

ACCOUNTABILITY REPORT 2022:

G7 Partnership for Women's Digital Financial Inclusion in Africa

SEPTEMBER 2022



BILL & MELINDA
GATES foundation


MINISTÈRE
DE L'ÉCONOMIE,
DES FINANCES
ET DE LA RELANCE
*Liberté
Égalité
Fraternité*

TABLE OF CONTENTS

1. EXECUTIVE SUMMARY	3
MAIN RECOMMENDATIONS	4
2. BACKGROUND	5
3. FUNCTION OF THIS REPORT	6
4. THE ROLE OF TRUST IN DELIVERING INCLUSIVE DIGITAL FINANCIAL SERVICES	6
Recent Progress on Connecting African Women to DFS	6
Box 1: Measuring the Gender Divide	7
The Centrality of Trust in Delivering Successful DFS	8
5. IMPLEMENTATION PROGRESS	9
Africa Digital Financial Inclusion Facility (ADFI)	10
Abdul Latif Jameel Poverty Action Lab (J-PAL)	12
United Nations Capital Development Fund Africa Policy Accelerator (UNCDF APA)	14
World Bank's Identification for Development Initiative (ID4D)	17
6. HOW IS THE G7P WORKING AS A PARTNERSHIP?	20
The Conceptual Framework	20
G7P Collaborations in the Second Year of Implementation	21
External Factors That Could Limit the G7P's Effectiveness	23
7. PRACTICAL STEPS TO IMPROVE EFFECTIVENESS	24
Improving Coordination and Collective Decision-Making Through a G7P Country Platform	24
Informing Other Global DFI Initiatives Through G7P Experiences	26
Additional Recommendations	27
8. CONCLUSION	27
9. REFERENCES	28

1. EXECUTIVE SUMMARY

In 2019, with nearly 250 million Sub-Saharan African women facing financial exclusion, the G7 recognized the potential of digital financial services (DFS) for promoting social equality and narrowing the digital gender divide. Under the French Presidency, the G7 Partnership for Women's Digital Financial Inclusion in Africa (G7P) was created to bring together existing institutions working in Africa on complementary issues of research, investment, and regulation around digital finance and its potential benefits for women. These core institutions included:

- The **World Bank's Identification for Development Initiative (ID4D)** to improve access to services through inclusive and trusted ID and civil registration systems.
- The **African Development Bank's Africa Digital Financial Inclusion Facility (ADFI)** to catalyze inclusive digital financial services through the gender-intentional development of infrastructure, policies, regulations, and product innovation.
- The **Africa Policy Accelerator (APA) of the United Nations Capital Development Fund (UNCDF)** to accelerate inclusive policy for digital financial services.
- The **Abdul Latif Jameel Poverty Action Lab (J-PAL)** to research and test the impact of digital identification and e-payment systems.
- The **Digital Pathways Program at Oxford Blavatnik School of Government** to assess national government policies and programs to facilitate a "whole of government" digital strategy for inclusive economic growth.

The G7P is innovative in two primary ways. First, its principal objective is to promote collaboration and generate synergies between the core partners to foster greater country-level impact. Second, it achieves its objectives without a formal governance arrangement that allows for quick adaptation to changing circumstances and facilitates decision-making.

This year's report focuses on the theme of "trust" and offers reflections on the progress of the collaborative in its second full year of implementation and provides recommendations for improving its collective impact.

We have seen progress on improved collaboration both in the core partners working amongst each other, progressing from a collection of institutions not fully aware of each other's roles and strengths to one where knowledge exchange is welcomed and mutual trust, acquaintanceship, understanding, and respect are evident. However, a deeper culture of coordination and cooperation has not been realized.

Core partners have also expanded their collaborations with local entities to ensure their interventions reflect local circumstances and to build trust with hard-to-reach users. This may reflect the increased reliance on local partners to support DFS activities through the COVID-19 pandemic (which precluded face-to-face visits and in-country travel) as well as the G7P's awareness that national-level initiatives alone are inadequate for building trust in DFS products and systems in marginalized communities.

