsidy was a one-time measure, the three-month extension for income tax payments does not apply to taxpayers in all sectors, and the three-month exemption from the special tourism tax for firms only applies to the tourism industry. There is no evidence that measures include non-bank financial institutions. Employment measures related to telecommuting prohibit the dismissal of employees, and job stability was guaranteed for three months (this expired in May 2020). There is no evidence of measures to address exchange rates and balance of payments, nor is there evidence of any expansion of digital infrastructure.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in the gender parity of top decision making position in the financial regulatory bodies including the appointment of a new female superintendent of the financial system.

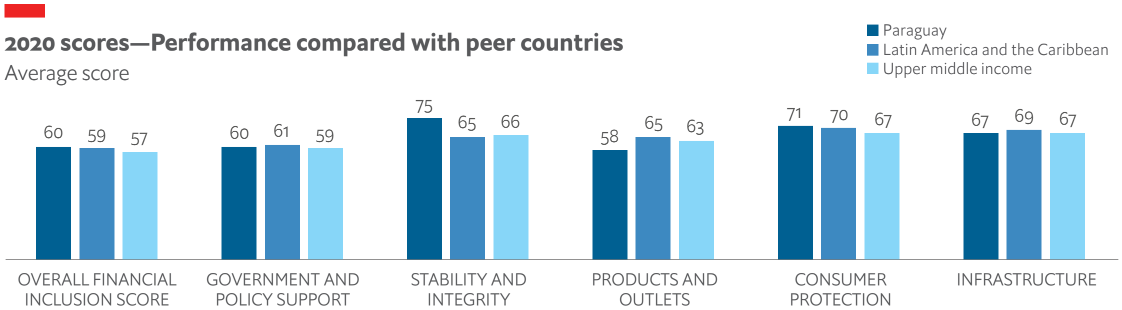
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**61**	**0**
1	GOVERNMENT AND POLICY SUPPORT	80	0
2	STABILITY AND INTEGRITY	63	+1
3	PRODUCTS AND OUTLETS	51	0
4	CONSUMER PROTECTION	63	0
5	INFRASTRUCTURE	74	+1

Paraguay

How did the country's financial authorities respond to the COVID-19 crisis?
Fiscal measures introduced in response to the COVID-19 crisis include a package of emergency spending totalling US$945m, which represents 2.5% of the country's GDP. This package includes US$500m in health-related spending, US$400m on measures to support vulnerable populations and US$45m in emergency funding for small enterprises. Paraguay's central bank lowered the policy rate and the interest rate for its overnight liquidity facility window, and reduced the minimum reserve requirements on domestic and foreign currency deposits, freeing up US$959m for banks to issue new loans. A National Emergency Special Credit Facility was created to channel up to US$760m in liquidity support to SMEs. An MSME Guarantee Fund, to the amount of US$500m, has also been created to support credit creation in the SME sector. The government has allowed banks to automatically refinance loans to private-sector companies that are having repayment difficulties and has postponed the collection of taxes and user fees for two months.

Financial inclusion measures
It is unclear if measures to support vulnerable populations will reach everyone in need. A loan from the Inter-American Development Bank sought to support temporary transfer programmes to benefit more than 300,000 low-income families, but it is unclear how these payments were delivered. The loan was intended to safeguard the incomes of informal workers through subsidies, as well as tools to support SMEs. There is no evidence of any digital infrastructure measures that close gaps in financial services. In July 2020 the government announced an ambitious Economic Recovery Plan, which includes loan guarantees for informal and small enterprises and social transfers to poor households.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by increase in coverage of public credit systems.

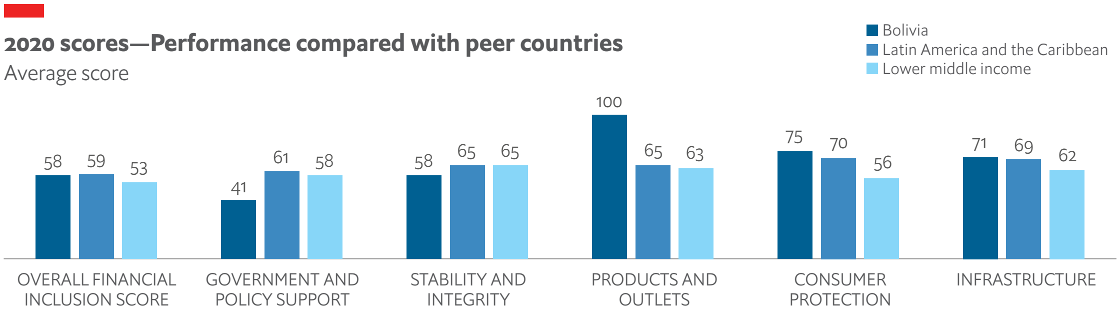
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**60**	**-1**
1	GOVERNMENT AND POLICY SUPPORT	60	-3
2	STABILITY AND INTEGRITY	75	0
3	PRODUCTS AND OUTLETS	58	0
4	CONSUMER PROTECTION	71	0
5	INFRASTRUCTURE	67	+2

Bolivia

How did the country's financial authorities respond to the COVID-19 crisis?
In April 2020 the Financial System Supervisory Authority (ASFI) issued Supreme Decree 4216, which established a special support fund for MSMEs and an employment support fund. The special support fund for MSMEs provided financing to banks and non-bank financial institutions for loans with maturities up to five years, as well as a one-year grace period on interest and amortisation payments. The ASFI has also issued legislation to provide loan extensions and restructuring. Value-added tax (VAT), transfer tax and income tax declarations were delayed for all businesses. The country issued a nationwide quarantine but allowed banks and other financial institutions to continue to operate, albeit with reduced opening hours.

Financial inclusion measures
The Bolivian government has expanded cash payments through social assistance programmes that reach families, retirees and the unemployed. In May the government launched the Universal Bond programme, a cash transfer for individuals who have not made pension contributions (i.e. have been unemployed) in the months prior to May 2020. As of September 2020 the government had made more than 12.5m payments to beneficiaries under its four main social assistance programmes.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in customer due diligence processes.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**58**	**-1**
1	GOVERNMENT AND POLICY SUPPORT	41	0
2	STABILITY AND INTEGRITY	58	-1
3	PRODUCTS AND OUTLETS	100	+4
4	CONSUMER PROTECTION	75	0
5	INFRASTRUCTURE	71	0

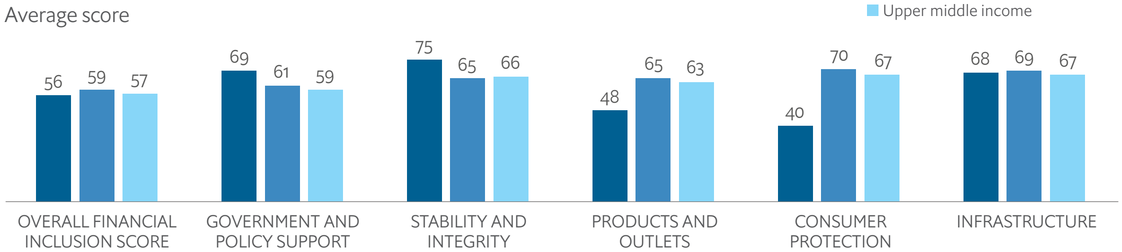
Jamaica

How did the country's financial authorities respond to the COVID-19 crisis?
The central bank led a liquidity injection to ensure uninterrupted liquidity across the system, and removed overnight borrowing limits for deposit-taking institutions. The government has also encouraged banks to postpone dividend payments and to reschedule loans and mortgages, in addition to the cuts to mortgage rates announced by the National Housing Trust. The Development Bank of Jamaica announced a six-month moratorium on loan principal repayment for MFIs in its portfolio. Finally, the Bank of Jamaica has sold a limited amount of reserves via the B-FXITT auction mechanism, issued US dollar–linked notes, and repos of FX-denominated Government of Jamaica bonds with banks and securities dealers.

Financial inclusion measures
Jamaica's social and economic support programme, the CARE programme, has provided targeted relief. The programme provides cash transfers to those who were either unemployed or informally employed before the pandemic, provides temporary unemployment benefits to those who have been laid off or terminated since the pandemic, and provides grants to self-employed individuals. Cash transfers are paid directly to a beneficiary's bank account or to a remittance firm of their choice through the programme's digital platform. The Government of Jamaica is also hoping to fast-track national digital ID adoption, which will increase financial inclusion and ensure direct access to benefits under the CARE programme. The CARE programme provides cash transfers to businesses in targeted sectors, based on the number of employees; and grants to the most vulnerable segments of society.

2020 scores—Performance compared with peer countries
Average score

Jamaica
Latin America and the Caribbean
Upper middle income



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the adoption of the Data Protection Act which provides a comprehensive legal framework and provides guidelines for data collection, use and storage.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**56**	**+8**
1	GOVERNMENT AND POLICY SUPPORT	69	+28
2	STABILITY AND INTEGRITY	75	+1
3	PRODUCTS AND OUTLETS	48	0
4	CONSUMER PROTECTION	40	+17
5	INFRASTRUCTURE	68	-1

Honduras

How did the country's financial authorities respond to the COVID-19 crisis?

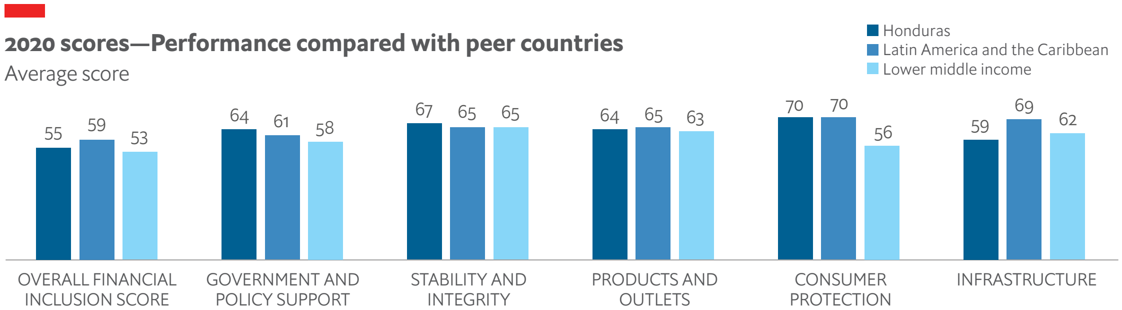
Honduras's financial authorities responded to the COVID-19 crisis primarily by increasing liquidity in the financial system. Daily auctions of sovereign debt, targeted at financial institutions, were suspended in March 2020. The Banco Central de Honduras (BCH) also reduced the compulsory investment in national currency to 0% for two weeks in April 2020, which along with other measures was estimated to provide US$264m in additional liquidity to financial institutions. The government provided approximately US$100m in financing to financial institutions to ease the impact of the economic shutdown, along with US$2m in low-interest working capital loans to 5,000 entrepreneurs. The loans to entrepreneurs were provided via the Solidarity Credit programme, which distributes funds via government development banks and affiliated savings and loan co-operatives. In addition, the government established a US$20m guarantee fund for loans to benefit the tourism sector and protect around 150,000 employees.

Financial inclusion measures

More than 123,000 workers in the formal sector who were suspended as a result of the pandemic received a one-time transfer of US$240 via the pension system. The government funded part of the transfer, with the remainder coming from employers and beneficiaries' pension accounts. The government established a US$100m guarantee fund for MSMEs, covering 65-90% of the loans that these enterprises request from financial institutions in order to restart their activities. Another US$4m guarantee fund was established for businesses in the social sector. The government's US$100m financing package for the financial sector included credits for co-operatives, microfinance companies and rural savings banks, which cover many lower income individuals.

2020 scores—Performance compared with peer countries

Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the publication of the Financial Inclusion Plan for Women to close the gender financial gap. However the total score was driven down by a reduction in the relative reach of connectivity infrastructure.

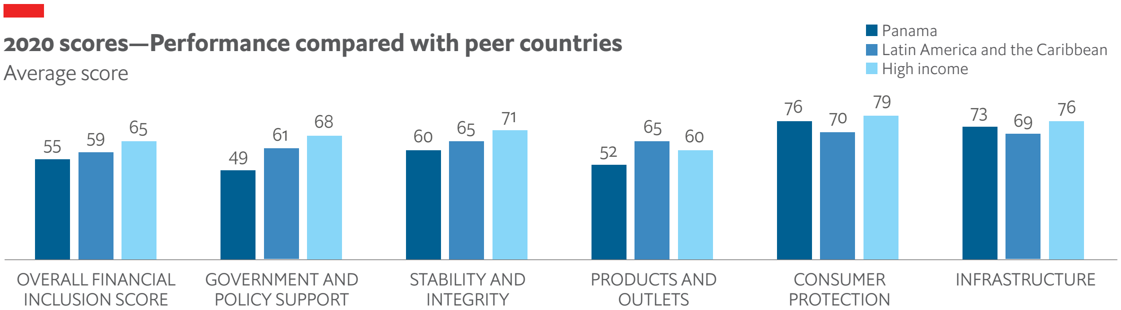
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**55**	**0**
1	GOVERNMENT AND POLICY SUPPORT	64	+8
2	STABILITY AND INTEGRITY	67	+2
3	PRODUCTS AND OUTLETS	64	0
4	CONSUMER PROTECTION	70	0
5	INFRASTRUCTURE	59	-1

Panama

How did the country's financial authorities respond to the COVID-19 crisis?
Key policy responses implemented by the Government of Panama include the Panama Solidarity Plan, with in-kind transfers including distributions of basic food supplies; and several programmes and loans aimed at supporting MSMEs to restart operations and continue employment. The Superintendence of Banks has allowed banks to use accumulated dynamic provisioning (2% of GDP) to absorb impacts from credit losses and has enabled banks to voluntarily restructure borrower loan conditions without charging additional interest. Loan payment grace periods have been extended for borrowers through to the end of 2020, with no late fees, interest on unpaid interest or negative effects on credit history. The government has also established two trusts for economic reactivation to provide credit and support to MSMEs and productive sectors for economic growth, along with support to banks for their liquidity needs. The government established a special fund of US$1bn for credit strengthening to facilitate financing to sectors that have been heavily affected by the pandemic.

Financial inclusion measures
The Panama Solidarity Plan has benefited more than 1.5m people. Payments are distributed through digital vouchers which beneficiaries can access through the SARA platform. The government has also started to provide transfers of US$50 to approximately 250,000 workers with suspended contracts. The Panama Solidarity Plan includes vouchers and food boxes for informal workers, people who are unemployed and those with COVID-19-related job suspensions.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in the implementation of the Bill for the Modernization and International Competiveness of the Financial System and the proposal of a National Financial Inclusion Strategy.

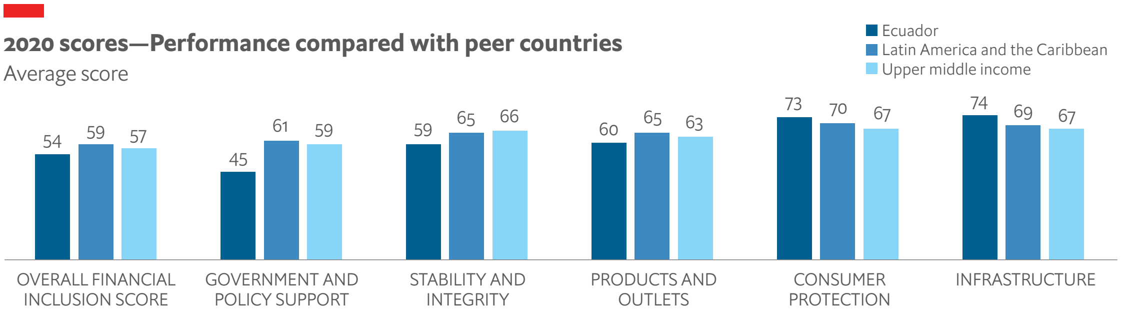
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**55**	**+2**
1	GOVERNMENT AND POLICY SUPPORT	49	0
2	STABILITY AND INTEGRITY	60	0
3	PRODUCTS AND OUTLETS	52	+10
4	CONSUMER PROTECTION	76	0
5	INFRASTRUCTURE	73	0

Ecuador

How did the country's financial authorities respond to the COVID-19 crisis?
Ecuador issued the Humanitarian Support Law to provide debt relief for individuals and companies. Banks were required to suspend repayments for the duration of the state of emergency, plus 60 days; default interest was waived; and borrowers maintained the same credit risk rating as prior to the emergency. Non-bank lenders were encouraged to reach agreements with borrowers but were not subject to legal requirements. From late May Reactivation Ecuador credits were provided to SMEs to cover payroll and operating expenses. These credits feature a 5% interest rate, a six-month grace period and a 36-month term.

