

[alanbryden@orange.fr](mailto:alanbryden@orange.fr)

2015-03-12

## **A proposal for an interaction between ITU and CPTM on**

### **Financial inclusion and digital financial services**

The Smart Partnership Movement (S.P.M.) is developed under the Commonwealth Programme for Technology Management (C.P.T.M.). Since 2011, it has structured its networking and think tanking activities around three inclusion initiatives: innovation inclusion, quality and standards inclusion and financial inclusion, all contributing in synergy to economic and social transformation paved by national visions and regional cooperation. The geographic outreach of C.P.T.M. is centered on the countries of the Commonwealth, with a strong involvement of African, Caribbean and Asian countries.

At regular intervals, C.P.T.M. organizes “Global Dialogues” where stock is taken of the initiatives and actions developed, trends are identified and future avenues are drawn. The 2013 Global Dialogue held in Dar Es Salam (Tanzania) on the theme of “*leveraging technology for Africa’s socio-economic transformation*”. More than 600 participants took part in the three days event, including over 22 Heads of State or Government from Africa and South East Asia.

The C.P.T.M. financial inclusion initiative is spear headed by Central Bank Governors. The subject of digital financial services (D.G.S.) as a vehicle for financial inclusion has often been addressed.

The International Telecommunications Union (I.T.U.) has launched in 2014 a Focus Group on D.G.S. and has started to consolidate international collaboration between telecom regulators and operators, the financial sector, central banks and other stakeholders, as well as international organizations and fora involved in the issue ( <http://www.itu.int/en/ITU-T/focusgroups/dfs/Pages/default.aspx> ).

The ITU Focus Group met for the first time in December 2014 and will hold its second meeting in April 2015. Its « *main objectives are to:*

- *Identify the technology trends in digital financial services over the coming years and how the role of various stakeholders in this ecosystem will evolve. This will include identifying underlying frameworks, new business models and public private partnership arrangements necessary for digital financial services.*
- *Establish liaisons and relationships with other organizations which could contribute to the standardization activities of digital financial services.*
- *Describe the ecosystem for digital financial services in developed and developing countries and the respective roles and responsibilities of the stakeholders in the ecosystem.*

- *Identify successful use cases for implementation of secure digital financial services including developing countries with a particular focus on the benefits for women;*
- *Suggest future ITU-T study items and related actions for various ITU-T study groups for example on:*
  1. *Concepts, coverage, vision and use cases of digital financial services*
  2. *Characteristics and requirements for digital financial services*
  3. *Architectural framework for digital financial services including security of mobile transactions.*
- *Work towards the creation of an enabling framework for digital financial services which could be submitted, through TSAG, for endorsement at the ITU Global Regulators Symposium.”*

At this stage, it is timely to trigger some interaction between ITU and CPTM in order to identify possible synergies, collaboration and contributions.

It is suggested to take the opportunity of an upcoming meeting of Central Bank Governors involved in CPTM to address, in the form of a webcast or webinar and with the involvement of ITU, issues such as:

- Global technology trends in support of DGS
- Global and regional fora where the contribution of DGS to financial inclusion is addressed and promoted: e.g. Global Partnership for Financial Inclusion under the G20 ([www.gpfi.org](http://www.gpfi.org) ), Alliance for Financial Inclusion ([www.afi-global.org](http://www.afi-global.org) )
- What specific aspects of cybersecurity and information security management should be overseen and possibly regulated by National Central Banks, and what connections could be made on this issue with the CPTM quality and standards inclusion initiative and the role of National Standards Bodies and telecom regulators (in this respect, the participation of ISO could be considered in relation to information security management e.g. the ISO-IEC 27001 series)
- What contribution could the Smart Partnership movement make to the ITU Focus Group and, more generally, to the issue of deploying and securing DFS in support of financial inclusion
- How and with whom the subject could be addressed at the next CPTM Global Dialogue