Although the 2021 Global Findex Report¹ shows progress in the uptake of DFS services in Africa, we have identified three external factors that could impede the G7P's effectiveness in the years ahead. First, the G7P's whole-of-government planning function for DFS could be compromised by Oxford University's Blavatnik School of Government's decision to bring its Digital Pathways Initiative to a close, and the core partners will need to find ways to fill this planning gap. Second, sustaining high-level political support for the G7P will help maintain its momentum, but a clear signal from the G7 or G20 of their continued commitment to the partnership has remained elusive. Third, digital payments and other DFS solutions played an instrumental role in the delivery of emergency services and social assistance during the COVID-19 pandemic, and they continue to support post-pandemic economic recovery efforts. And as global momentum toward digital development continues to build, this creates a risk that the launch of new initiatives could

¹ <https://www.worldbank.org/en/publication/globalfindex>

pull interest away from the G7P's efforts.

Considering these findings, this report identifies practical steps to mitigate these risks and improve the G7P's overall impact. First, coordination and collective G7P decision-making for country engagement could benefit from G7P country knowledge exchange platforms, which would serve as an ongoing mechanism for catalyzing collaboration amongst partners in a systematic way, including facilitating innovative collaborative approaches, shared leadership, and brokering new partner actions. Country platforms have re-emerged² as a coordinating tool in other high-level development initiatives, and a pragmatic implementation of these tools could support better operational planning, identification of key local actors, and improve coordination on partners' country engagement. Testing this concept in two or three country pilots and learning from similar initiatives that are underway, would ensure that the platforms add value to the G7P's effectiveness.

Second, the report recommends informing other global digital initiatives about the G7P's adaptable structure to influence how other multi-stakeholder partnerships in the digital space are conceived. The G7P's informal governance structure, its capacity to adapt to changing circumstances, its success in developing effective working relations across institutions of differing size and scope, and its clear definition of purpose are all assets that can help to inform the design of emerging initiatives.

Lastly, the report reiterates two recommendations made last year that would help nurture the G7P: (1) Establishing a small funding source at the program-level to enhance adaptability and responsiveness, given rigidities in existing funding arrangements supporting G7P implementation and (2) Conducting annual in-person meetings to deepen the connections between G7P core institutions.

Although there has been progress to connect Sub-Saharan African women to DFS, many women have yet to benefit from these services. Thus, the G7P's mandate remains meaningful and complements African-grown initiatives like the African Union's Decade of Women's Financial and Economic Inclusion ([African Union, 2020](#)). Additionally, the partnership has made clear progress in working together. To build on this progress, practical steps can be taken to deepen country collaborations while maintaining the G7P's flexible and adaptable model to support thoughtful digital financial interventions and actions around gender inclusion.

MAIN RECOMMENDATIONS

- Pilot two to three country knowledge exchange platforms to improve G7P coordination and collective decision-making in the field.
- Establish a small funding source at the program-level to catalyze country-level coordination and cooperation.
- Encourage other global DFI initiatives to improve their governance framework and approach through G7P's experiences and model.
- Reinstate annual in-person meetings to strengthen the G7P's sense of community, better identify and explore common themes that inform interventions, enhance communications and advocacy strategies, and review performance.

² See examples here: <https://www.cgdev.org/sites/default/files/country-platforms-and-delivery-global-public-goods.pdf>

2. BACKGROUND

In 2019, under French leadership, the G7 pledged to close the digital gender gap in Africa through the expansion of Digital Financial Services (DFS). Following this commitment, the group launched the G7 Partnership for Women's Digital Financial Inclusion in Africa (G7P), with the goal of supporting African governments, regulators, banks, and financial institutions to build more gender-inclusive, sustainable, and responsible digital financial systems. Specifically, the Partnership helps to put in place key infrastructure and policies that support digital financial inclusion (DFI) and identifies five critical pillars for expanding digital financial services to women in Africa: (1) interoperable payments; (2) digital identification; (3) regulation; (4) investments and policies; and (5) gender-specific research.

The G7P brings five institutions together to implement these pillars over five years. Together, these partners are addressing complementary aspects of financial inclusion for women throughout Africa. Their areas of engagement are as follows:

- The **African Development Bank's Africa Digital Financial Inclusion Facility (ADFI)** is working to catalyze gender-intentional development of infrastructure, policies, regulations, and product innovation.
- The **World Bank's Identification for Development Initiative (ID4D)** is working to help countries build inclusive and trusted ID and civil registration ecosystems that increase access to—and the quality of—services and economic opportunities, promote the realization of rights, and empower people with more control over their personal data.
- The **United Nations Capital Development Fund's (UNCDF) Africa Policy Accelerator (APA)** is accelerating inclusive policy for digital financial services.
- The **Abdul Latif Jameel Poverty Action Lab (J-PAL)** is funding and generating policy-relevant evidence on the effects of digital identification and e-payment systems.
- The **Oxford Blavatnik School of Government's Digital Pathways Initiative** assessed countries' ecosystems for digital development.³