Financial inclusion measures
Savings and loan co-operatives were allowed to reschedule some of the debts they owed to other financial institutions in April and May. In addition, if they refinanced their clients' debts, they were provided with loans for one year. To assist the most vulnerable individuals, the government provided a US$60 monthly cash transfer to more than 2m families with no fixed income or an income of less than US$400 per month. The Ministry of Economic and Social Inclusion (MIES) identified beneficiaries using existing poverty maps and its social registry database. Individuals were able to check their eligibility using their national ID number on the MIES website. The payments were distributed according to a calendar, based on an individual's identification number, and were available at more than 7,000 financial institution service points across the country. During quarantine, families were exempt from paying a portion of their utility services based on their normal consumption levels.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in e-KYC verification processes through the General Directorate of Civil Registry, Identification and Certification.

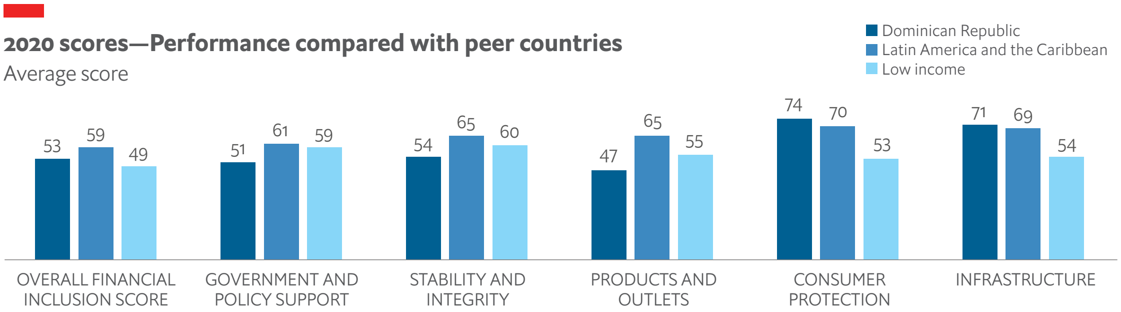
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**54**	**+1**
1	GOVERNMENT AND POLICY SUPPORT	45	0
2	STABILITY AND INTEGRITY	59	+4
3	PRODUCTS AND OUTLETS	60	0
4	CONSUMER PROTECTION	73	0
5	INFRASTRUCTURE	74	+5

Dominican Republic

How did the country's financial authorities respond to the COVID-19 crisis?
The Banco Central de la Republica Dominicana (BCRD) has responded to the COVID-19 crisis by passing a set of measures to reduce interest rates and provide liquidity for financial institutions, with the aim of easing the burden on SMEs. These measures were accompanied by tax breaks for key sectors such as tourism, as well as extensions on tax declarations and payments for businesses and individuals. The government has also launched several emergency cash transfer programmes for suspended workers and households, and has subsidised utility payments for vulnerable populations.

Financial inclusion measures
Measures passed by the Direccion General de Impuestos Internos (DGII, the tax office) include extensions on tax declarations and payments for businesses and individuals, as well as a simplified tax regime for SMEs. This incorporates waivers on upfront tax payments, which are especially burdensome for SMEs. Liquidity facilities provided by the BCRD are targeted to SMEs, and targeted lending programmes for SMEs have been offered via commercial banks. The BCRD is also constituting a mutual guarantee fund to benefit SMEs, but it is not yet operative. Financial measures introduced in response to the pandemic are available to smaller credit and savings banks, which are financial providers for the poor. However, they exclude credit co-operatives, which serve the bulk of the poor population.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

There were no significant changes to the enabling environment since 2019.

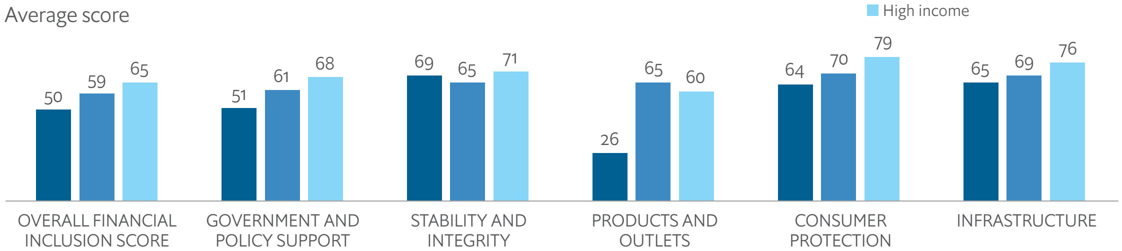
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**53**	**0**
1	GOVERNMENT AND POLICY SUPPORT	51	0
2	STABILITY AND INTEGRITY	54	+2
3	PRODUCTS AND OUTLETS	47	0
4	CONSUMER PROTECTION	74	0
5	INFRASTRUCTURE	71	0

Trinidad and Tobago

How did the country's financial authorities respond to the COVID-19 crisis?
Trinidad and Tobago's government announced various macroeconomic stabilisation policy measures as part of its pandemic response. On March 17 the central bank reduced the reserve requirement for commercial banks from 5.0% to 3.5% to increase banking system liquidity. Commercial banks have reduced the lending rate by 1.5 percentage points and have agreed to provide a one-month moratorium on mortgages and instalment loan payments.

Financial inclusion measures
At the end of March 2020 Trinidad and Tobago's government unveiled a stimulus package to mitigate the pandemic's fiscal effects. The package includes measures such as the Salary Relief Grant, which provides access to $1,500 per month over three months to citizens who have lost income due to the pandemic. The government also announced a programme to provide $100m to credit unions to offer loans with low interest rates and extended repayment periods, and to provide liquidity support to individuals and small businesses in need of loan assistance.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 are driven by a lack of progress in the enactment of the Data Protection Act and the lack of detailed provisions on the protection of data by public records and the private sector.

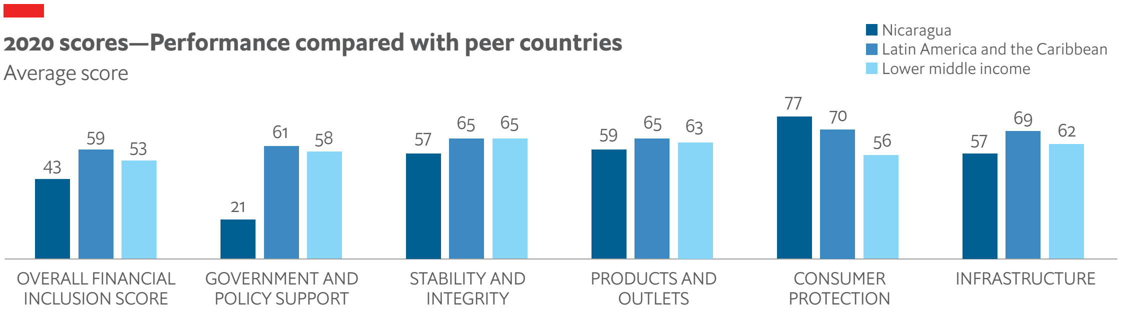
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**50**	**0**
1	GOVERNMENT AND POLICY SUPPORT	51	+5
2	STABILITY AND INTEGRITY	69	+1
3	PRODUCTS AND OUTLETS	26	0
4	CONSUMER PROTECTION	64	-6
5	INFRASTRUCTURE	65	-2

Nicaragua

How did the country's financial authorities respond to the COVID-19 crisis?
The Banco Central de Nicaragua (BCN, the central bank) has implemented an expansive monetary policy, reducing both its policy rate and repo rate. In order to increase bank liquidity and foster credit growth, it also reduced bank reserves. The Superintendencia de Bancos y Otras Instituciones Financieras (SIBOIF, the financial sector regulator) passed regulations to offer a six-month grace period to bank debtors.

Financial inclusion measures
The Comisión Nacional de Microfinanzas (CONAMI) has issued norms allowing MFIs to support debtors with proven inability to meet their debt obligations. However, the measures were implemented several months into the pandemic, by which time many SMEs had gone out of business and debtors had become unable to meet their obligations. Furthermore, the measures rolled out by the SIBOIF only applied to clients who were classified by banks and financing entities as "A and B" customers who had contracted the debt prior to March 31 2020.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

There are no significant changes in the enabling environment for financial inclusion since 2019.

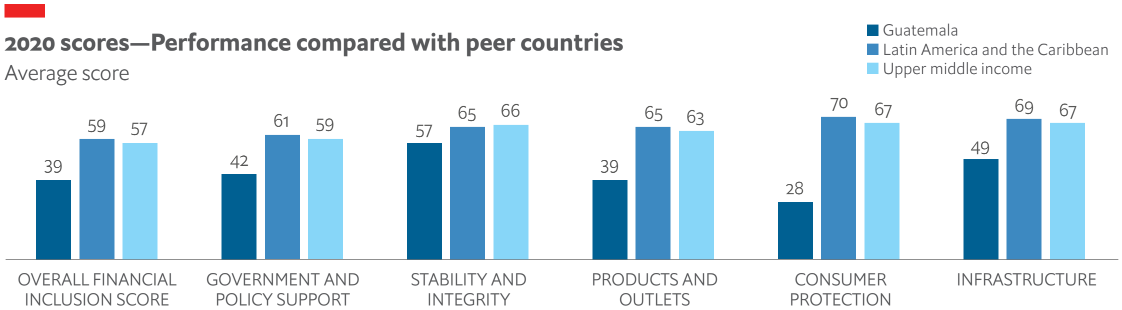
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**43**	**-1**
1	GOVERNMENT AND POLICY SUPPORT	21	-3
2	STABILITY AND INTEGRITY	57	0
3	PRODUCTS AND OUTLETS	59	0
4	CONSUMER PROTECTION	77	0
5	INFRASTRUCTURE	57	-2

Guatemala

How did the country's financial authorities respond to the COVID-19 crisis?
The Superintendence of Banks (SIB) in Guatemala responded to the COVID-19 crisis by adjusting loan terms for individuals as well as micro- and small businesses. Fifty-six percent of loans qualified for deferred payments, 26% had revised interest rates or loan tenors, 13% were delinquent loans that received revised terms and 5% had revised information requirements.

Financial inclusion measures
The Ministry of the Economy created an emergency worker protection fund (Fondo de Proteccion del Empleo) to pay a daily allowance to workers who had been furloughed in response to the COVID-19 emergency. As of September 2020 this had helped about 184,000 individuals. In addition to these efforts by financial authorities, the Ministry of Development has implemented an emergency cash transfer, which can be received electronically or in cash. The transfer targets workers in the informal sector and is expected to reach approximately 1m families.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the creation of the SIB Innovation Hub, a programme to facilitate interaction between the Superintendence of banks and fintech companies.

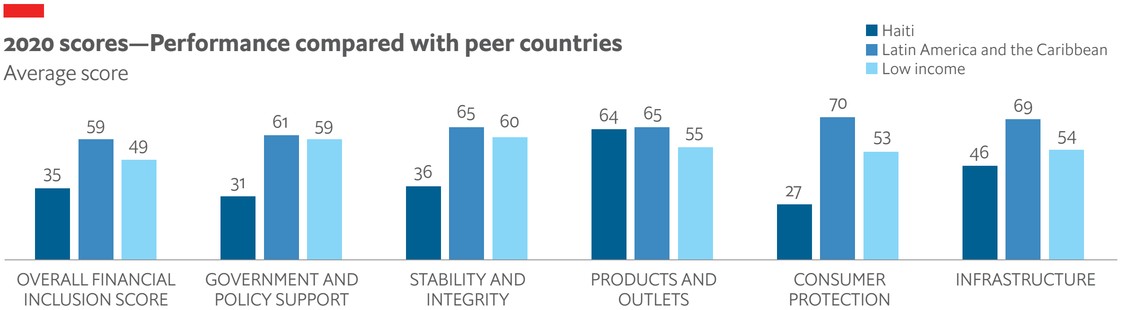
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**39**	**+2**
1	GOVERNMENT AND POLICY SUPPORT	42	0
2	STABILITY AND INTEGRITY	57	0
3	PRODUCTS AND OUTLETS	39	+10
4	CONSUMER PROTECTION	28	0
5	INFRASTRUCTURE	49	0

Haiti

How did the country's financial authorities respond to the COVID-19 crisis?
Since March 2020 financial authorities in Haiti have implemented measures in response to the COVID-19 pandemic. The central bank lowered refinance and reference rates, increased access to credit, lowered reserve requirements on domestic currency deposits, and eased loan repayment obligations for banks for an initial three-month period. From March 23 to June 30 the central bank also suspended fees for the country's interbank payment system. The Banque Nationale de Crédit, the largest financial institution in Haiti, has approved loan facilities for at least one MFI, FINCA Haiti.

Financial inclusion measures
Many Haitians rely on the informal economy and remittances and are therefore unlikely to see much relief as a result of central bank actions. However, the government did announce that it would provide cash transfers to support wage payments in some sectors, such as manufacturing. According to a March 2020 communiqué from the prime minister, eligible workers from the textile industry were invited (in groups not exceeding ten people) to report to their workplace to receive half of one month's wages. Additionally, the government announced that it would support food distribution to parents whose children would otherwise benefit from school lunches. In April the International Monetary Fund (IMF) announced US$111.6m in emergency financing to Haiti to support the government's COVID-19 response.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by a reduction in the relative reach of connectivity infrastructure.

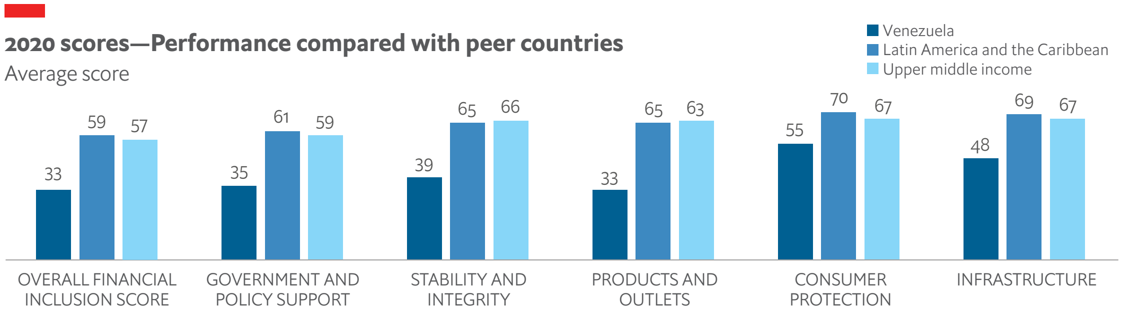
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**35**	**0**
1	GOVERNMENT AND POLICY SUPPORT	31	0
2	STABILITY AND INTEGRITY	36	0
3	PRODUCTS AND OUTLETS	64	0
4	CONSUMER PROTECTION	27	-4
5	INFRASTRUCTURE	46	+3

Venezuela

How did the country's financial authorities respond to the COVID-19 crisis?
The Government of Venezuela responded to the COVID-19 crisis by introducing a few vague economic stimulus measures. The Central Bank of Venezuela (BCV) issued Resolution N°20-03-01, which states that the BCV is looking to mitigate the economic impacts of COVID-19 by implementing new actions regarding monetary policy. It also states that banking institutions must maintain a minimum reserve of 93% of the total amount of net liabilities in local currency. Since April 2020 the banking system has used 7% of new deposits entering the system to support the payment system and assist credit priorities.

