



Financial Inclusion in Asia-Pacific

The Role of Fintech: Opportunities & Challenges

Authors: *Fazurin Jamaludin, Johanna Schaeur, Cormac Sullivan & Umang Rawat*

Elena Loukoianova, IMF Asia-Pacific Department

December 7, 2017



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**Today's
World**

Analysis

**Tomorrow's
World**

**Moving
Forward**

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Today's World

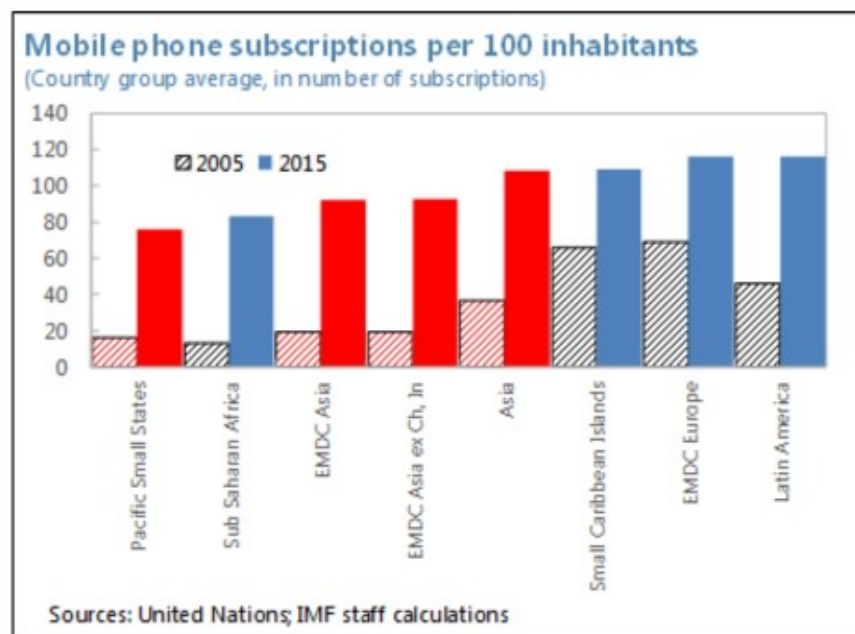
- Where does Asia Stand?
- What Progress has been made?
- Who uses technology?