The partnership also benefits from awareness-raising and advocacy from global leaders. Her Majesty Queen Máxima of the Netherlands, in her capacity as the United Nations Secretary-General's Special Advocate for Inclusive Finance for Development (UNSGSA), along with French Finance Minister Bruno Le Maire, and Melinda Gates of the Bill & Melinda Gates Foundation (BMGF), have worked to help promote the partnership. Their efforts include advocating key reforms with African leaders from the public and private sectors and raising awareness of the G7P objectives and activities and the importance of women's DFI in Africa in public fora.

The UN Sustainable Development Solutions Network (SDSN) plays an independent role in the partnership, acting as a convener to foster increased knowledge exchange, coordination, and collaboration and to evaluate the pillars' work to ensure the efficacy of the partnership.

The G7P holds a unique position in the context of both the immediate and longer-term needs for gender equity and strengthened resilience. Amid the broadening community of actors advocating for financial inclusion, the G7P is particularly ambitious and innovative. Ambitious in terms of the objectives it aims to achieve (e.g., its goal of making financial intermediation services accessible for 400 million unbanked Africans, of which 60% are women), but also in recognizing that frequent collaboration amongst implementation partners is critical to success.

Last year's 2021 Accountability Report highlighted how the impact of the COVID-19 pandemic underscored the importance of financial inclusion, especially for women and girls as an effective means for delivering social protection support. This year's report reflects on the special theme of establishing trust across the partnership to advance women's DFI, provides a progress update on the effectiveness of the partnership over the past year, considers how the experiences of the G7P could inform the design of other global digital initiatives, and shares practical steps to improve performance.

³ Digital Pathways concluded its program in March 2022. Their research remains publicly available here: <https://www.bsg.ox.ac.uk/research/research-programmes/digital-pathways>

3. FUNCTION OF THIS REPORT

This report offers an assessment of G7P progress as of mid-2022 by providing a high-level snapshot of progress and setbacks, as well as considering the impact of global macroeconomic and social changes. This report addresses the request from the French G7 Presidency to support greater transparency and accountability across G7 initiatives and was prepared by the SDSN, an independent organization operating under the auspices of the UN Secretary-General that mobilizes global scientific and technological expertise to promote practical solutions for sustainable development.

This progress report conducts its analysis at two levels: the partnership level and the implementation level. On the former, the report assesses how the G7P donors and implementation partners work together and with other entities supporting DFI improvements to build trust among women in Africa. At the implementation level, we assess how donors and implementation partners adapted their operational modalities and strategies to deliver support to their clients while the COVID-19 pandemic continued to wreak havoc.

The report draws its findings from the following sources:

- A literature review to inform the report's assessment framework and identify best practice capabilities for steering a partnership with which implementing institutions have separate governance arrangements.
- Documents and database review provided by implementation partners. These provide targets and goals of each program, as well as qualitative impacts of specific country-focused interventions.
- Semi-structured interviews with each of the principal donors and pillar partners to gain insights into what staff perceive as partnership enablers and constraints for harnessing opportunities and mitigating implementation risks.

4. THE ROLE OF TRUST IN DELIVERING INCLUSIVE DIGITAL FINANCIAL SERVICES

RECENT PROGRESS ON CONNECTING AFRICAN WOMEN TO DFS

According to the recently published 2021 Global Findex Report (Findex), financial account ownership has increased significantly over the last decade, with 76 percent of adults globally (up from 51 percent in 2011) owning an account at a bank or regulated institution, such as a credit union, microfinance institution, or a mobile money service provider. This has enabled more individuals, as well as those who have been often excluded from the formal financial sector, to safely and affordably store, send, and receive money for everyday needs and participate in the digital economy. In Sub-Saharan Africa, in particular, this expansion largely stems from the adoption of mobile money (Demirgüç-Kunt et al., 2022), which has become an important enabler of financial inclusion—especially for women—increasing account ownership and usage through mobile payments, savings, and borrowing. For instance, Sub-Saharan Africa is home to all 11 economies in which a larger share of adults (including women) had a mobile money account rather than a bank or other financial institution account (Demirgüç-Kunt et al., 2022). And globally, progress has been made despite the persistent gender gap in access to digital financial services (DFS). For example, the gender gap in account ownership across developing economies has fallen to six percentage points from nine percentage points, where it hovered for many years (Demirgüç-Kunt et al., 2022).