Financial inclusion measures
There is evidence that measures introduced in response to the COVID-19 pandemic have done little to promote inclusive access to finance. There are no pro-poor financial inclusion efforts that include liquidity facilities for MFIs and non-bank financial institutions. A select few municipalities in Venezuela have granted extensions for filing and paying municipal taxes, but no benefits, extensions or incentives have been announced in relation to indirect national taxes.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

The changes since 2019 were driven by improvements in the digital literacy strategy included in the current National Plan for Economic and Social Development.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**33**	**+1**
1	GOVERNMENT AND POLICY SUPPORT	35	+5
2	STABILITY AND INTEGRITY	39	0
3	PRODUCTS AND OUTLETS	33	0
4	CONSUMER PROTECTION	55	0
5	INFRASTRUCTURE	48	-1

Global Microscope 2020: The enabling environment for financial inclusion

Middle East and Africa

Sub-Saharan Africa is the region that has seen the greatest improvement in our index as it works to enhance the governance and regulatory frameworks of its growing digital financial services ecosystem.

- In November 2019 Tanzania introduced a new set of consumer protection regulations that include improved transparency and disclosure practices.
- Ghana introduced a new digital financial services policy, which aims to improve governance of the digital financial services ecosystem; and established a new fintech and innovation office that will be responsible for fintech licencing.
- Cote d'Ivoire launched a new financial inclusion strategy, with a specific focus on narrowing the gender gap and promoting digital finance.

Microscope 2020 scores

	Overall	Government and policy support	Stability and integrity	Products and outlets	Consumer protection	Infrastructure
Tanzania	73	94	85	80	94	69
Rwanda	68	92	90	77	68	71
South Africa	64	71	81	30	96	75
Ghana	59	57	72	80	46	61
Morocco	57	69	76	74	55	68
Jordan	56	77	78	55	55	69
Kenya	55	65	69	33	74	72
Côte d'Ivoire	53	67	62	48	74	59
Mozambique	53	72	64	60	64	50
Nigeria	53	64	56	60	62	57
Senegal	48	56	52	49	50	59
Cameroon	47	47	56	66	65	52
Egypt	46	51	64	67	25	62
Madagascar	43	50	59	35	43	46
Tunisia	43	46	52	51	42	56
Ethiopia	41	54	57	57	45	40
Uganda	38	25	64	63	34	44
Lebanon	34	18	45	46	53	55
Sierra Leone	32	39	47	40	14	41
DRC	21	30	31	35	7	24

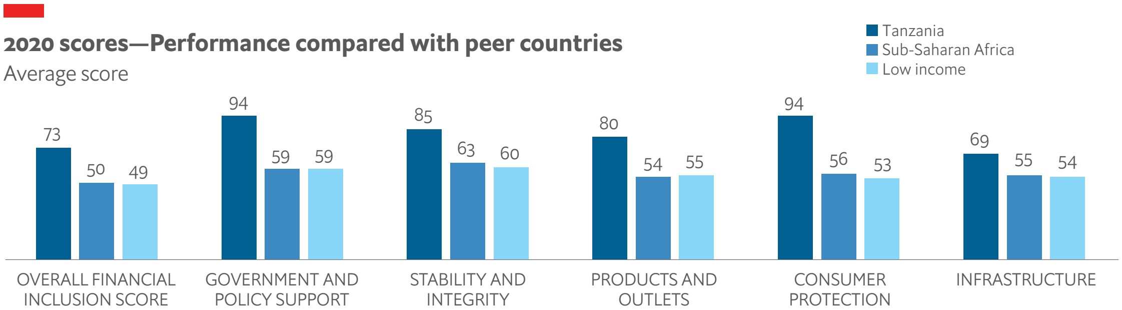
Score 75+ Score 50-74 Score 25-49 Score 0-24

Tanzania

How did the country's financial authorities respond to the COVID-19 crisis?
The Bank of Tanzania (BoT, the central bank) has reduced the discount rate from 7% to 5%, reduced the statutory minimum reserves requirement from 7% to 6%, and lessened cuts on government securities, which should provide the financial sector with additional liquidity. The BoT has also pledged flexibility in allowing banks to restructure loans affected by the pandemic. However, it has not given explicit directions for this and is instead evaluating restructurings on a case-by-case basis. Finally, the BoT has increased limits on mobile money transactions in order to encourage digital (and cashless) banking. Daily transaction limits were raised from US$1,300 to US$2,170, and daily balance limits were raised from US$2,170 to US$4,340.

Financial inclusion measures
The Government of Tanzania expedited the payment of arrears and prioritised affected SMEs to support them through the pandemic. Under this initiative, businesses only received arrears owed to them; no other support was provided. The government also expanded its Tanzania Social Action Fund's Productive Social Safety Net. However, its effect has been limited as it is mainly focused on rural families, and COVID-19 has taken a greater toll on urban communities. Financial-sector responses were not inclusive. Some restructurings may have benefited those in need, but this was not done in a targeted manner to benefit the most affected.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the introduction of a new set of consumer protection regulations that include improved transparency and disclosure practices.

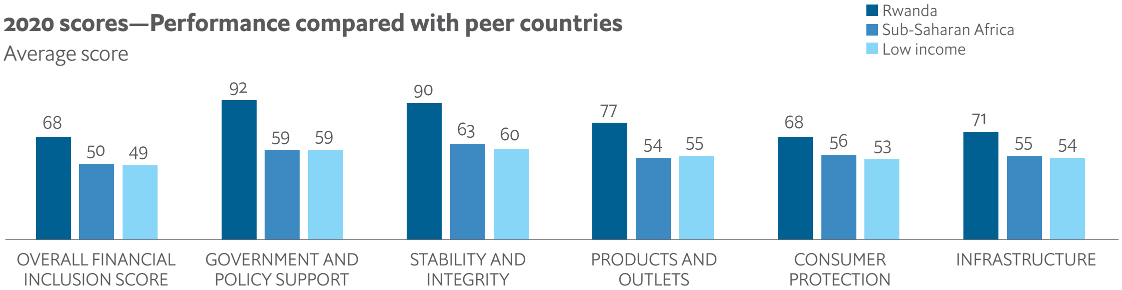
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**73**	**+11**
1	GOVERNMENT AND POLICY SUPPORT	94	+8
2	STABILITY AND INTEGRITY	85	-1
3	PRODUCTS AND OUTLETS	80	+10
4	CONSUMER PROTECTION	94	+37
5	INFRASTRUCTURE	69	+14

Rwanda

How did the country's financial authorities respond to the COVID-19 crisis?
The government launched an RWF100bn Economic Recovery Fund to support businesses affected by the pandemic by offering subsidised loans and credit guarantees. The fund will be deployed by the National Bank of Rwanda (BNR, the central bank) to assist commercial banks, MFIs, and savings and credit co-operative organisations (SACCOs) to lend to eligible businesses. Businesses that can demonstrate the negative impact of COVID-19 on their operations, their commercial viability prior to the pandemic and their potential to return to viability are eligible. The BNR established a RWF50bn lending facility, allowed Treasury bonds to be purchased through the rediscount window, reduced the reserve requirement ratio from 5% to 4% to provide liquidity to commercial banks, encouraged commercial banks to restructure loans affected by the pandemic, waived fees on mobile money transactions to encourage digital (and thus cashless) transactions, and cut the policy rate from 5% to 4.5%.

Financial inclusion measures
The government supported vulnerable households through food distribution (covering at least 20,000 households in Kigali), increased cash transfers to casual workers, subsidised access to agricultural inputs and improved access to health and education. The government's business support fund offered subsidised loans to both commercial banks and MFIs, with a focus on SMEs. VAT refunds to SMEs were fast-tracked. Finally, a three-month waiver was introduced for mobile money transactions. This would have disproportionately benefited the poor, who are less likely to have a bank account and whose transactions are smaller and therefore more affected by mobile money fees.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvement in payments interoperability and targets to expand agent networks.

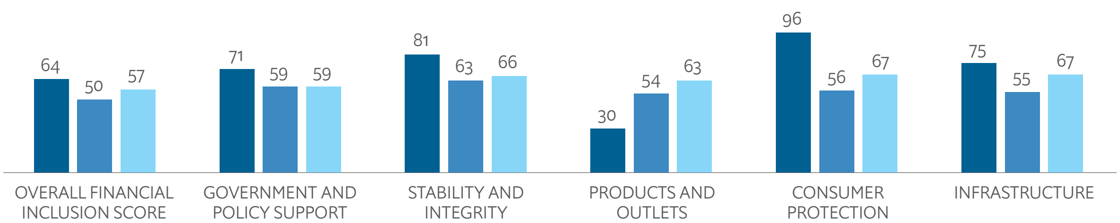
	2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE	**68**	**+3**
1 GOVERNMENT AND POLICY SUPPORT	92	+11
2 STABILITY AND INTEGRITY	90	0
3 PRODUCTS AND OUTLETS	77	0
4 CONSUMER PROTECTION	68	0
5 INFRASTRUCTURE	71	+5

South Africa

How did the country's financial authorities respond to the COVID-19 crisis?
The government acted swiftly to attempt to mitigate a deepening financial crisis by declaring financial systems essential services, and by implementing several relief measures to ensure emergency government cash transfers were made available to vulnerable MSMEs, communities and individuals. These measures included tax relief, emergency procurement, the release of disaster relief funds, wage support through the Unemployment Insurance Fund, and funding to small businesses. To minimise economic losses, the South African Reserve Bank (the central bank) significantly reduced the policy repo rate, eased liquidity conditions, partnered with banks and the government to establish additional liquidity facilities, and introduced relief measures by lowering the liquidity coverage ratio and capital requirements. To provide economic relief, banks and insurance institutions implemented measures to delay and reduce instalment payments, provide debt relief and waive bank fees for grant beneficiaries.

Financial inclusion measures
The government announced mitigating measures to ensure the stabilisation of debt and secure economic growth. The relevant inclusive measures were designed to mitigate the immediate effects of the pandemic through grants and emergency procurement, in the form of top-ups for existing cash transfer recipients and a "coronavirus grant" that was made available to vulnerable groups and sectors. Vulnerable groups and sectors were identified by the government as unemployed individuals, individuals who cannot work and businesses that are critical to the country's response and recovery.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in connectivity networks.

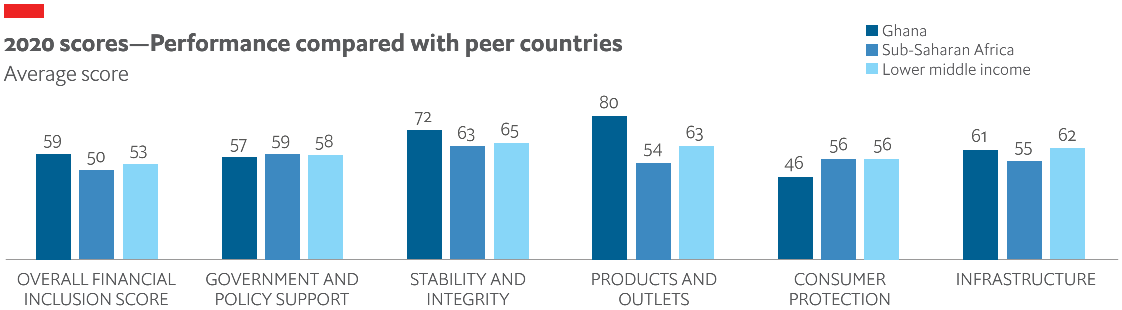
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**64**	**0**
1	GOVERNMENT AND POLICY SUPPORT	71	0
2	STABILITY AND INTEGRITY	81	+1
3	PRODUCTS AND OUTLETS	30	0
4	CONSUMER PROTECTION	96	0
5	INFRASTRUCTURE	75	+2

Ghana

How did the country's financial authorities respond to the COVID-19 crisis?
The government has so far committed a total of GHc11.2bn ($1.94bn) to tackle the pandemic and its social and economic consequences under the Coronavirus Alleviation Programme. The government also received US$1bn from the IMF rapid credit facility in April and will borrow up to GHc10bn ($1bn) from the Bank of Ghana (BoG). To compensate for increased spending related to the COVID-19 crisis, the government plans to cut spending in goods and services, transfers and capital investment.

Financial inclusion measures
The crisis response measures offered by the Government of Ghana have focused primarily on supporting the health sector and related industries. There has been little support—by way of unemployment benefits or cash handouts—for those working in the informal sector. Fees for mobile money transactions were initially waived in March. This saw an 81% increase in the volume of transactions, although fees have since been gradually reintroduced.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by a new Digital Financial Services Policy and the creation of a new Payments System and Service Act that led to the issuing of the first dedicated e-money issuer licence.

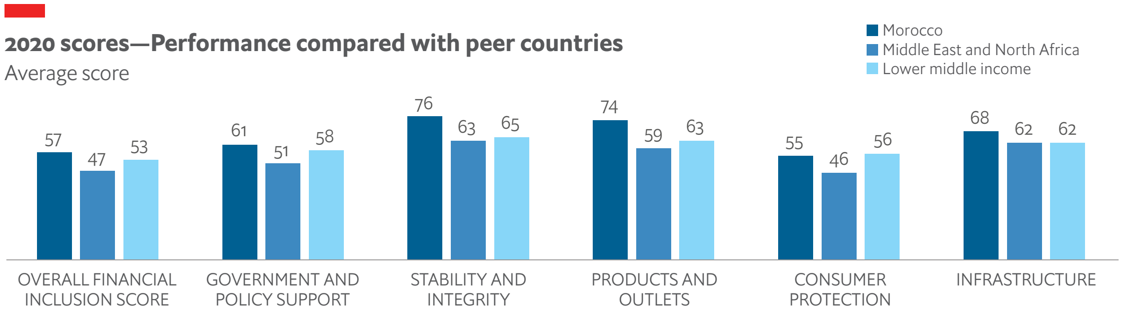
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**59**	**+7**
1	GOVERNMENT AND POLICY SUPPORT	57	+6
2	STABILITY AND INTEGRITY	72	0
3	PRODUCTS AND OUTLETS	80	+30
4	CONSUMER PROTECTION	46	0
5	INFRASTRUCTURE	61	+3

Morocco

How did the country's financial authorities respond to the COVID-19 crisis?
In response to the COVID-19 crisis, Bank al-Maghrib (BAM, the central bank) reduced the policy rate by a total of 75 bps to 1.5% between March and June. A range of support measures were introduced for the financial system in March and June, including permission to drop below the 100% liquidity coverage ratio (LCR) for banks, a reduction of the capital conservation buffer, a reduction of the solvency ratio to 11.5%, and the relaxation of rules for the classification of unpaid loans for MFIs. Loan payments were also suspended for SMEs and the self-employed until June 30. This was accompanied by a loan refinancing programme launched by the BAM, which offered refinancing to banks providing new loans to SMEs, subject to certain conditions. In May the government launched credit facilities for SMEs and the self-employed, with subsidised interest rates available for larger and state-owned enterprises.

Financial inclusion measures
The Popular Bank, which is responsible for distributing social transfers, worked with three MFIs to ensure coverage of informal-sector beneficiaries. Emergency cash transfers were provided via mobile payments (Cash Plus service) to households working in the informal sector and benefiting from an existing non-contributory health insurance (RAMED). Extensive online support was put in place to enable registration for new beneficiaries. In April the BAM adopted new regulations requiring banks to put in place provisions for remote bank account opening.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the introduction of a new Financial Inclusion Strategy which aims to promote the transition to a digital economy.