**Access to
Technology**

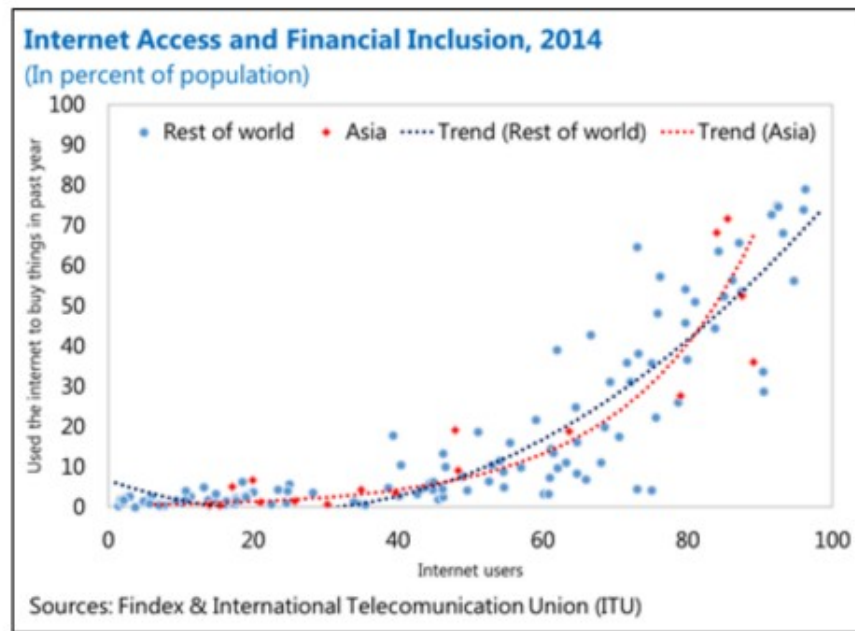
**Use of
Technology**

**Unequal
Access**

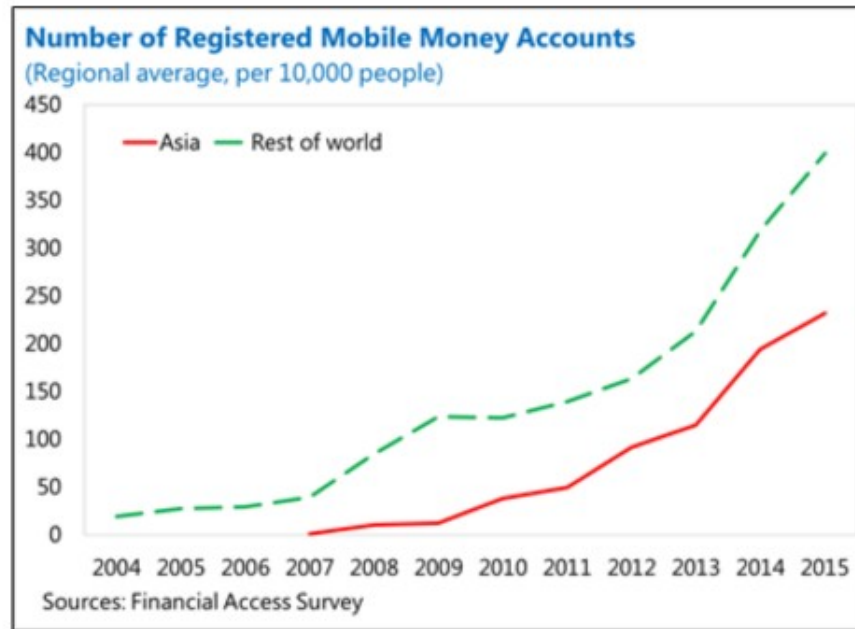
Access to Technology



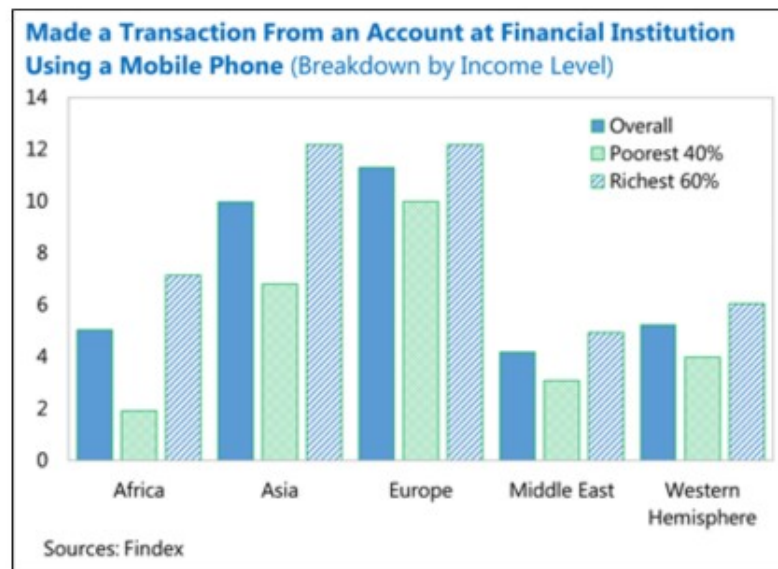
Use of IT