BOX 1:

MEASURING THE GENDER DIVIDE

In a recent report, “Reaching Financial Equality for Women,” the Better Than Cash Alliance proposed tracking global indicators to help achieve “ten actions to reach financial equality” (Better Than Cash Alliance, 2021). Following their proposed actions, we report data, where available, to document proposed indicators for Sub-Saharan Africa (SSA). While not all indicators have been openly published or recently updated, the available data provides an initial baseline for monitoring progress.

1. **Digitize private sector payments and government social benefits.** Millions of unbanked adults around the world still receive regular payments in cash from employers or from the government. Digitalizing such payments is a proven way to increase account ownership for all adults. In South Africa for instance, 70 percent of account owners opened their first account at a financial institution to receive a private sector wage or government payment (Demirgüç-Kunt et al., 2022).
2. **Ensure universal access to identification.** Identification is almost always a requirement for opening a financial account. In SSA, 105 million adults (16 percent of adults) are unbanked and have no identification, posing a substantial barrier for financial inclusion efforts (Demirgüç-Kunt et al., 2022). Women in the SSA region are also five percentage points more likely than men to be unbanked and have no identification. In South Sudan, 83 percent of the unbanked (5 million adults) have no identification. Other economies with large shares of adults who are unbanked and have no ID are Mozambique (5 million adults, or 58 percent of the unbanked) and Tanzania (7 million adults, or 48 percent of the unbanked). Additional gender gaps among the unbanked with no ID are also observed in Benin, Côte d’Ivoire, and Liberia (13 percentage points in each economy) (Demirgüç-Kunt et al., 2022).
3. **End the gender gap in cellular phone ownership.** Women in SSA are 13% less likely than men to own a mobile phone – a percentage that has remained unchanged since 2017 (GSMA, 2020). Across SSA, unbanked women are seven percentage points more likely than unbanked men to cite lack of a mobile phone as a reason for not having a financial account. This gap increases to 14 percentage points in Nigeria, where women are almost twice as likely as men to cite a lack of a mobile phone as a barrier to account ownership (Demirgüç-Kunt et al., 2022).
4. **Collect, analyze, and use sex-disaggregated data.** While overall access to DFS has improved, the gender gap persists. Sub-Saharan Africa and the Middle East and North Africa reported 12 and 13 percentage point gender gaps in account ownership, respectively—twice as large as the developing economy average and three times larger than the global average (Demirgüç-Kunt et al., 2022). SSA also has a particularly large variation in account ownership by country. For example, in Chad, there were only 4.12 female-owned deposit accounts per 1,000 female adults, whereas, in Botswana, there were 1,066.44 female-owned deposit accounts per 1,000 female adults (IMF, 2019). And while the continent has the highest rates of mobile money accounts in the world, women remain much less likely to have mobile money accounts than men (Demirgüç-Kunt et al., 2022).

THE CENTRALITY OF TRUST IN DELIVERING SUCCESSFUL DFS

Future progress in connecting African women to DFS requires building their trust across a range of institutions and systems. As such, one aspect of this report identifies where trust can break down and how the G7P is working, or can work, to build or rebuild trust. This section provides a working definition of trust, the challenges of building trust across the institutions working to deliver DFS, evidence that trust remains a barrier to successful DFS initiatives, describes a recent set of actions at the global level to overcome these barriers, and identifies new forms of international cooperation to support progress on DFS. These findings and recent global actions identified below provide important context for G7P activities and priority setting.

There is vast research literature that characterizes trust as a “binding agent” essential to creating new kinds of relationships engaged in collective problem solving - a principal driver for establishing the G7P (Rainie & Anderson, 2017; Hagemann & Kluge, 2017). As DFS uptake requires consumers’ trust in the product, suppliers must obtain consumer trust by addressing customers’ needs and ensuring that it is easy to use. However, in today’s increasingly digital economy, creating such products is a challenge. First, suppliers must ensure that DFS remains reliable and resilient to changing technology providers and emerging innovations. Second, as digital platforms and systems proliferate, supplier-consumer trust relations must overcome distances (e.g., suppliers and customers don’t often have opportunities to engage physically) in “a world exploding with information of uncertain providence used by actors employing ever-proliferating strategies to capture consumers’ attention.” Third, digital trust is earned by ensuring systems protect consumer data and information from fraud and bad actors (Rainie & Anderson). And as security breaches have become commonplace, trust is harder to maintain (Rapoza, 2012). Surveys suggest that 81% of customers lose trust in a brand after a breach, while 25% completely stop interacting with it (Golden et al., 2022).