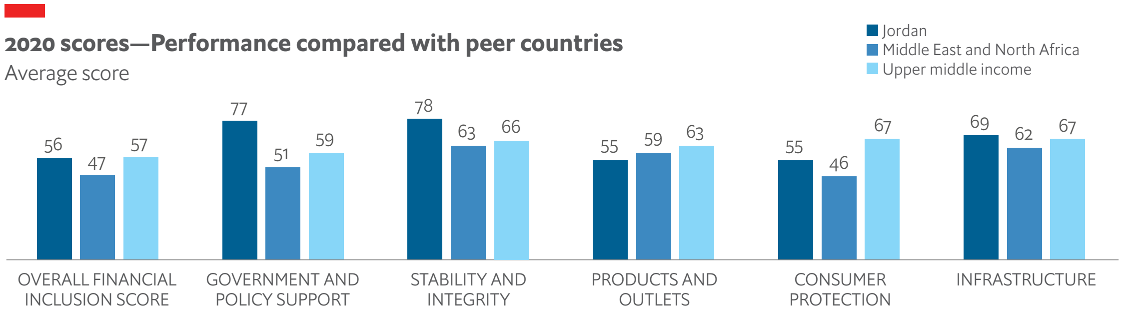
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**57**	**+3**
1	GOVERNMENT AND POLICY SUPPORT	61	+17
2	STABILITY AND INTEGRITY	76	-2
3	PRODUCTS AND OUTLETS	74	+2
4	CONSUMER PROTECTION	55	0
5	INFRASTRUCTURE	68	-2

Jordan

How did the country's financial authorities respond to the COVID-19 crisis?
The financial authorities in Jordan introduced a series of measures in response to the COVID-19 crisis, including deferred loan repayments to commercial banks for affected sectors. This does not extend to MFIs. The government reduced the cost and expanded the coverage of guarantees provided by the Jordan Loan Guarantee Corporation on SME loans, however, including a JD150m (US$211m) credit facility made available for the tourism sector. The Central Bank of Jordan (CBJ) has taken steps to facilitate the uptake of mobile wallets, enabling access to financial services through self-registration online, and encouraging the use of QR codes by both individuals and enterprises to reduce the risk of spreading COVID-19.

Financial inclusion measures
The government implemented a temporary cash transfer programme for the unemployed and self-employed (to the value of JD81m, or US$114m). The CBJ launched a JD500m Finance Facilitation Programme for SMEs with the guarantee of the Jordan Loan Guarantee Corporation, paving the way for SMEs to obtain much-needed funding to cope with the negative effects of COVID-19 and stem potential job losses.

2020 scores—Performance compared with peer countries
Average score

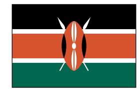


Source: The Economist Intelligence Unit, 2020

Change since 2019 is driven by development of regulation for P2P lending and crowdfunding in collaboration with the European Bank for Reconstruction and Development.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**56**	**+4**
1	GOVERNMENT AND POLICY SUPPORT	77	+8
2	STABILITY AND INTEGRITY	78	0
3	PRODUCTS AND OUTLETS	55	+10
4	CONSUMER PROTECTION	55	0
5	INFRASTRUCTURE	69	+7

Kenya



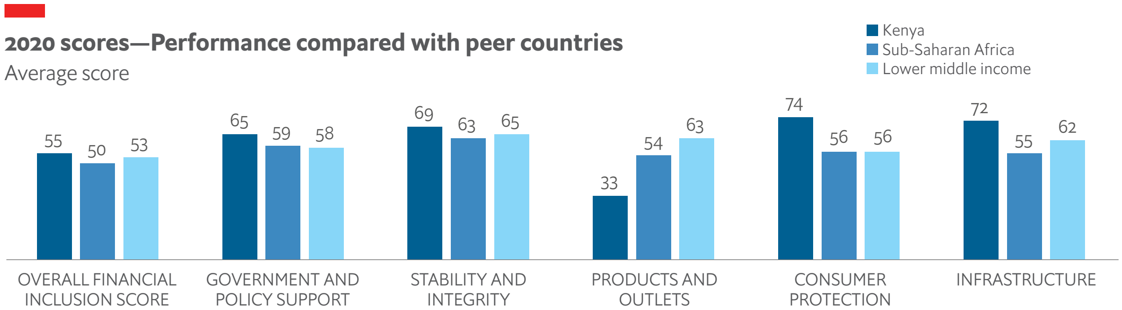
How did the country's financial authorities respond to the COVID-19 crisis?

The Central Bank of Kenya (CBK) reduced the cash reserve ratio for financial institutions, including MFIs, to provide them with additional liquidity to support borrowers affected by the pandemic. Financial institutions were also given control over the extension and restructuring of loans for borrowers affected by the pandemic. Loans under this plan were not subject to standard loan classification regulations, and borrowers with loans that became non-performing after April 1 would not be "blacklisted". The CBK also introduced measures to increase the use of mobile money, removing transaction charges for transfers of up to KSH1,000 (US$9.20) and for transfers between mobile money wallets and bank accounts. It also doubled daily and one-time transaction limits. These measures were immediately implemented by Safaricom, the operator of M-Pesa, the country's most popular mobile money system, despite a projected KSH5.5bn (US$51.5m) in losses due to changes to transaction fees. These changes in fees were originally adopted for three months but the CBK later extended them until the end of 2020.

Financial inclusion measures

Kenya's existing cash transfer programme was expanded in response to the pandemic, with KSH2,000 (US$18.5) provided monthly to 1.1m beneficiaries from January to June 2020, and KSH13bn (US$130m) disbursed. This programme, Inua Jamii, is accessible only through bank accounts opened by beneficiaries. However, further assistance was available, including an emergency support fund, created through donations from society (which distributed KSH500m, or US$47m); and an expanded government cash transfer programme for households and a public works programme (each distributing KSH10bn, or US$920m), operated through the M-Pesa system.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were primarily driven by the enactment of the Data Protection Act in November 2019 modelled after the European Union's General Data Protection Regulation.

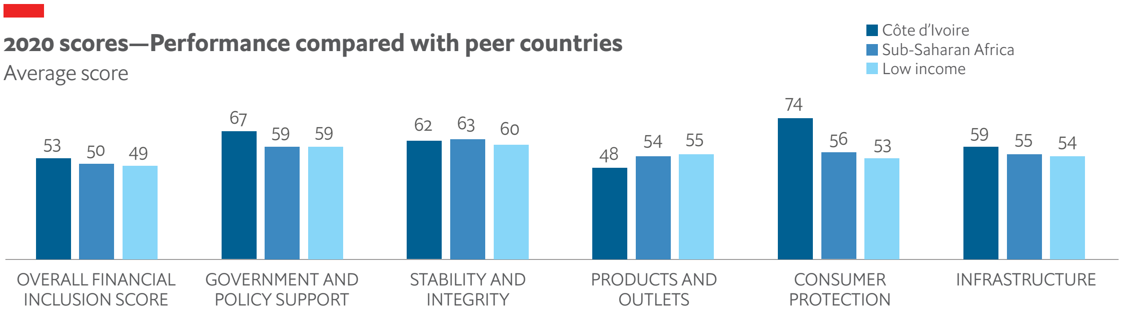
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**55**	**+4**
1	GOVERNMENT AND POLICY SUPPORT	65	+5
2	STABILITY AND INTEGRITY	69	0
3	PRODUCTS AND OUTLETS	33	0
4	CONSUMER PROTECTION	74	+17
5	INFRASTRUCTURE	72	0

Côte d'Ivoire

How did the country's financial authorities respond to the COVID-19 crisis?
In March the Central Bank of West African States (BCEAO), the regional central bank for the West African Economic and Monetary Union (WAEMU), adopted measures to support banks by organising a liquidity injection. Cote d'Ivoire had received over XOF500bn (US$900m) through this instrument by the end of August, equivalent to over 1.5% of GDP. The WAEMU authorities also extended the ongoing transition to Basel II/III prudential requirements for banks by one year. In April the BCEAO adopted new regulations permitting banks to postpone loan repayments for customers for three months (renewable once) and established a mechanism for reporting on such loans, which could then not be classified as non-performing. In late April similar regulations were adopted for MFIs. In the same month the BCEAO adopted measures to promote the use of digital payment methods, including removing transaction fees on national person-to-person funds and simplifying e-money account opening.

Financial inclusion measures
Initially the liquidity facility and regulations that permitted banks to postpone loans did not cover MFIs. However, in late April a regulation expanded both these measures to MFIs. The Ivoirian government commenced a cash transfer programme targeting the most vulnerable households in April, providing XOF25,000 (US$45) per month for three months to 178,000 households from a fund of XOF13.3bn (US$24m). The Ivoirian government adopted the Wizall Money mobile money service for its cash transfer programme.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 are mainly driven by the adoption of the National Financial Inclusion and incorporation of digital approach and National Financial Education programme in February 2020.

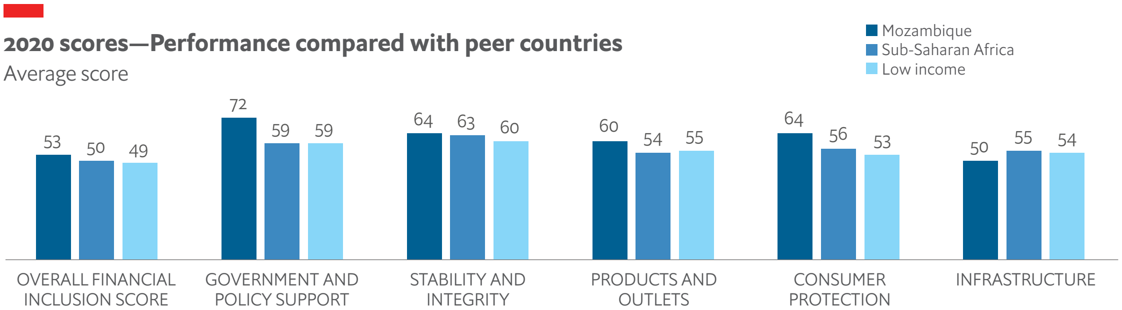
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**53**	**+13**
1	GOVERNMENT AND POLICY SUPPORT	67	+39
2	STABILITY AND INTEGRITY	62	+10
3	PRODUCTS AND OUTLETS	48	+6
4	CONSUMER PROTECTION	74	+16
5	INFRASTRUCTURE	59	+5

Mozambique

How did the country's financial authorities respond to the COVID-19 crisis?
The Bank of Mozambique (BdM) announced policies to ease payment system transactions and liquidity conditions through to December 31. It also announced a reduction in charges for digital transactions through commercial banks, mobile banking and e-currency. Additionally, the BdM lowered the reserve requirement for both domestic and foreign currency deposits to ease liquidity conditions, and made available lines of credit of US$500m for commercial banks. The Ministry of Finance approved various tax and customs measures that are available through to the end of 2020. These include authorisation of early exit for the import of COVID-19 prevention and treatment products, deferment of income tax measures and approval to offset VAT measures against other taxes due.

Financial inclusion measures
In partnership with the United Nations Children's Fund, Mozambique plans to provide 200,000 households with emergency cash transfers for basic needs by December 31 2020. It appears that the cash transfers are being distributed through digital payments and mobile wallets, using mobile networks' existing infrastructure in Mozambique. The government has also announced support for MSMEs in the form of cash transfers and subsidies.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in the implementation of Mozambique's national financial inclusion strategy recorded in the World Bank's mid-term review.

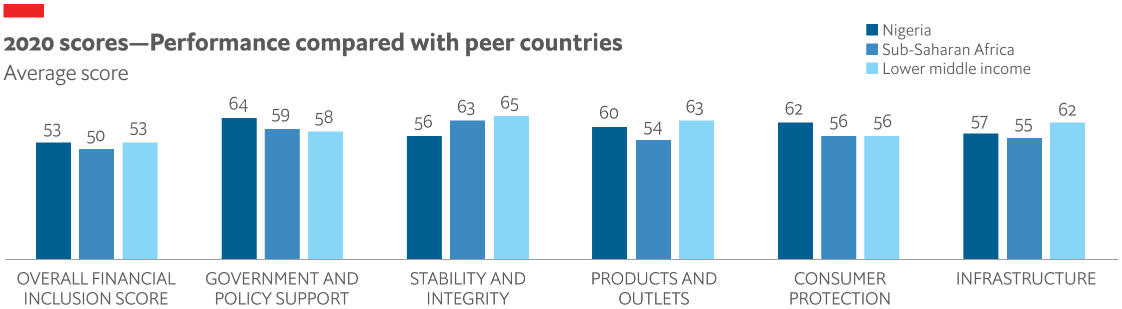
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**53**	**0**
1	GOVERNMENT AND POLICY SUPPORT	72	+3
2	STABILITY AND INTEGRITY	64	0
3	PRODUCTS AND OUTLETS	60	0
4	CONSUMER PROTECTION	64	0
5	INFRASTRUCTURE	50	+2

Nigeria

How did the country's financial authorities respond to the COVID-19 crisis?
The Central Bank of Nigeria (CBN) announced a one-year extension of a moratorium on principal repayments for CBN intervention facilities contracted through both banks and non-banks. The CBN lowered the interest rate from 13.5% to 12.5% and introduced an NGN120bn (US$333m) credit intervention scheme to mitigate the impacts of the pandemic on businesses. MFIs were covered under measures supporting the financial system, including the liquidity injection, the moratorium on repayments under CBN intervention facilities, and permission to restructure the terms of facilities in affected sectors. The CBN also extended a deadline for MFIs to meet new minimum capital requirements (set in 2019) until April 2021. Additionally, the CBN launched non-interest (Islamic) financing interventions to provide access to finance for non-interest financial institutions, with the stated aim of increasing financial inclusion, especially for SMEs and firms engaged in key sectors such as agriculture and textiles.

Financial inclusion measures
In April an existing programme of monthly cash transfers of NGN200,000 (US$52) provided through the National Social Register—which covers 11m of the country's poorest citizens—was expanded to cover 15m people for four months. The transfers were to be provided through bank accounts and were targeted at people with previously verified bank accounts with a balance of less than NGN5,000. However, observers have noted that unbanked citizens may not receive these transfers. Additionally, the CBN's NGN50bn (US$145.7m) Targeted Credit Facility, which offered low-income families and SMEs loans of up to NGN3m, was criticised for requiring proof of capital. While there was a 300% increase in mobile money sign-ups in the second quarter, there is no evidence of measures to support digital financial services.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in Nigeria's strategy to reduce the gender gap including a partnership with the Alliance for Financial Inclusion to develop a national woman's financial inclusion strategy.