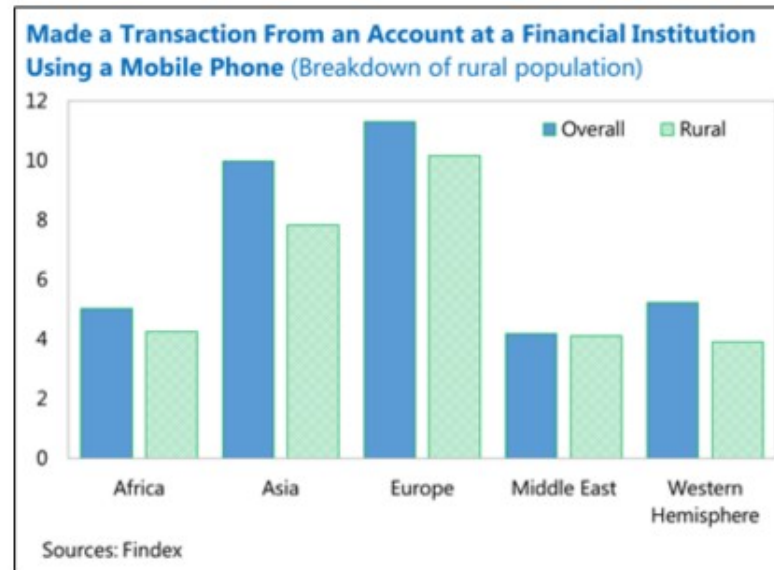
Use of Fintech



Unequal Access



Unequal Access



Analysis

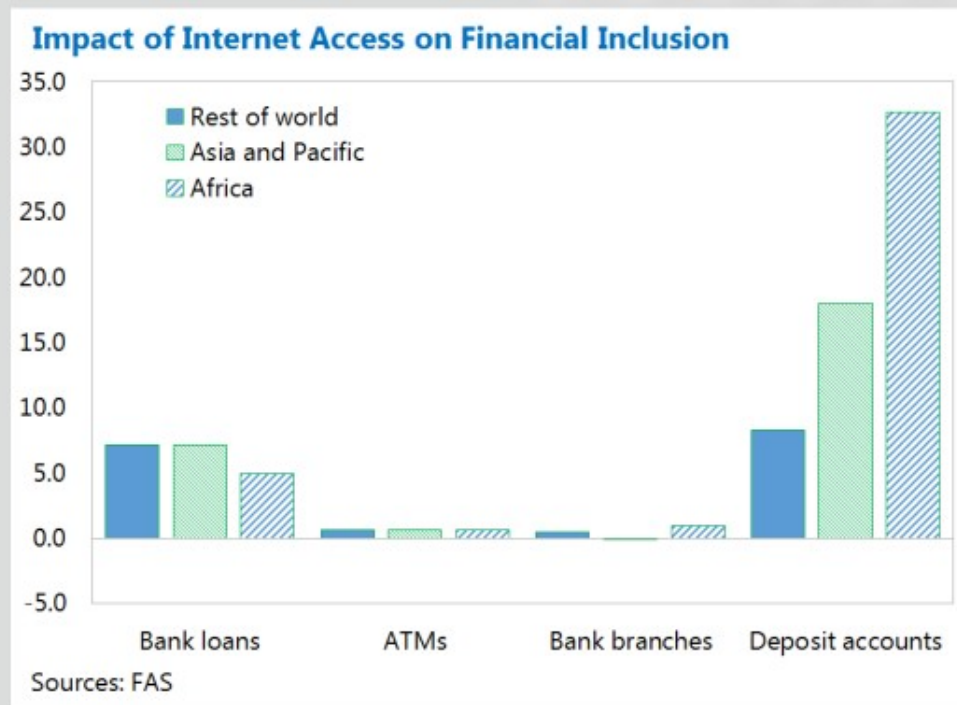
Is there evidence to support the push for more fintech?

What can we learn from the data we have?