Along with trusting digital platforms and the product itself, consumers must trust DFS providers, including IT companies and banks, as well as the government that provides the enabling DFS environment. Unfortunately, there is evidence that trust is declining in these institutions. For instance, the OECD reports that only half of people say they trust their government, and the absence of trust leads to weaker compliance with regulatory frameworks that rely on behavioral responses from the public to be effective (OECD, n.d.).

Similar trust deficits are observed in non-OECD countries. For instance, while India’s digital payment system has been lauded as a success story, one research study highlighted the increasing use of cash in-country and surveyed respondents on their trust and perception of digital payments (Shree et al, 2021). Although respondents who trusted the service providers and regulators seemed to have a greater likelihood of paying digitally, the lack of trust ranked second, beyond technical reliability, among major hindrances with digital payments. These findings have been documented in other Global South countries (Galani et al., 2020).

Trustworthy governments, banks, and IT providers are essential for successful DFS take-up. But overcoming the trust deficit in “the last mile” – a country’s remote rural area – is just as important. A study by The Center for Financial Inclusion revealed that, prior to the pandemic, trust and concerns around data privacy issues were hindrances to the adoption of digital delivery channels (i.e. face-to-face branches, agents, internet banking, etc.), especially among vulnerable groups (Morell-Ducós, 2021). In Zambia, the study found that while digitally-literate women managed to adapt to digital forms of transaction, many did not trust these platforms.

The same study found that the COVID-19 pandemic had a catalytic effect on countries’ shift to digital delivery of financial services, but successful uptake depended on developing trust in digital delivery channels. The effectiveness of agent networks - small firms acting as “shadow bank branches” or “cash-in, cash-out” points that provide DFS by supporting communities with their daily financial needs - was highlighted as a particularly successful delivery channel (Oborn et al., 2019). Zambia saw a rise in mobile banking usage by employing agents, who were deemed more trustworthy than bank branches, to reach localized communities. In Rwanda, consumer associations worked with regulatory authorities to raise digital awareness among local communities to improve their trust in digital transactions.

And while the optimal structure for these networks depends on the country context, cross-country evidence suggests that public investments are critical for agent network expansion (Hernandez et al., 2020) For example, provisions of subsidies for agents to start rural operations, as well as test new models as networks begin to grow have had an impact

on expanding DFS. Encompassing both private and public sector agents is also important. Channeling multiple forms of payments and financial services through a common agent has provided effective incentives for networks to take root, and recruiting women to act as agents is critical to the Know Your Customer (KYC) standards and to overcome gender bias-related trust deficits.

The trust issues along the DFS supply chain are gaining attention in high-level global forums. The World Economic Forum finds that countries that invested in digital solutions that enable basic functions essential for public and private service delivery, referred to as “Digital Public Infrastructure,” were better equipped to build a coherent, comprehensive, and rapid response to the COVID-19 pandemic (Shivkumar, 2021). And a recent World Bank report echoes this finding: digital platforms and services have enabled innovations that helped reduce the health, social, and economic costs of COVID-19, and governments are recognizing their great potential for helping build resilience and preparedness against future crises (World Bank, 2022). The same report highlights promoting trust and security in data transactions as a priority along with ensuring social and gender inclusion are mainstreamed. More recently, the UN Secretary-General argues that a “global effort to create digital public goods [and] building a more effective architecture for digital cooperation [are] key to achieving the SDGs” (United Nations, 2020).

These reports reflect the growing global multi-stakeholder movement working to develop, use, and invest in digital public goods. In June 2022, in an event convened by the Digital Public Goods Alliance, the Governments of Norway and Sierra Leone, and the UN Development Program, global leaders jointly committed to advancing the use of digital public goods. This included a pledge to implement and fund digital public infrastructure through the development of a newly established Digital Public Goods Charter (DPG), which serves as a framework to increase international cooperation on digital transformation and mobilize high-level stakeholder investments and actions. And the advancement of “trusted digital public infrastructure” is a core objective of the Charter.