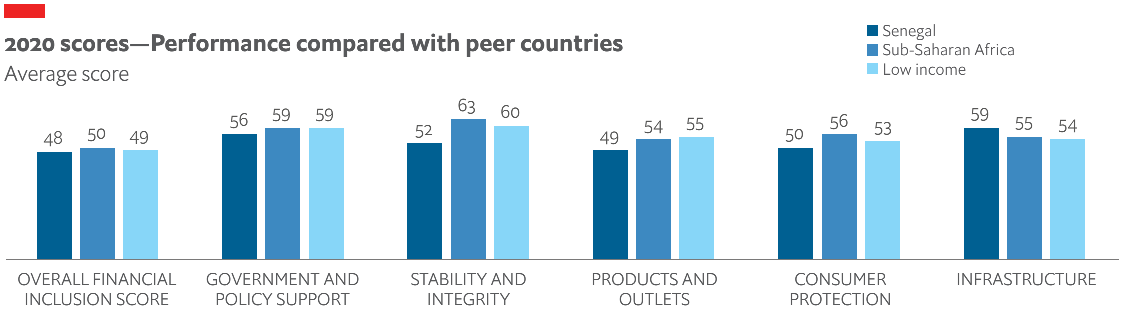
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**53**	**+8**
1	GOVERNMENT AND POLICY SUPPORT	64	+25
2	STABILITY AND INTEGRITY	58	+1
3	PRODUCTS AND OUTLETS	60	+12
4	CONSUMER PROTECTION	62	0
5	INFRASTRUCTURE	57	+5

Senegal

How did the country's financial authorities respond to the COVID-19 crisis?
The Central Bank of West African States (BCEAO) and the West African Economic and Monetary Union (WAEMU) have dictated most of the monetary and macro-financial policy responses to satisfy banks' demand for liquidity in Senegal. The BCEAO has provided a framework for banks and MFIs to postpone client payments for renewable three-month periods without counting towards the non-performing portfolio, and has introduced measures promoting electronic payments. The BCEAO has also issued COVID-19 T-Bills at the country level to address immediate funding needs. The WAEMU has extended the deadline to transition to Basel II/III bank prudential requirements, which leaves the end-2020 capital adequacy ratio requirement unchanged from 2019.

Financial inclusion measures
Senegal has included MFIs in measures to accommodate COVID-19-related repayment postponements, and has focused on expanding infrastructure for and policies to enable electronic payments. Specifically, the BCEAO has enabled free, nationwide transfers of e-money, including for mobile banking; provided fee-less utility bill payments; eliminated e-money commissions; raised ceilings for electronic wallets; and relaxed the conditions for opening e-money accounts, including allowing remote identification.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by revisions to its financial inclusion and literacy strategies.

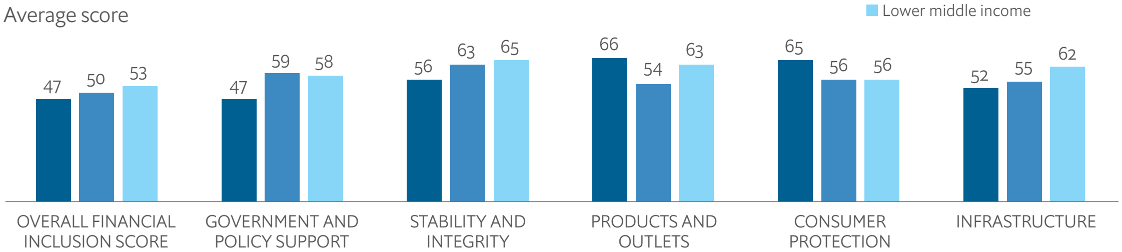
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**48**	**+3**
1	GOVERNMENT AND POLICY SUPPORT	56	+14
2	STABILITY AND INTEGRITY	52	0
3	PRODUCTS AND OUTLETS	49	0
4	CONSUMER PROTECTION	50	0
5	INFRASTRUCTURE	59	+2

Cameroon

How did the country's financial authorities respond to the COVID-19 crisis?
Cameroon is one of the countries most affected by the COVID-19 crisis in the Central African region. The government formulated a three-year response plan that includes five pillars: a medical emergency fund, an economic and financial relief package, the supply of essential services, localised innovative solutions and support for the vulnerable population. The financial relief measures include a moratorium on tax payments and repayment instalments for businesses that are directly affected by the crisis. A set of monetary easing measures was also announced, including a reduction of the policy rate and marginal lending facility rate. In addition, the Central African Banking Commission (COBAC) has allowed banks to use their capital buffers of 2.5% to absorb losses due to the pandemic. The Bank of Central African States' (BEAC) refinance facilities have been extended to banks but there is a lack of support for MFIs, which are directly servicing the vulnerable population.

Financial inclusion measures
On April 15 2020 the BEAC requested that mobile money service providers lower their transaction charges. Other measures to support households include an increase in family allowances and pensions, and the continued payment of family allowances from May to July 2020 for the staff of companies that are unable to pay social security contributions.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 are driven by the delay in the creation of data protection laws to outline the monitoring actions of the Telecommunications Regulatory Agency.

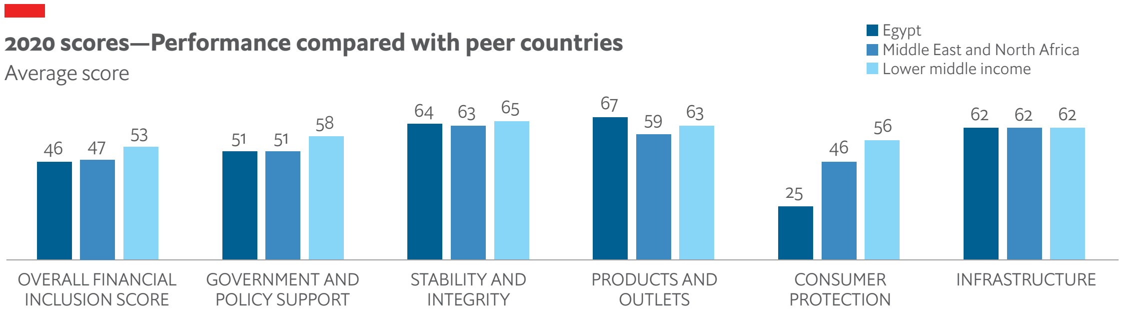
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**47**	**-3**
1	GOVERNMENT AND POLICY SUPPORT	47	0
2	STABILITY AND INTEGRITY	56	-3
3	PRODUCTS AND OUTLETS	66	0
4	CONSUMER PROTECTION	65	-10
5	INFRASTRUCTURE	52	-5

Egypt

How did the country's financial authorities respond to the COVID-19 crisis?
The financial authorities in Egypt introduced a series of measures in response to the COVID-19 crisis, including a lower preferential interest rate for loans to SMEs, industry and tourism; and low-interest loans to pay for consumer goods discounted by 10-25%. The government is also promoting the use of digital payments by increasing mobile phone payment limits and financing banks' purchase and distribution of 100,000 new point-of-sale (POS) machines. The Central Bank of Egypt (CBE) will give incentives to banks that promote POS payments, with a bonus equivalent to 0.5% of the value of total transactions processed via their POS for three months. The CBE has also promoted the use of QR codes through a series of financial incentives.

Financial inclusion measures
The Financial Regulatory Authority advised micro-lenders to consider (on a case-by-case basis) delays to repaying up to 50% of the value of monthly instalments for struggling clients. Regulations issued in 2019 that require banks to obtain detailed information about borrowers have also been relaxed. The government will support MSMEs in industrial and labour-intensive sectors through short-term loans (up to a year). Coverage under the conditional cash transfer programmes known as Takaful and Karama (Solidarity and Dignity) has expanded, and the government has introduced new programmes to provide cash transfers to irregular workers who have been affected by the crisis, and to distribute medical and sanitation kits to villages. Egypt Post, the agency responsible for the national postal service, has signed a co-operation pact with microfinance provider Tamweely, with the aim of facilitating applications for small and micro loans through post offices nationwide.

2020 scores—Performance compared with peer countries
Average score

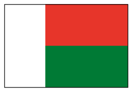


Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in the implementation of gender sensitive financial inclusion policies and reporting of financial inclusion data.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**46**	**-1**
1	GOVERNMENT AND POLICY SUPPORT	51	+11
2	STABILITY AND INTEGRITY	64	0
3	PRODUCTS AND OUTLETS	67	-10
4	CONSUMER PROTECTION	25	0
5	INFRASTRUCTURE	62	+1

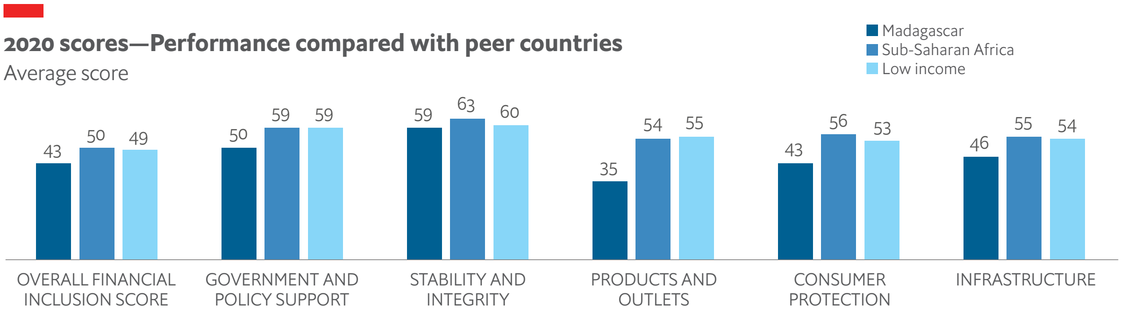
Madagascar



How did the country's financial authorities respond to the COVID-19 crisis?
Madagascar's central bank (BFM) announced liquidity injections of MGA442bn (US$114m) to commercial banks, provided for contracting additional loans to MSMEs. Banks were also permitted to offer loan restructuring to clients whose loans became non-performing, and to deduct the total of these restructured loans from their mandatory deposit limits. The refinancing facility offered by the BFM originally did not cover MFIs, but from late May MFIs were included under the facility and could benefit from a reduced interest rate on liquidity operations. However, MFIs were not included under the loan restructuring authorisation that permitted banks to reduce mandatory deposit limits. The financial sector regulator issued a new regulation on opening "special" e-money accounts, expanding the list of documents that are acceptable for identification purposes (although from November such accounts will need to be formalised using standard identity documents, or be limited to daily and monthly transaction limits). This regulation was likely related to the digital government payments introduced in April to transfer the salaries of teachers, civil servants and clergy, as well as student stipends, through Paositra Money, the post office e-money service.

Financial inclusion measures
In April 2020 the government announced Tosika Fameno, a programme of unconditional cash transfers providing MGA100,000 (US$26) for one month to 189,000 households that were most affected by the pandemic's economic effects, or were otherwise vulnerable, in the capital Antananarivo and two other urban centres with the highest COVID-19 infection rates. The Tosika Fameno was made accessible through Paositra Money, mobile banking cash points or Western Union.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the introduction of new credit risk norms and reporting requirements for microfinance institutions and e-money issuers.

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**43**	**+1**
1	GOVERNMENT AND POLICY SUPPORT	50	-6
2	STABILITY AND INTEGRITY	59	-2
3	PRODUCTS AND OUTLETS	35	+5
4	CONSUMER PROTECTION	43	-2
5	INFRASTRUCTURE	46	+2

Tunisia

How did the country's financial authorities respond to the COVID-19 crisis?

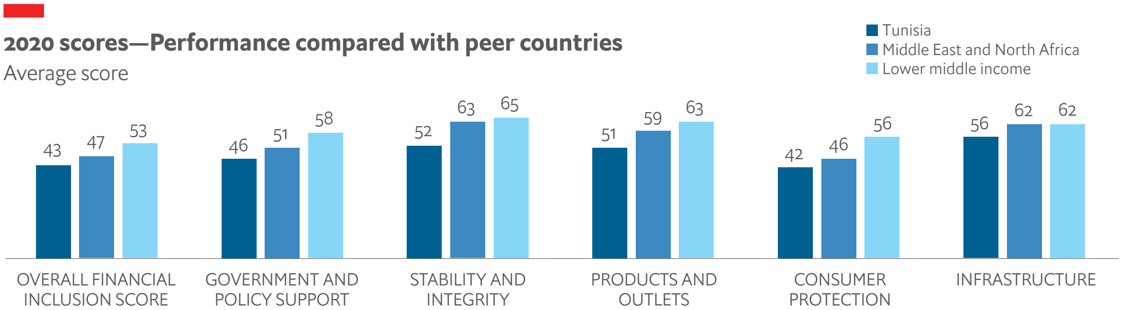
The government announced a TD2.5bn (US$924m) package to address the impact of the COVID-19 pandemic on the Tunisian economy. This included TD300m to support unemployed workers, TD150m to support poor and vulnerable families directly affected by the crisis, and TD700m for three new investment funds. It also included TD500m of credit guarantees—managed by the Tunisian Guarantee Company and initially using TD100m made available from the National Guarantee Fund—for new loans made by banks to businesses affected by COVID-19. Loans must be to Tunisian businesses and must have a repayment period of under seven years and a repayment-free period of under two years. In addition, the Central Bank of Tunisia requires financial institutions to grant delays to commercial and professional bank loan repayments until September 30 2020, if a formal request is made by a customer. This does not affect interest accumulation. MFIs are not covered by this measure.

Financial inclusion measures

Approximately TD150m (US$55m) was provided to support vulnerable families affected by the crisis, and US$111m was provided to support workers who had been made unemployed. These amounts are relatively small given the impact of the crisis, including a jump in the unemployment rate of over six percentage points. Support to vulnerable families is being provided via direct cash transfers through postal orders. Measures appear to be tied to the government's new e-money platform, enabling recipients to access funds via their mobiles. Support to workers who have been made unemployed includes a six-month bank loan repayment holiday for those earning under TD1,000 per month and maintenance of healthcare coverage. While some MFIs voluntarily opted to allow repayment holidays, these are not underpinned by any overarching government programme.

2020 scores—Performance compared with peer countries

Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the introduction of a new anti-money laundering (AML) law which led to its removal from the FATF list of countries with AML deficiencies

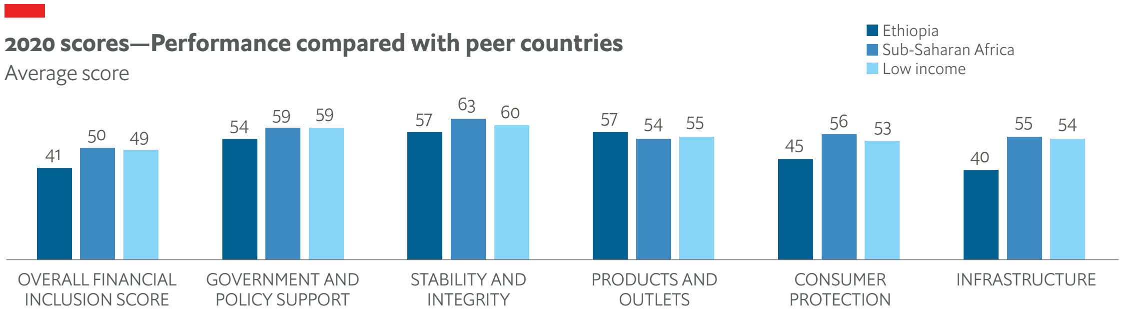
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**43**	**+6**
1	GOVERNMENT AND POLICY SUPPORT	46	+19
2	STABILITY AND INTEGRITY	52	+15
3	PRODUCTS AND OUTLETS	51	0
4	CONSUMER PROTECTION	42	0
5	INFRASTRUCTURE	56	-1

Ethiopia

How did the country's financial authorities respond to the COVID-19 crisis?
This year the central bank approved the provision of 15bn birr (0.45% of GDP) of additional liquidity to private banks to facilitate debt restructuring and prevent bankruptcies. On May 19 2020 the National Bank of Ethiopia (NBE) put a limit on cash withdrawals and limited individuals' daily and monthly transactions to 100,000 birr and 1m birr, respectively. Individuals and organisations that need larger amounts of cash for a transaction or other purposes can make payments from account to account, or using a cheque or customer payment order (CPO), according to the bank. The government has also started to build a pathway to digitisation—a key strategy that is currently examining economic drivers, strategic sectors and national objectives to identify the most relevant pathways for pursuing digital growth.

Financial inclusion measures
There is no evidence of liquidity facilities that cover MFIs and non-bank financial institutions, nor is there any evidence of cash transfers that cover the unbanked. While large digital infrastructure gaps currently exist, in June 2020 Prime Minister Abiy Ahmed and his ministers approved Digital Ethiopia 2025, the new national digital transformation strategy. Its overarching goal is to create an inclusive digital economy, with a heavy focus on areas that were not properly connected to financial services in the past, such as agriculture.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by improvements in the implementation of gender sensitive financial inclusion policies and reporting of financial inclusion data.