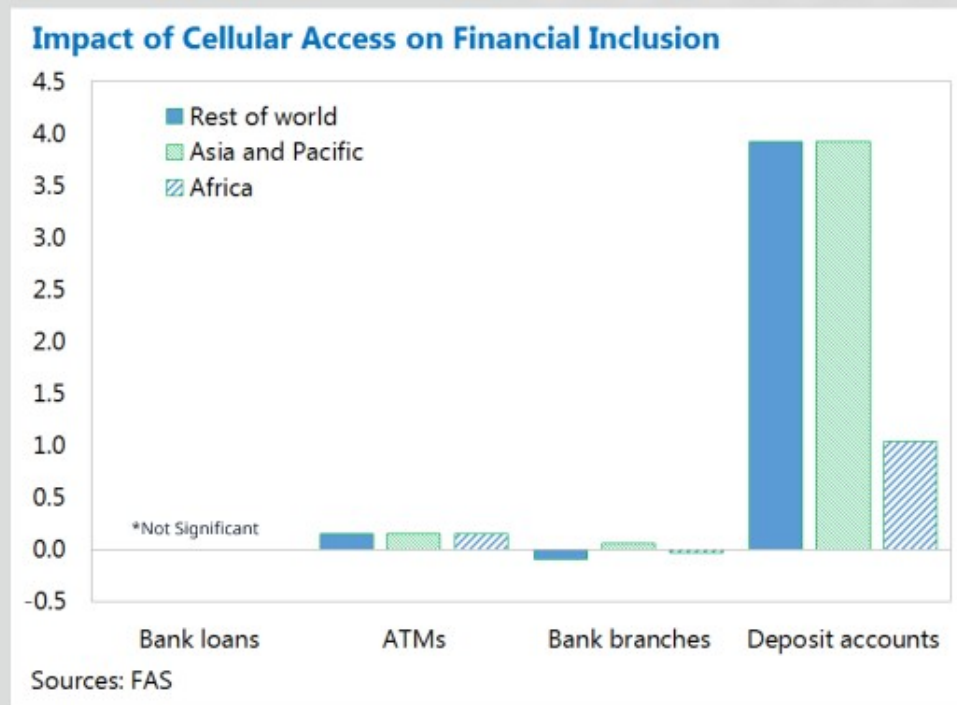
Technology
Access

Leapfrogging

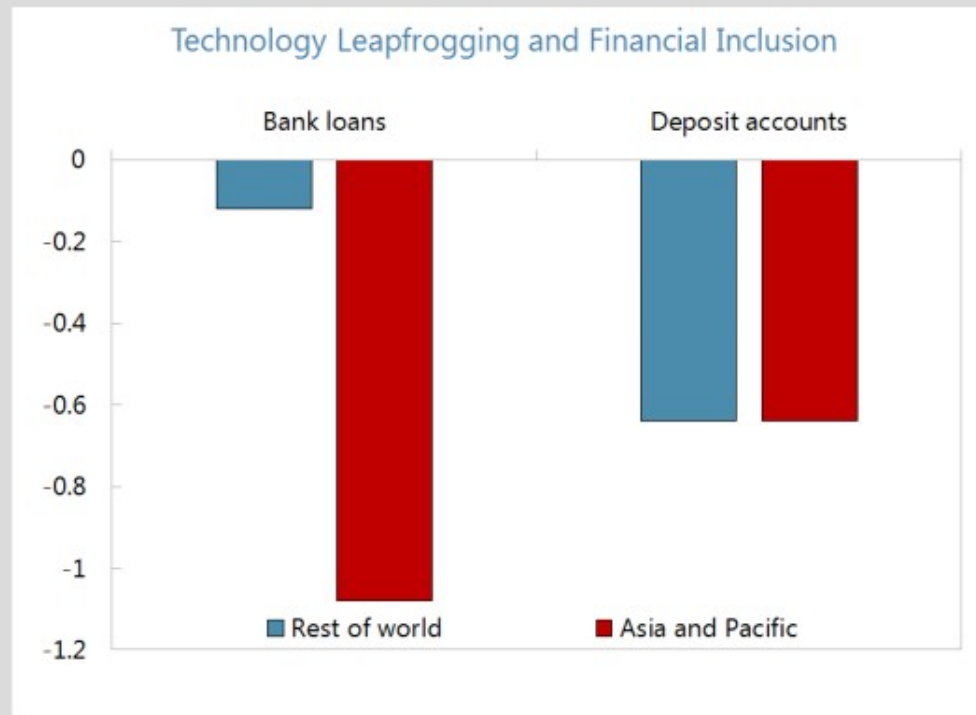
Technology Access (internet & cellphones)



Technology Access (internet & cellphones)



Leapfrogging



Leapfrogging is defined as the ratio of cellphones to fixed landline phones

Tomorrow's World

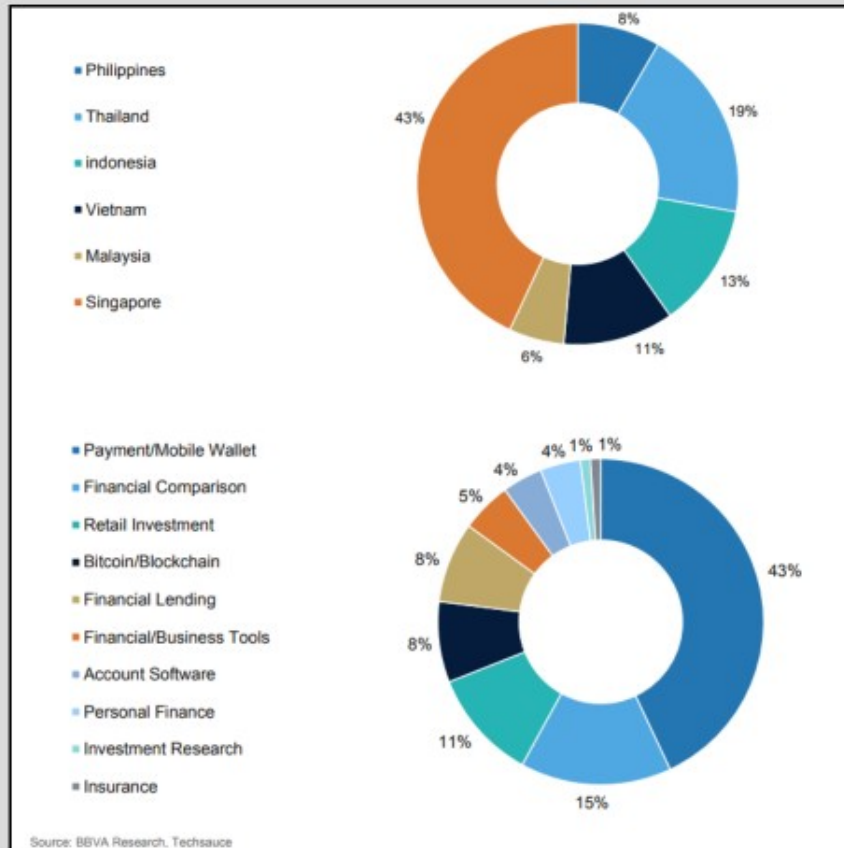
What are the emerging trends in the region?