These findings and increasing emphasis on trust in high-level fora suggest that the G7P needs to recognize trust as central to its success, and that a myriad of institutions and actors involved to establish trust range from central institutions (e.g., Central Banks, Mobile Telcos, Fintech firms, Think-tanks) to smaller players (e.g., network agents, merchants), and ultimately users. Financial consumer protection plays an equally important role as a driver of trust within financial systems, emphasizing the importance of appropriate legal, regulatory, and institutional frameworks to strengthen consumer protection and enable greater financial inclusion (World Bank, 2021).

The next section reports on implementation highlights from each of the pillar partners over the past year, along with reflections on how trust has been incorporated into their strategic frameworks.

5. IMPLEMENTATION PROGRESS

Each of the G7P partners is advancing financial inclusion in their respective domains. The value of the G7P is in bringing the complementary efforts of partners together to realize a common goal. Whether they are conducting primary research, advising on policies and regulatory issues, or pursuing DFI-related investments, each of the partners stands to learn from the other. The G7P has fostered regular meetings between partners, and it is hoped this will ultimately lead to greater benefits for women facing financial exclusion. The partners have also worked to address the recommendations outlined within last year’s accountability report, with a particular focus on building collective trust amongst partners to create a suitable environment for collaboration. In the following section, we provide an overview of the key activities undertaken by each pillar partner to advance digital financial inclusion and to establish a trusted community of practice between participating organizations.

AFRICA DIGITAL FINANCIAL INCLUSION FACILITY (ADFI)

The Africa Digital Financial Inclusion Facility (ADFI) was launched by the African Development Bank (AfDB) in June 2019 with the mission of expanding investments into digital financial services to include and empower all Africans. A partnership between AfDB and multiple donors, ADFI catalyzes financial inclusion by investing in the expansion of digital financial solutions across Africa, specifically supporting interventions to improve digital infrastructure, policy regulation, and product development and innovation.

At its launch, ADFI set the goal of extending financial inclusion to an additional 332 million Africans by 2029, with women comprising 60% of this target population. Specifically, ADFI aims to catalyze financial inclusion by investing in DFS across the continent, with funding recipients including regional bodies and economic communities; government ministries, central banks, and other regulators; mobile money operators; remittance and payments companies; bank and non-bank institutions; and fintech companies. ADFI plans to achieve this objective in part by scaling up DFS products and services that are shown to be successful in pilots or smaller applications, with 60% of its investments earmarked for gender-intentional projects, reducing the gender gap in access to resources, and 15% being gender-transformative, designed to transform gender power relations and actively seek to change gender norms. To jumpstart the initiative, the AfDB committed \$300 million USD in debt financing through its normal lending operations, and ADFI aims to mobilize another \$100 million USD from donors.

The initial call for proposals was circulated in July 2019 (ADFI, 2019), and following a due diligence procedure, seven proposals were approved for funding in the first half of 2021, and project implementation has commenced.

DIGITAL INFRASTRUCTURE

ADFI directs 60% of funds towards digital infrastructure projects across the continent, providing the critical foundation upon which innovative and responsive products can be built. They particularly seek to invest in critical digital financial infrastructure to facilitate efficient, affordable, and secure transactions, and enable the development of robust security platforms and e-commerce platforms across the region. ADFI finances DFS infrastructure projects in rural and remote areas of Africa where mobile network coverage is poor and financial distribution networks are sparse to increase the uptake of DFS amongst underserved groups. These projects span diverse areas of intervention and aim to establish inclusive and interoperable digital payment systems and distribution networks, and to strengthen digital security systems across the continent.

CASE STUDY: STRENGTHENING TRUST IN DIGITAL FINANCIAL SERVICES THROUGH INVESTMENTS IN THE AFRICA CYBERSECURITY RESOURCE CENTER FOR FINANCIAL INCLUSION (ACRC)

Lack of trust is a key impediment to the growth of DFS in Africa and a major cause of this is the increasing number of cybercrimes on the continent. There have been multiple security incidents related to DFS, including data breaches and unauthorized third-party access to corporate information systems in Ghana, Kenya, Tanzania, Uganda, and Zambia. Additionally, according to an African Union Commission and Symantec report, there were nearly 25 million malicious software incidents in Africa in 2016, and in 2017, cybercrime cost the region an estimated \$3.5 billion USD in direct losses (GFCE, n.d.; Kaimba, 2017).

ADFI has taken important steps to support initiatives to combat cybercrime, with a specific focus on data privacy and cybersecurity. One funded project, the Africa Cybersecurity Resource Centre for Financial Inclusion (ACRC), aims to improve the cyber resilience of the financial sector in Africa to protect consumer assets and bolster their resilience to cybercrime. This project adopts a three-pronged approach to create a shared platform to monitor cyber-attacks against financial service providers, provide individualized advisory services to help organizations improve their cybersecurity, and support talent development in cybersecurity for industry professionals and academics across East and West Africa.