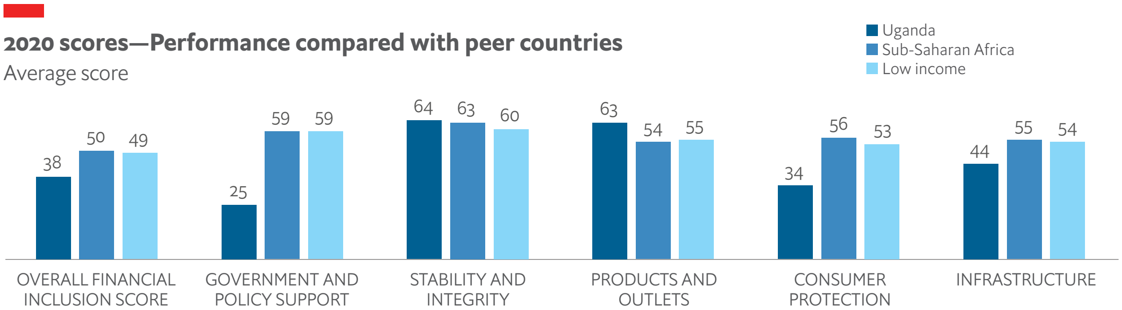
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**41**	**+2**
1	GOVERNMENT AND POLICY SUPPORT	54	0
2	STABILITY AND INTEGRITY	57	+6
3	PRODUCTS AND OUTLETS	57	+3
4	CONSUMER PROTECTION	45	-2
5	INFRASTRUCTURE	40	+6

Uganda

How did the country's financial authorities respond to the COVID-19 crisis?
The government has introduced two supplementary budgets that increased the spending envelope for critical sectors and vulnerable groups by about $370m. These funds have offered support to the agricultural sector, SMEs and vulnerable communities in urban areas. In June the World Bank approved the provision of $300m to support Uganda's COVID-19 Economic Crisis and Recovery Development Policy. That followed $491.5m of financing from the IMF in May under the rapid credit facility, which was provided to support macroeconomic stability, expenditures in the health sector, and vulnerable populations whose livelihoods have been deeply affected by the country's stringent lockdown requirements.

Financial inclusion measures
The government's crisis response measures have been inclusive, in that efforts have been made to support vulnerable populations affected by lockdown restrictions. However, implementation of these efforts has been marred by accusations that the process has been politicised, with elections scheduled for early 2021. Leading providers reduced or removed some mobile money charges, but these measures have since been reversed despite Uganda's growing COVID-19 caseload.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the review and approval of inclusive insurance regulation which led to the issuance of a new micro-insurance license in 2020.

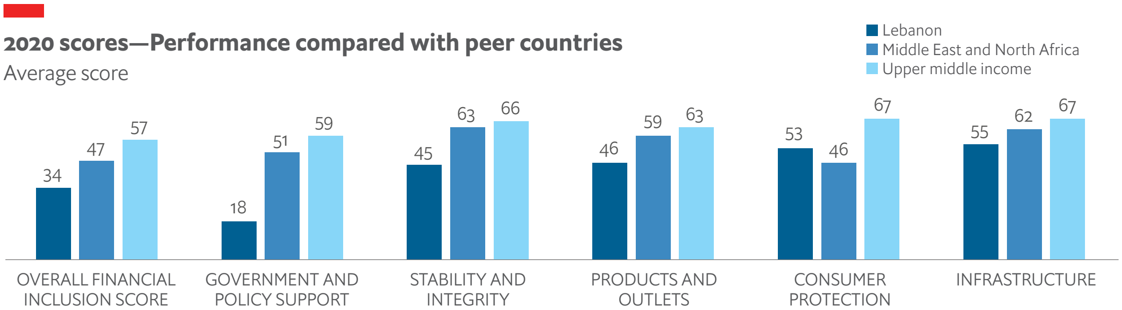
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**38**	**+1**
1	GOVERNMENT AND POLICY SUPPORT	25	-5
2	STABILITY AND INTEGRITY	64	-5
3	PRODUCTS AND OUTLETS	63	+13
4	CONSUMER PROTECTION	34	0
5	INFRASTRUCTURE	44	+4

Lebanon

How did the country's financial authorities respond to the COVID-19 crisis?
The Banque Du Liban (BDL) issued circular 547 facilitating operations for businesses and the private sector as a whole. The circular allowed businesses to borrow money through five-year, 0% interest rate loans in Lebanese pounds and US dollars to meet their obligations, pay their operating expenses or pay the salaries of their employees during March, April and May 2020. The BDL will provide banks and financial institutions five-year, 0% interest rate credit lines in dollars equivalent to the value of exceptional loans granted.

Financial inclusion measures
The Ministry of Finance approved the extension of deadlines related to the payment of all taxes. The Ministry of Social Affairs also started to implement a plan to distribute cash assistance to families affected economically and financially as a result of the COVID-19 pandemic. However, political disputes about how to identify households in need stalled distribution (while inflation continued to increase), and there is no evidence to date that the programme has been implemented.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by the ineffectiveness of the Banking Control Commission in guaranteeing consumer protection in the midst of the country's financial crisis. As a result, consumers do not have free access to their deposits or shares.

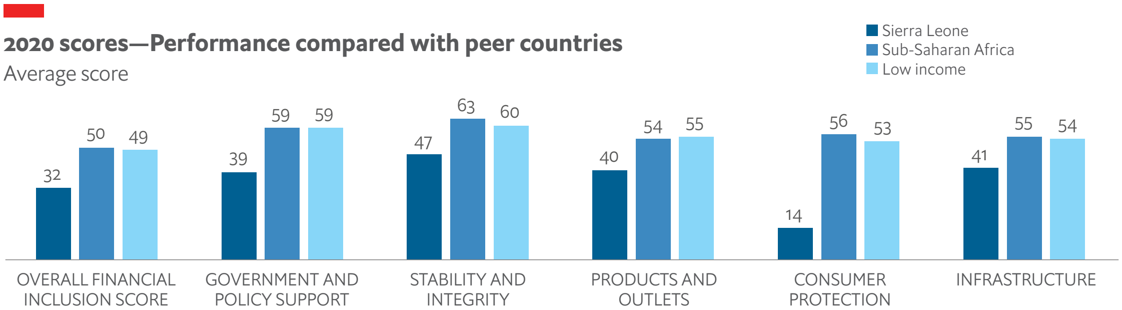
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**34**	**-5**
1	GOVERNMENT AND POLICY SUPPORT	18	-8
2	STABILITY AND INTEGRITY	45	+4
3	PRODUCTS AND OUTLETS	46	0
4	CONSUMER PROTECTION	53	-14
5	INFRASTRUCTURE	55	-7

Sierra Leone

How did the country's financial authorities respond to the COVID-19 crisis?
The government's fiscal response to the COVID-19 crisis has focused on addressing critical health needs and socio-economic impacts. In May 2020 the government published its COVID-19 economic risks and impact assessment report, which identified a US$309m budget shortfall. The IMF subsequently approved a loan of US$143m in June under the rapid credit facility to help Sierra Leone meet the urgent balance of payments and fiscal needs stemming from the pandemic.

Financial inclusion measures
The crisis response measures offered by the Government of Sierra Leone have primarily focused on budget support. Little has been done to support individuals operating in the informal economy and on the margins of society, who account for the bulk of the population. Efforts to provide incentives for health workers were introduced, but implementation remains a challenge. The National Innovation and Digital Strategy (2019-2029) aims to have integrated and interoperable e-government solutions in place by 2025. The Directorate of Science, Technology and Innovation remains a key driver of financial inclusion efforts, including the roll-out of a digital identification system (which was planned to be completed in 2020) using blockchain technology. The system is expected to help about 20% of financially excluded adults to access financial services.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were driven by new the Agent Banking Guidelines that allow a wide range of actors to serve as financial outlets.

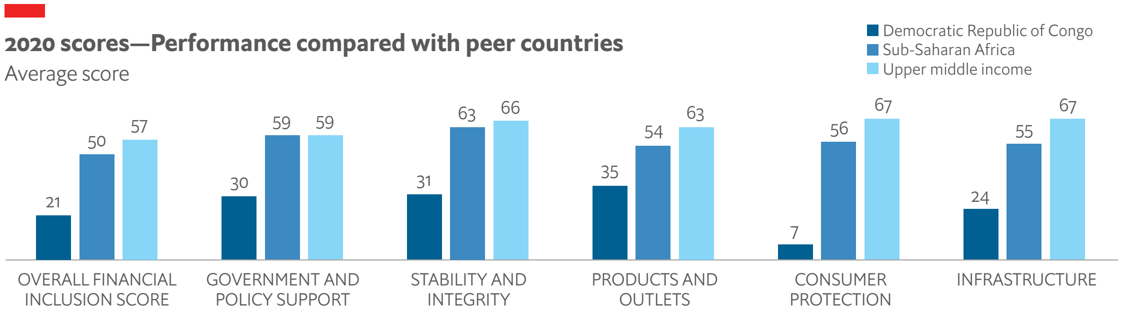
		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**32**	**+5**
1	GOVERNMENT AND POLICY SUPPORT	39	0
2	STABILITY AND INTEGRITY	47	0
3	PRODUCTS AND OUTLETS	40	+17
4	CONSUMER PROTECTION	14	+7
5	INFRASTRUCTURE	41	+5

Democratic Republic of Congo (DRC)

How did the country's financial authorities respond to the COVID-19 crisis?
In March 2020 the Banque Centrale du Congo (BCC), the central bank of the Democratic Republic of the Congo (DRC), issued a communiqué detailing its response to the COVID-19 pandemic. Measures included providing liquidity to banks, lowering interest rates on credit from 9.0% to 7.5%, providing refinancing opportunities for financial institutions, suspending any increase in the minimum capital requirements for banks until January 2022 and freezing rules to allow banks to suspend the application of late fees.

Financial inclusion measures
In its March 2020 communiqué outlining measures taken in response to the COVID-19 pandemic, the BCC included guidance on promoting mobile money in order to reduce the use of handled cash. The bank also pledged to support increased interoperability and included non-bank financial institutions in this pledge.

2020 scores—Performance compared with peer countries
Average score



Source: The Economist Intelligence Unit, 2020

Changes since 2019 were mainly driven by provisions to protect credit users from over-indebtedness

		2020 score	Change since 2019
OVERALL FINANCIAL INCLUSION SCORE		**21**	**+1**
1	GOVERNMENT AND POLICY SUPPORT	30	0
2	STABILITY AND INTEGRITY	31	-10
3	PRODUCTS AND OUTLETS	35	+10
4	CONSUMER PROTECTION	7	0
5	INFRASTRUCTURE	24	+3

Methodology and overall rankings

The Global Microscope is a benchmarking tool created in 2007 to evaluate the enabling environment for financial inclusion in countries across the globe. The 13th iteration of the study is sponsored by the Bill & Melinda Gates Foundation, IDB Lab and IDB Invest members of the Inter-American Development Bank, and the Center for Financial Inclusion at Accion.

In 2018 the Global Microscope framework was completely redesigned to reflect changes in the field of financial inclusion following the emergence of digital financial services. The 2018 framework evaluates how policy, regulation and infrastructure enable the provision of financial services to low- and middle-income populations. The framework looks at a broad suite of financial services, including deposits, savings, credit, insurance and remittances. In 2019 we added 11 new indicators to document policy and regulatory approaches to financial inclusion (e.g. national strategies), as well as factors that enable women to take advantage of new channels into the financial system.

Dimensions

The index contains 20 indicators and 71 questions organised into five categories:

1) Government and Policy Support: This category assesses the degree of co-ordination and the incentives that governments are putting in place to create favourable environments for financial inclusion.

2) Stability and Integrity: This category assesses the regulation, supervision and monitoring of financial service providers that serve low- and middle-income populations. The evaluation of this category incorporates a risk-based approach to balance financial inclusion goals with financial stability and integrity goals.

3) Products and Outlets: This category assesses the regulation of a selection of products and outlets that focus on and/or reach low- and middle-income populations.

4) Consumer Protection: This category assesses consumer protection and privacy regulation and enforcement.

5) Infrastructure: This category assesses the infrastructure that facilitates financial inclusion, as well as the policy and regulatory actions that governments can take to improve these types of infrastructure.

Regional representation

Like previous iterations of the Microscope, beginning in 2011, the 2020 Microscope covers 55 countries. In 2018 The Economist Intelligence Unit (The EIU) selected a revised set of countries for inclusion in the Microscope to reflect a varied combination of emerging markets, and to incorporate countries that have had interesting or unexpected financial inclusion outcomes. Chad is the only country from last year's edition that was excluded from the 2020 Global Microscope. Cote d'Ivoire was included in this year's Microscope for the first time.

Scoring criteria

The scoring criteria (see Appendix 1) are detailed but subjective in nature. The EIU research team reviewed each response thoroughly, calibrated scores and conducted cross-country comparisons in order to ensure that scores were properly justified and consistent across countries. Consequently, scores are best understood by reading both the scoring criteria and the written justifications provided for each indicator, which can be found in the accompanying Excel model (available at https://www.eiu.com/n/campaigns/microscope2020).

Estimating missing data points

Some of the sources used to score the 23 quantitative indicators did not cover the same countries as the 2019 Microscope and had data limitations as a result. The EIU conducted primary and secondary research to score the countries where data was missing.

For countries with data gaps in the Global Findex, we assumed missing values were equal to zero. This was based on primary and secondary research that revealed that these countries had no initiatives to digitise payments, or had very recent initiatives that would result in a low percentage of digitised payments.

For countries with gaps in the World Bank Global Payment Systems database on the number of POS terminals per 10,000 people, an estimation method was used to produce scores. This method used averages based on income groups (following the World Bank's classification) for Cameroon, El Salvador, Nicaragua, Haiti, Madagascar, Nepal, Senegal, Sierra Leone, Panamá, Ecuador, Guatemala, Ghana and Kenya. In the case of Venezuela, the score was based on secondary research.

Data for Sierra Leone was not available in the ITU's World Telecommunications/ICT Indicators database. The score for Sierra Leone was produced using an estimate based on a regional average for Sub-Saharan Africa from GSM Intelligence.

Normalisation and weights

Once the raw scores were assigned, each score was normalised to a 0-100 range and then aggregated across indicators. Normalisation rebased the raw indicator data to a common unit to make it comparable. The data in the Microscope was already in a fixed range (for example, 0-100, 0-4), so it was transformed using the minimum/maximum of the fixed range. For example, if the indicator was in a 0-100 range, a raw data value of 0 gave a score of 0, and a raw data value of 100 gave a score of 100. If the indicator was in a 0-4 range, a raw data value of 0 gave a score of 0, and a raw data value of 4 gave a score of 100.

For the purpose of this research, we assigned equal weights to each of the categories in the index. This approach reflects the lack of consensus regarding the relative importance of each category for enabling financial inclusion. Different countries may have different challenges and priorities. For this reason, the user is able to customise the weights in the Excel model, available here: https://www.eiu.com/n/campaigns/microscope2020.

Adjustment factor

As in previous editions, overall scores in the 2020 Global Microscope have been adjusted to reflect a country's political environment. Political risk can be an important barrier to the provision of affordable and quality financial services. The study uses The EIU's Risk Briefing research to score the extent to which political institutions are sufficiently stable to support the needs of businesses and investors. If the country had a perfect score for political stability, no reduction was applied. For a country with the worst possible political stability score, the overall score was reduced by 25%.