Innovation

Progress

New Tools

Innovation in ASEAN



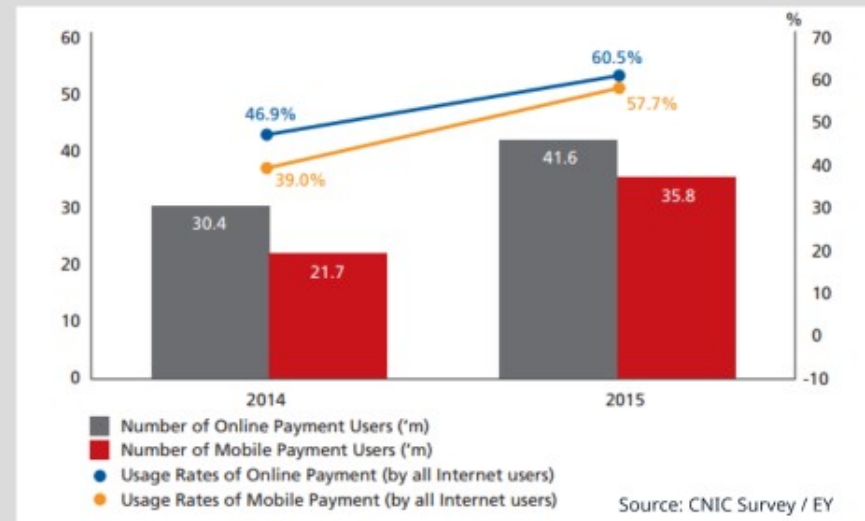
ASEAN has been active player in Fintech, led by Singapore:

- Payments
- Regional Integration
- Sandboxes

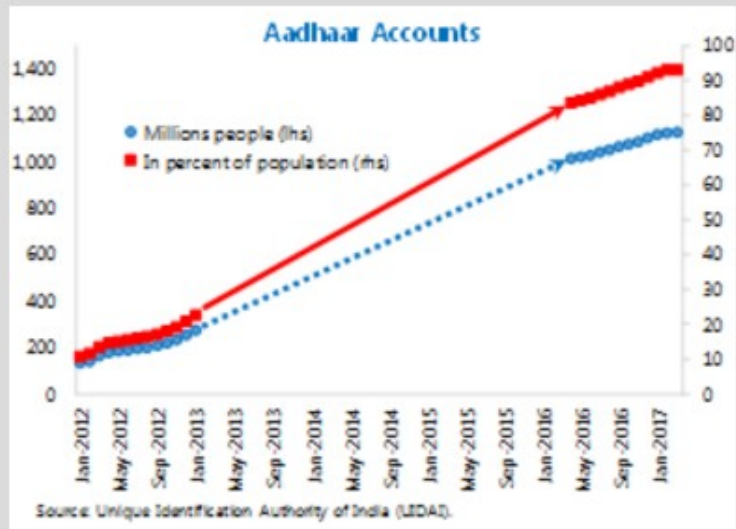
Progress in China

China has been rapidly becoming a global fintech leader:

- \$5.5 Trillion of Mobile Payments in 2016
- Private Sector Led
- Payment Systems (Alipay & We Chat)
- Online Investment Funds (Yu'E Bao)
- Over 2,400 P2P lenders



New Tools in India



- Universal Digital ID
- Proactive government policy around financial inclusion and digital services
- Strong base in technology and innovation
- Large unmet demand for financial services
- 20% of population used fintech-enabled payments in 2016.



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Moving Forward

How can we use this conference, to drive change at home & across Asia?

Collaboration
Strategies

Policies

Collaboration Strategies

1. Ministry of Finance
2. Central Bank
3. Telecommunication
4. Education
5. Infrastructure
6. Technology
7. Banks
8. Non-Bank Financial Institutions
9. Nonbanks



Government

- Technological & financial literacy
- Infrastructure
- Cybersecurity
- Balance between fintech innovation, systemic stability & consumer protection
- Appropriate regulatory frameworks
- Ways to reduce the cost of access.

Private Sector



- Proactive adoption of new technologies
 - Investments in infrastructure
 - Cybersecurity
- Opportunities to partner with government in providing fintech (e.g. PromptPay)
 - Innovations