This project aims to advance trust in DFS by reinforcing the capacity of financial service providers to protect themselves and their customers and increasing trust in financial

institutions among consumers. If deployed effectively, this project has the potential to increase digital financial inclusion across an estimated 2,000-3,000 financial institutions in Africa from its launch in January 2022 to its expected completion in June 2024. Additionally, the ACRC maintains a gender-intentional commitment to their implementation efforts and foresees improved cybersecurity for an estimated eight to ten million women in three years and 20 to 25 million women in five years.

CASE STUDY: FUNDING WOMEN- OWNED SMALL BUSINESSES IN CAMEROON, EGYPT, KENYA, AND MOZAMBIQUE

Grant funding of \$15 million USD from the Women Entrepreneurs Finance Initiative (We-Fi) and \$2.5 million USD from ADFI was agreed upon in April 2022 to support the development and extension of digital financial solutions to women-owned small and medium-sized businesses in Cameroon, Egypt, Kenya, Mozambique, and Nigeria (ADFI, 2022). The project aims to leverage finance and data to drive the required systemic change and harness the transformative power of digital technologies to enhance access to finance for women entrepreneurs and help them build back better post COVID-19.

CASE STUDY: ENHANCING ACCESS TO FINANCIAL SERVICES IN NORTHERN NIGERIA THROUGH FEMALE AGENT NETWORKS

To address the gender gap in access and use of digital financial solutions in Northern Nigeria, ADFI is supporting MTN Nigeria's fintech subsidiary, Y'ello Digital Financial Services (YDFS), with a grant of \$500,000 USD to determine the feasibility of deploying women agents in the northern part of Nigeria where, due to security issues and cultural norms, women have been disproportionately excluded from accessing finance (ADFI, n.d.). The grant will cover a feasibility study, human-centered design of a women-centric agent network, and a pre-pilot to test the impact on the uptake of financial services by women in the region.

POLICY AND REGULATION

ADFI dedicates 10% of its resources to invest in financial regulation and policies that keep pace with digital infrastructure improvements and technology innovations across Africa. Some of the biggest bottlenecks to DFS expansion in Africa are due to stringent and unsupportive regulatory frameworks. ADFI works with key regulatory bodies, such as central banks, competition authorities, regional economic integration bodies, and government ministries to create an enabling environment for financial inclusion. This enables ADFI to advocate for changes in policies and regulations that strengthen partnerships among DFS actors and address policy barriers that hinder women from accessing DFS and other opportunities, such as agency banking, microloans, savings, and insurance through investments that promote gender-sensitive DFS policies across the ECOWAS.

DIGITAL PRODUCTS AND INNOVATION

ADFI invests 20% of its resources in sustainable digital products and innovations that demonstrate a positive impact on the livelihoods of low-income consumers, including women and vulnerable communities. It also works with stakeholders to ideate, develop, and scale innovations that address community development priorities at the country and regional levels.

CAPACITY DEVELOPMENT

ADFI continues to promote capacity-building initiatives, directing 10% of its resources to capacity-building projects. ADFI works with all DFS ecosystem stakeholders, including end users, service providers, and regulators through existing projects and specific capacity-building programs to support skills development across the digital financial ecosystem to increase the adoption of DFS.

REFLECTIONS ON ADFI'S PROGRESS

ADFI has leveraged the strength of the AfDB and institutional partners to finance DFS projects across Africa, with a principal focus on DFS-related infrastructure projects to address systemic barriers to the growth and uptake of DFS. ADFI has already taken steps to raise awareness of women's DFI within the AfDB, and they have secured Board support for gender-intentional project funding, integrating gender financial inclusion into substantial investments. As the ADFI program matures, its capacity to assess gaps in DFI will continue to expand. Through the G7P, ADFI has initiated conversations with other implementing partners to explore potential in-country collaborations. However, it is still too early to determine the ultimate success of these efforts, and future reports will need to follow up on both the outcomes of ADFI-funded projects and assess ADFI's progress in developing joint interventions with other G7P partners.