Overall Ranking

Rank / 55	Δ	Country	2018	2019	2020	Δ
1	↔	Colombia	78	82	82	0
1	▲ 1	Peru	76	81	82	1
3	↔	Uruguay	73	78	78	0
4	▲ 2	Argentina	63	70	74	4
4	↔	Mexico	68	74	74	0
6	▼ 1	India	71	71	73	2
6	▲ 8	Tanzania	58	62	73	11
8	▲ 1	Brazil	66	68	71	3
8	▼ 1	Philippines	70	69	71	2
10	▼ 3	Indonesia	66	69	68	-1
10	▲ 1	Rwanda	58	65	68	3
12	▼ 2	Chile	65	66	66	0
13	▼ 1	China	60	64	64	0
13	▼ 1	South Africa	62	64	64	0
15	▲ 6	Thailand	54	56	63	7
16	▲ 2	Costa Rica	51	57	62	5
17	▼ 2	El Salvador	55	61	61	0
18	▼ 3	Paraguay	58	61	60	-1
18	↔	Russia	51	57	60	3
20	▲ 8	Ghana	52	52	59	7
21	▼ 4	Bolivia	58	59	58	-1
21	▼ 3	Pakistan	51	57	58	1
23	↔	Morocco	50	54	57	3
24	▲ 9	Jamaica	53	48	56	8
24	▲ 4	Jordan	49	52	56	4
26	▼ 4	Honduras	56	55	55	0
26	▲ 4	Kenya	50	51	55	4
26	▼ 2	Panama	57	53	55	2
29	▼ 5	Ecuador	52	53	54	1
30	▲ 14	Côte d'Ivoire	40	40	53	13
30	▼ 6	Dominican Republic	44	53	53	0
30	▼ 6	Mozambique	51	53	53	0
30	▲ 6	Nigeria	52	45	53	8
34	▼ 3	Trinidad and Tobago	50	50	50	0
35	▲ 1	Sri Lanka	45	45	49	4
36	↔	Senegal	46	45	48	3
37	▼ 6	Cameroon	44	50	47	-3
37	▼ 4	Turkey	46	48	47	-1
39	▼ 4	Egypt	44	47	46	-1
40	▼ 4	Nepal	39	45	45	0
41	▲ 1	Madagascar	35	42	43	1
41	▼ 1	Nicaragua	45	44	43	-1
41	▲ 6	Tunisia	38	37	43	6
44	▼ 1	Bangladesh	41	41	42	1
44	▼ 3	Vietnam	39	43	42	-1
46	▼ 1	Ethiopia	38	39	41	2
47	▲ 3	Cambodia	37	36	40	4
48	▼ 1	Guatemala	34	37	39	2
49	▼ 2	Uganda	36	37	38	1
50	▲ 2	Myanmar	31	34	36	2
51	↔	Haiti	35	35	35	0
52	▼ 7	Lebanon	32	39	34	-5
53	↔	Venezuela	35	32	33	1
54	↔	Sierra Leone	23	27	32	5
55	↔	DRC	20	20	21	1

Appendix 1: Detailed scoring guidelines

	Sub-indicator name	Question 2020	Source	Scoring guidelines
1.1.1	Intra-governmental co-operation, strategy and implementation	Is there evidence of co-ordination and active implementation between government agencies to promote financial inclusion? Does it include a digital transformation approach?	EIU	0 = There is no evidence of co-ordination between government agencies 1 = There is either a strategy or a working committee that promotes financial inclusion but no evidence of implementation or a digital approach 2 = There is either a strategy or a working committee that promotes financial inclusion and evidence of implementation but no digital approach 3 = There is either a strategy or a working committee that promotes financial inclusion with a digital approach and there is tangible evidence of the strategy's implementation
1.1.2	Data collection	Does the government regularly collect and publish comprehensive data about financial services for low-income populations? Is the data disaggregated by gender?	EIU	0 = The government does not collect comprehensive data about financial services for low-income populations or collects data but does not publish it 1 = The government collects and publishes data about financial services for low-income populations but it is not comprehensive or it is not published regularly 2 = The government regularly collects and publishes data about financial services for low-income populations that is comprehensive but it is not disaggregated by gender 3 = The government regularly collects and publishes comprehensive data about financial services for low-income populations that is disaggregated by gender
1.1.3	Intra-governmental cooperation, strategy and implementation	Does the national strategy include a gender approach?	EIU	0 = There is no evidence of a financial inclusion strategy or no evidence of a gender approach in the existing financial inclusion strategy 1 = There is evidence of a gender approach in the existing financial inclusion strategy
1.1.4	Target agent network	Does the government strategy include a target on the size of agent networks?	EIU	0 = There is no evidence of a financial inclusion strategy or no evidence of a target to expand agent networks 1 = There is evidence of a target for expanding agent networks
1.2.1	Financial literacy	Is there evidence of a government strategy or government programmes to promote financial literacy and/or strengthen capabilities? Does it include a gender approach?	EIU	0 = There is no evidence of a government strategy or programmes to promote financial literacy and capabilities 1 = There is a government strategy to promote financial literacy but no evidence of implementation 2 = There is a government strategy to promote financial literacy and it is being implemented 3 = There is a government strategy to promote financial literacy, it is being implemented and it has a gender approach

	Sub-indicator name	Question 2020	Source	Scoring guidelines
1.2.2	Digital literacy and strengthening capabilities	Is there evidence of a government strategy or programme to promote digital literacy and/or strengthening capabilities? Does it include a gender approach?	EIU	0 = There is no evidence of a government strategy or programmes to promote digital literacy and capabilities 1 = There is a government strategy to promote digital literacy but no evidence of implementation 2 = There is a government strategy to promote digital literacy and it is being implemented 3 = There is a government strategy to promote digital literacy, it is being implemented and it has a gender approach
1.3.1	Government payments (G2P and P2G)	Does the government have an initiative to digitise government payments? Are digital accounts fully mandated or is digitisation limited to some areas?	EIU	0 = The government does not have an initiative, strategy, committee or action plan to digitise payments 1 = The government has an initiative, strategy, committee or action plan to digitise payments
1.3.1	Government payments (G2P and P2G)	What percentage of government to person (G2P) recipients received these payments into a financial institution account, into a card, or into a mobile money account?	World Bank Global Findex 2017	
1.3.1	Government payments (G2P and P2G)	Does the government have an online portal for digital P2G or B2G tax payments and payments for other government services?	EIU	0 = The government does not have online portals to allow users to make tax payments and payments for other government services digitally 1 = The government has online portals to allow users to make some tax payments or payments for other government services digitally but not all 2 = The government has online portals to allow users to make all government payments digitally
1.3.2	Fostering innovation	Has the government mandated and created formal spaces for financial innovation (for example a sandbox, office hours with regulators, test and learn financial regulation)	EIU	0 = There are no formal spaces or mechanisms for financial innovation 1 = There are formal spaces or mechanisms for financial innovation
2.1.1	Market entry restrictions for banks	Do banks face disproportionate restrictions in the following areas that affect the entrance of new providers who serve low- and middle-income customers? 1. Funding or ownership of domestic and/or foreign institutions that perform financial services 2. Licencing requirements 3. Initial capital requirements 4. Initial operational requirements such as number of branches, location, entry fee, and/or data housing if relevant	EIU	0 = Banks face disproportionate restrictions in all of these areas 1 = Banks face disproportionate restrictions in three of these areas 2 = Banks face disproportionate restrictions in two of these areas 3 = Banks face disproportionate restrictions in one of these areas 4 = Banks do not face disproportionate restrictions in any of these areas

	Sub-indicator name	Question 2020	Source	Scoring guidelines
2.1.2	Market entry restrictions for non-bank financial institutions	Do non-bank financial institutions face disproportionate restrictions in the following areas that affect the entrance of new providers who serve low- and middle-income customers? 1. Funding or ownership of domestic and/or foreign institutions that perform financial services 2. Licencing requirements 3. Initial capital requirements 4. Initial operational requirements such as number of branches, location, entry fee, and/or data housing if relevant	EIU	0 = Non-bank financial institutions face disproportionate restrictions in all of these areas 1 = Non-bank financial institutions face disproportionate restrictions in three of these areas 2 = Non-bank financial institutions face disproportionate restrictions in two of these areas 3 = Non-bank financial institutions face disproportionate restrictions in one of these areas 4 = Non-bank financial institutions do not face disproportionate restrictions in any of these areas
2.1.3	Market entry restrictions for e-money issuers	Do e-money issuers face disproportionate restrictions in the following areas that affect the entrance of new providers who serve low- and middle-income customers? 1. No legal recognition 2. Restrictions on the range of actors who can act as e-money issuers (e.g. only banking institutions) 3. Further restrictions: a. Funding or ownership of domestic and/or foreign institutions that perform financial services b. Licencing requirements c. Initial capital requirements d. Initial operational requirements such as number of branches, location, entry fee, and/or data housing if relevant	EIU	0 = There is no legal recognition of e-money and there is no evidence of e-money issuers operating legally 1 = There is legal recognition of e-money but banks are the only actors allowed to issue e-money 2 = There is legal recognition of e-money and a variety of actors are allowed to issue money, but there are disproportionate requirements in all of the areas described in further restrictions 3 = There is legal recognition of e-money and a variety of actors are allowed to issue money, but there are disproportionate requirements in three of the areas described in further restrictions 4 = There is legal recognition of e-money and a variety of actors are allowed to issue money, but there are disproportionate requirements in two of the areas described in further restrictions 5 = There is legal recognition of e-money and a variety of actors are allowed to issue money, but there are disproportionate requirements in one of the areas described in further restrictions 6 = There is legal recognition of e-money and a variety of actors are allowed to issue money, and there are no disproportionate requirements in any of the areas described in further restrictions

	Sub-indicator name	Question 2020	Source	Scoring guidelines
2.1.4	Market entry restrictions for cross-border payment providers	Do cross-border payment providers face disproportionate restrictions in the following areas that affect the entrance of new providers who serve low- and middle-income customers? 1. Overall licencing framework for cross-border payments (here the important question is whether non-banks can get licences for cross-border payments) 2. Funding or ownership of domestic and/or foreign institutions that perform financial services	EIU	0 = Cross-border payment providers face disproportionate restrictions in all of these areas 1 = Cross-border payment providers face disproportionate restrictions in one of these areas 2 = Cross-border payment providers do not face disproportionate restrictions in these areas
2.2.1	Ongoing requirements for banks	Do banks face disproportionate requirements in the following areas that hinder the operation of providers who serve low- and middle-income customers? 1. Market-distorting pricing controls 2. Taxation of operations 3. Ongoing capital requirements 4. Ongoing operational requirements such as number of branches, location, entry fee, and/or data housing if relevant	EIU	0 = Banks face disproportionate restrictions in all of these areas 1 = Banks face disproportionate restrictions in three of these areas 2 = Banks face disproportionate restrictions in two of these areas 3 = Banks face disproportionate restrictions in one of these areas 4 = Banks do not face disproportionate restrictions in any of these areas
2.2.2	Ongoing requirements for non-bank financial institutions	Do non-bank financial institutions serving low- and middle-income customers face disproportionate requirements in the following areas? 1. Market-distorting pricing controls 2. Taxation of operations 3. Ongoing capital requirements 4. Initial operational requirements such as number of branches, location, entry fee, and/or data housing if relevant	EIU	0 = Non-bank financial institutions face disproportionate restrictions in all of these areas 1 = Non-bank financial institutions face disproportionate restrictions in three of these areas 2 = Non-bank financial institutions face disproportionate restrictions in two of these areas 3 = Non-bank financial institutions face disproportionate restrictions in one of these areas 4 = Non-bank financial institutions do not face disproportionate restrictions in any of these areas

	Sub-indicator name	Question 2020	Source	Scoring guidelines
2.2.3	Ongoing requirements for e-money issuers	Do e-money issuers face disproportionate requirements in the following areas? 1. Market-distorting pricing controls 2. Taxation of operations 3. Ongoing capital requirements 4. Ongoing operational requirements such as number of branches, location, entry fee, and/or data housing if relevant	EIU	0 = E-money issuers are not legally recognised or face disproportionate restrictions in all of these areas 1 = E-money issuers face disproportionate restrictions in three of these areas 2 = E-money issuers face disproportionate restrictions in two of these areas 3 = E-money issuers face disproportionate restrictions in one of these areas 4 = E-money issuers do not face disproportionate restrictions in any of these areas
2.2.4	Ongoing requirements on cross-border payment providers	Do cross-border payment providers face disproportionate requirements in the following areas? 1. Restrictions on the vehicles to receive remittances (e.g. can they be delivered to local e-money or mobile money accounts, basic accounts, savings accounts?) 2. Market-distorting pricing controls 3.Taxation of operations	EIU	0 = Cross-border payment providers face disproportionate restrictions in all of these areas 1 = Cross-border payment providers face disproportionate restrictions in two of these areas 2 = Cross-border payment providers face disproportionate restrictions in one of these areas 3 = Cross-border payment providers do not face disproportionate restrictions in any of these areas
2.3.1	Risk-based AML/ CFT framework	Does the country have an anti-money laundering/ combating the financing of terrorism legal framework harmonised with FATF guidelines? Does it adopt the risk-based approach?	EIU	0 = AML/CFT framework is not harmonised with FATF guidelines 1 = AML/CFT framework is harmonised with FATF guidelines or has a risk-based approach 2 = AML/CFT framework is harmonised with FATF and it has a risk-based approach.
2.3.2	Customer due diligence requirements	Are either banks, non-bank financial institutions serving low- and middle-income customers, e-money issuers and/or cross-border payment providers disproportionately constrained by customer due diligence requirements?	EIU	0 = Customer due diligence requirements are unduly constraining the market for providers serving low- and middle-income customers 1 = Customer due diligence requirements are unduly constraining the market for some providers serving low- and middle-income customers 2 = Customer due diligence requirements are not unduly constraining the market for providers serving low- and middle-income customers
2.4.1	Political independence of financial regulation	Is financial regulation heavily swayed by political dynamics?	EIU	0 = Financial regulation is often swayed by political dynamics 1 = Financial regulation is sometimes swayed by political dynamics 2 = Financial regulation is independent from political dynamics
2.4.2	Technical capacity to supervise financial services that facilitate financial inclusion	Is there a dedicated unit or dedicated technical experts in the regulatory agency and/or central bank to supervise non-bank financial institutions like MFIs?	EIU	0 = There is no evidence of a unit or dedicated technical experts to supervise non-bank financial institutions 1 = There are dedicated technical experts with sufficient capacity to supervise non-bank financial institutions 2 = There are dedicated technical experts with advanced capacity to supervise non-bank financial institutions

	Sub-indicator name	Question 2020	Source	Scoring guidelines
2.4.3	Technical capacity to supervise financial services that facilitate financial inclusion	Is there a dedicated unit or dedicated technical experts in the regulatory agency and/or central bank to supervise digital financial services?	EIU	0 = There is no evidence of a unit or dedicated technical experts to supervise digital financial services 1 = There are dedicated technical experts with sufficient capacity to supervise digital financial services 2 = There are dedicated technical experts with advanced capacity to supervise digital financial services
2.4.4	Technical capacity to supervise financial services that facilitate financial inclusion	Are there any women occupying top decision-making positions in the financial regulatory bodies?	EIU	0 = 0-10% of top decision-making positions are held by women 1 = 10-25% of top decision-making positions are held by women 2 = 25-50% of top decision-making positions are held by women 3 = More than 50% of top decision-making positions are held by women
2.4.5	Technical capacity to supervise financial services that facilitate financial inclusion	Are supervisors and/or regulators leveraging regtech—that is, using technology tools or approaches to supervise the provision of financial services?	EIU	0 = Regulators are not leveraging technology for digital supervision 1 = Regulators are leveraging technology for digital supervision
2.4.6	Monitoring and data collection for financial service providers not regulated as financial institutions	Do authorities regularly monitor the market for providers that are not regulated as financial institutions but provide financial services that can impact the financial system and pose a risk to stability and integrity?	EIU	0 = Regulators are not monitoring the market to reduce the risk from non-regulated financial institutions 1 = Regulators are monitoring the market to adequately reduce the risk to the financial system from non-regulated financial institutions in operation but it is not on a regular basis 2 = Regulators are regularly monitoring the market to adequately reduce the risk to the financial system from non-regulated financial institutions in operation
2.5.1	Government commitment to cybersecurity	What is the level of commitment of governments to cybersecurity, taking into account the legal, technical, organisational, capacity-building and co-operation recommendations identified by specialist agencies?	United Nations Global Cybersecurity Index 2018	An overall score based on commitment to five pillars: 1. Legal: Measured based on the existence of legal institutions and frameworks dealing with cybersecurity and cybercrime 2. Technical: Measured based on the existence of technical institutions and frameworks dealing with cybersecurity 3. Organisational: Measured based on the existence of policy co-ordination institutions and strategies for cybersecurity development at the national level 4. Capacity building: Measured based on the existence of research and development, education and training programmes, and certified professionals and public-sector agencies fostering capacity building 5. Co-operation: Measured based on the existence of partnerships, co-operative frameworks and information-sharing networks
3.1.1	Account opening	Are account-opening requirements proportionate for accounts at financial institutions and e-money based on the amounts these accounts hold?	EIU	0 = Account-opening requirements are not proportionate 1 = Account-opening requirements are either proportionate for accounts or for e-money but not for both 2 = Account-opening requirements are proportionate for both accounts at financial institutions and e-money
3.1.2	Account opening	Does the law place any restrictions on account opening based on sex?	EIU	0 = There are different requirements to open accounts based on sex 1 = The same requirements apply to open accounts regardless of sex

	Sub-indicator name	Question 2020	Source	Scoring guidelines
3.1.3	Account opening	Do regulations contain provisions that allow remote account opening by banks, non-banks, e-money issuers and/or agents?	EIU	0 = There are substantial barriers for remote account opening by banks, non-banks, e-money issuers and agents 1 = There are no substantial barriers for remote account opening by banks but there are barriers for non-banks and e-money issuers and/or agents OR remote account opening is permissible for e-money issuers but not for banks 2 = There are no substantial barriers for remote account opening by banks, non-banks, e-money issuers and agents
3.1.4	Safeguarding customer funds	Does deposit insurance exist and is it available to all deposit-holding financial institutions?	EIU	0 = Deposit insurance is not available or is only available to deposits safeguarded in banks 1 = Deposit insurance is available to all deposit-holding financial institutions
3.1.5	Safeguarding customer funds	Are funds held in e-money accounts adequately protected through the following mechanisms: (i) prefunding and storage of funds in safe, liquid investments; (ii) isolation of customer funds using a trust or similar fiduciary arrangement; and (iii) application of direct or pass-through deposit insurance to e-money account balances?	EIU	0 = Funds held in e-money accounts are not protected through any of the three mechanisms. 1 = One of the three mechanisms listed is in place to protect funds held in e-money accounts
3.2.1	Credit risk management	Is there a differentiated and comprehensive risk-management framework for credit portfolios (including microcredit) that covers most of the market for middle- and low-income customers?	EIU	0 = There is no differentiated risk-management framework for consumer credit 1 = There is a differentiated risk-management framework for consumer credit, but supervision of its status is limited 2 = There is a differentiated risk-management framework for consumer credit and the regulator supervises its status
3.2.2	Over-indebtedness	Do specific legal provisions exist to restrict excessive borrowing by individuals?	EIU	0 = There is no specific legal provision to restrict excessive borrowing 1 = There is a specific legal provision to restrict excessive borrowing
3.3.1	Legal certainty for fintech and other emerging services	Is there a proportionate, dedicated legal framework that contemplates regulation and/or monitoring of emerging services such as P2P lending and crowd-funding?	EIU	0 = There is no framework or working group on fintech or there is a framework but the requirements are disproportionate to the services provided 1 = There is a working group on fintech but no specific requirements have yet been established 2 = There is a proportionate legal framework in place
3.4.1	Proportionate regulation	Is there dedicated regulation for inclusive insurance and are requirements for providers proportionate to those established for other financial service providers?	EIU	0 = There is no dedicated regulation for inclusive insurance products 1 = There is dedicated regulation for inclusive insurance products but the requirements are not proportionate 2 = There is dedicated and proportionate regulation for inclusive insurance

	Sub-indicator name	Question 2020	Source	Scoring guidelines
3.5.1	Ease of operation	Do regulations allow a wide range of actors to serve as financial outlets and are they conducive to the creation of commercially viable models?	EIU	0 = There are both limits on who can serve as an agent and disproportionate restrictions that affect commercial viability 1 = There are either limits on who can serve as an agent or disproportionate restrictions that affect commercial viability 2 = Regulations allow a wide range of actors and are conducive to the creation of commercially viable models
3.5.2	Breadth of operations	Are agents and other financial outlets allowed to offer a wide range of services to their customers on behalf of providers?	EIU	0 = Outlets face disproportionate restrictions that limit the range of services for customers 1 = Outlets are allowed to offer a wide range of services to their customers
3.5.3	Liability	Do agent regulations state that the provider is responsible for the actions performed by the agent on behalf of the providers?	EIU	0 = Financial institutions do not retain any responsibility for the actions of agents, outlets and electronic channels 1 = Financial institutions retain responsibility for some of the actions of their agents, outlets and electronic channels 2 = Financial institutions retain responsibility for all of the actions of their agents, outlets and electronic channels
4.1.1	Consumer protection framework and enforcement	Is there a framework and specialised capacity in place for financial consumer	EIU	0 = No consumer-rights framework is in place 1 = A consumer-rights framework exists, but no specialised capacity is in place 2 = A consumer-rights framework exists and some specialised capacity is in place 3 = A consumer-rights framework exists and specialised capacity is in place
4.1.2	Transparency	Are there clear rules that require providers of financial services to disclose information about the overall cost of the products and consumer rights and obligations?	EIU	0 = There are no requirements 1 = There are requirements
4.1.3	Fair treatment	Are there clear rules set by the regulator aimed at preventing aggressive sales or unreasonable collection practices?	EIU	0 = There are no clear rules to prevent aggressive sales or unreasonable collection practices 1 = There are clear rules to prevent aggressive sales or unreasonable collection practices
4.1.4	Fair Treatment	Are there clear rules requiring non-discrimination in financial service provision in terms of gender, race, religion, caste, ethnicity, etc.?	EIU	0 = There are no clear rules requiring non-discrimination 1 = There are clear rules requiring non-discrimination
4.1.5	Inclusive provision of financial services	Are there programmes or strategies to encourage diversity (of gender, race, religion, caste, ethnicity) among providers and agents of financial services?	EIU	0 = There is no evidence of programmes or strategies to encourage diversity among providers 1 = There is evidence of programmes or strategies to encourage diversity among providers
4.1.6	Dispute resolution	Are there standards in place requiring financial service providers to deal with consumer complaints?	EIU	0 = The law does not set any standards for complaints resolution 1 = The law sets some standards for complaints resolution in these areas 2 = The law sets most of the standards for complaints resolution in these areas

	Sub-indicator name	Question 2020	Source	Scoring guidelines
4.1.7	Financial outlets and agents	Are outlets and agents subject to similar transparency, fair treatment and dispute resolution requirements as banks and other non-bank financial institutions?	EIU	0 = Agents are not subject to the same consumer protection requirements 1 = Agents are subject to some of the same consumer protection requirements but not all 2 = Agents are subject to the same consumer protection requirements as banks and non-banks
4.1.8	Digital financial services and e-money	Are e-money providers and other DFS providers subject to similar transparency, fair treatment and dispute resolution requirements as banks and other non-bank financial institutions?	EIU	0 = E-money providers and other DFS providers are subject to few or no consumer protection requirements that are the same as or similar to the requirements for banks and other NBFIs 1 = E-money providers and other DFS providers are subject to some consumer protection requirements that are the same as or similar to the requirements for banks and other NBFIs, but not all 2 = E-money providers and other DFS providers are subject to all consumer protection requirements that are the same as or similar to the requirements for banks and other NBFIs
4.1.9	Government payments	Are government payments subject to transparency, fair treatment and dispute resolution requirements that are similar to those for banks and non-bank financial institutions?	EIU	0 = Government payments are not subject to the same consumer protection requirements 1 = Government payments are subject to some of the same consumer protection requirements but not all 2 = Government payments are subject to the same consumer protection requirements as banks and non-bank financial institutions
4.2.1	Protection for inclusive insurance providers	Does consumer protection regulation stipulate requirements for insurance customers? Do requirements resemble those of financial service providers?	EIU	0 = The regulation does not stipulate requirements for insurance customers 1 = The regulation stipulates requirements but they are not proportionate to the requirements of financial service providers 2 = The regulation stipulates requirements and they are proportionate to the requirements of financial service providers
4.3.1	Data protection and privacy	Are there data privacy laws?	EIU	0 = The country does not have any data protection and privacy regulations that impact the provision of financial services 1 = The country has some data protection and privacy regulations that impact the provision of financial services but does not have a comprehensive legal framework governing data protection and privacy 2 = The country has a comprehensive legal framework governing data protection and privacy that applies both to financial service providers and to other entities and individuals
4.3.2	Cybercrime legal protection	Does the country have a law related to cybercrime?	United Nations Global Cybersecurity Index 2018	EIU team will answer
4.3.3	Privacy laws enforcement	Is there a government entity that enforces privacy laws and does it have the capacity to enforce them?	EIU	0 = There is no government entity with a mandate to enforce data protection laws 1 = There is a government entity but its capacity to enforce data protection laws is limited 2 = There is a government entity with strong capacity to enforce data protection laws

	Sub-indicator name	Question 2020	Source	Scoring guidelines
5.1.1	Access to cash-in/cash-out and transaction points	How accessible is the payments infrastructure to low- and middle-income populations? (Branches, ATMs, PoS devices, and mobile money/banking agents)	World Bank	Automatic teller machines (ATMs) per 10,000 people
5.1.1	Access to cash-in/cash-out and transaction points	How accessible is the payments infrastructure to low- and middle-income populations? (Branches, ATMs, PoS devices, and mobile money/banking agents)	World Bank	Point-of-sale (POS) terminals per 10,000 people
5.1.2	Access to retail payment infrastructure	Do regulations mandate fair and non-discriminatory commercial access to retail payment infrastructure including:	EIU	
		Do regulations mandate fair and non-discriminatory commercial access to retail payment infrastructure including: 1. National payment systems and switches 2. ATMs 3. Automatic clearing houses (ACHs) 4. Credit and debit card networks		0 = Regulations do not mandate fair and non-discriminatory commercial access to national payment systems and switches 1 = Regulations mandate fair and non-discriminatory commercial access to national payment systems and switches 0 = Regulations do not mandate fair and non-discriminatory commercial access to ATMs 1 = Regulations mandate fair and non-discriminatory commercial access to ATMs 0 = Regulations do not mandate fair and non-discriminatory commercial access to ACHs 1 = Regulations mandate fair and non-discriminatory commercial access to ACHs 0 = Regulations do not mandate fair and non-discriminatory commercial access to credit card networks 1 = Regulations mandate fair and non-discriminatory commercial access to credit card networks
5.1.3	Access to telecommunications bearer services	Do regulations mandate fair and non-discriminatory commercial access to telecommunications bearer services such as USSD, SMS and the Internet?	EIU	0 = Regulations do not mandate fair and non-discriminatory commercial access to telecommunications bearer services such as USSD, SMS and the Internet 1 = Regulations mandate fair and non-discriminatory commercial access to telecommunications bearer services such as USSD, SMS and the Internet

	Sub-indicator name	Question 2020	Source	Scoring guidelines
5.1.4	Interoperability	What are the main payment networks (i.e. Visa, Mastercard, Safaricom, Tigo)? Are there major barriers for interoperability among these networks? Possible barriers include policy (e.g. there is no mandate for networks to provide access for low-income populations), competition (e.g. there are a few major players with exclusive access to these networks) and cost (e.g. the networks are open but prohibitively expensive for MFIs and other low-income providers).	EIU	0 = There are major barriers to interoperability in the retail payments system 1 = There are some barriers to interoperability in the retail payment system 2 = The are no barriers to interoperability in the retail payments system and interoperability serves as a major driver of an inclusive retail payments market
5.2.1	Digital ID system	Is there a national identification system and does it have digital applications (e-ID)?	World Bank ID4D Dataset	0 = No national ID system 1 = National ID exists but it is not e-ID 2 = National ID exists and it is at least partially an e-ID
5.2.1.b	Gender gap in ID system	Percentage difference between women without access to an ID compared with men	ID4D Findex Survey Data	Calculated by subtracting the share of women without an ID from the share of men without an ID in the ID4D Findex Survey Database
5.2.2	Automated KYC	Is there an automated mechanism for e-KYC verification (like an e-signature) provided or approved by the government?	EIU	0 = No, the government does not provide an automated mechanism for e-KYC or has not approved one 1 = Yes, there is an automated mechanism for e-KYC verification provided or approved by the government
5.2.3	Non-discriminatory access to IDs	Do laws or regulations place any restrictions on accessing digital IDs and/or e-KYC verification systems based on sex?	EIU	0 = Laws and/or regulations place additional restrictions on accessing IDs based on sex 1 = Laws and/or regulations do not place additional restrictions on accessing IDs based on sex
5.3.1	Internet access	Percentage of households with Internet access	ITU	Internet users as a % of households
5.3.2	Gender gap in Internet access	Percentage difference between women who stated that they had access to the Internet in their homes compared with men	Gallup World Poll	Percent of females whose home has access to the Internet
5.3.3	Network coverage	Percentage of the population covered by at least a 2G mobile network	ITU	Network coverage (minimum 2G), % of population
5.3.3	Network coverage	Percentage of the population covered by at least a 3G mobile network	ITU	Network coverage (minimum 3G), % of population
5.3.5	Mobile subscribers	Mobile-cellular telephone subscriptions per 100 inhabitants	ITU	Mobile subscribers per 100 inhabitants

	Sub-indicator name	Question 2020	Source	Scoring guidelines
5.3.6	Gender gap in mobile subscribers	Percentage difference between women who stated that they had a mobile phone for personal calls compared with men	Gallup World Poll	Percent of females whose home has access to a cellular phone
5.4.1	Comprehensive information	Is the information stored by credit-reporting systems comprehensive, regularly updated and accessed by providers?	EIU	0 = Credit-reporting systems do not exist OR credit bureaus store information that has none of the items required for a score of 3 1 = Credit-reporting systems store information that has one of the items needed for a score of 3 2 = Credit-reporting systems store information and it is both comprehensive and accessed by providers, but it is not updated regularly OR it is regularly updated but not comprehensive 3 = Credit-reporting systems store information that is comprehensive, regularly updated and accessed by providers
5.4.2	Access to records	Can individuals access their records and are they able to correct any errors? Is there a fee to access the records?	EIU	0 = Individuals cannot access their records or correct any errors 1 = Individuals may access their records but may not correct any errors 2 = Individuals may access their records, but the error-correction process is difficult OR expensive 3 = Individuals may access their records and the error-correction process is easy and inexpensive
5.4.3	Coverage of credit reporting systems	Public credit registry coverage (% of adults)	World Bank	Public credit registry coverage reports the number of individuals and firms listed in a public credit registry with current information on repayment history, unpaid debts or credit outstanding. The number is expressed as a percentage of the adult population.
5.4.3	Coverage of credit reporting systems	Private credit bureau coverage (% of adults)	World Bank	Private credit bureau coverage reports the number of individuals or firms listed by a private credit bureau with current information on repayment history, unpaid debts or credit outstanding. The number is expressed as a percentage of the adult population.

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