ABDUL LATIF JAMEEL POVERTY ACTION LAB (J-PAL) AFRICA'S DIGITAL IDENTIFICATION AND FINANCE INITIATIVE

The Abdul Latif Jameel Poverty Action Lab (J-PAL) is a global research network based out of the Massachusetts Institute of Technology (MIT) that works to reduce poverty by ensuring that policy is informed by scientific evidence. The network has been recognized for its pioneering use of randomized evaluations to rigorously evaluate the impact of policy programs. J-PAL Africa, J-PAL's regional office based at the University of Cape Town, leads the organization's work in Sub-Saharan Africa. One of its core programs is the Digital Identification Finance Initiative (DigiFI), which aims to generate rigorous evidence on how African governments, private companies, and NGOs can leverage digital payments and identification systems to improve lives through better public service delivery, governance, and financial inclusion. The initiative funds impact evaluations on the effects of digital identification and payment systems, including linked welfare programs. Another important focus for DigiFI is funding African Scholar projects to ensure the evidence is driven by people who understand and are invested in the local context.

SUPPORTING AND GENERATING GENDER-SPECIFIC RESEARCH

All of DigiFI-funded randomized evaluation projects collect data on the gender of beneficiaries and examine the gendered effects of different interventions. Notably, projects are encouraged to look at women-specific outcomes, such as bargaining power and control of finance. Under the G7P, DigiFI committed to fund at least two high-quality research projects for assessing the impact of government digital payment and digital ID programs on public service delivery and citizen welfare, and they have already exceeded this commitment. As of mid-2022, DigiFI has funded 31 projects in 13 countries, including five randomized evaluations, 12 pilots, and 14 proposal development grants. This year, the DigiFI team has funded nine projects, including the following:

REPAYING LOANS WITH MOBILE MONEY: Impacts on Female Microfinance Clients in Tanzania

Mobile money services can help households smooth shocks and increase women's control over their finances. Yet, despite their popularity, they are used by only 33% of women in Tanzania and by less than 10% of people for savings or business transactions. Researchers Rachel Heath and Emma Riley are evaluating whether introducing repayment of microfinance loans using mobile money creates an opportunity for learning and habit formation that increase the adoption and use of mobile money services for women's businesses. This project is a pathway to a randomized evaluation, nested within BRAC Tanzania's planned rollout of mobile repayment, that examines the impact of mobile money repayment of microfinance loans on women's business, household welfare, and empowerment outcomes.

ADOPTION AND IMPACTS OF DIGITAL PAYMENT TECHNOLOGIES: Evidence from Informal Transit

DigiFI is supporting a randomized evaluation that will explore how information can affect the adoption of e-payments among informal taxis in Senegal. In collaboration with a large mobile money company, Wave, researcher Deivy Houeix will test three options for digitizing payments and evaluate the impact of digital payment technologies in the informal transit sector.

LEVERAGING DIGITAL FINANCE IN ETHIOPIA: Pilot Study

DigiFI is supporting a pilot study on mobile money adoption and DFI in Ethiopia. Despite having enormous potential for the unbanked, the take-up of mobile money and digital financing systems remains low in Ethiopia. Researchers Gebeyehu Manie Fetene, Tigist Mekonnen Melesse, Yesuf Awel, Dagim Belay, and Firew Bekele Woldeyes have partnered with the Addis Ababa Food Security and Productivity Safety Net Agency to examine whether training and financial incentives can promote the take-up and usage of mobile money. The pilot will also explore the welfare impacts of mobile money and whether these impacts vary by gender, ethnicity, and age.

AFRICAN SCHOLARS PROGRAM

In 2019, DigiFI launched its African Scholars program, which to date has funded 16 projects with ‘African Scholars’ researchers, including six pilots and ten proposal development grants. Through this program, DigiFI funds African researchers to conduct rigorous impact evaluations on digital identification and payment systems. To encourage African Scholars’ projects and to provide capacity-building support, DigiFI has hosted a number of information and training events, including an Idea Incubation series led by Professor Jenny Aker with six resident African Scholars to foster idea generation and peer exchange.

DigiFI also disburses scholarships for the MITx MicroMasters courses on Data, Economics, and Development Policy (DEDP) to a resident African Scholar, enabling them to hone their skills and knowledge of randomized evaluations. These courses, developed by MIT and J-PAL, also equip learners with the practical skills and theoretical knowledge to tackle some of the most pressing challenges facing developing countries and the world’s poor. DigiFI plans to expand the portfolio of funded projects led by African Scholars, with the ultimate aim of funding randomized evaluations led by African Scholar teams and adding these scholars to their research network.

FUNDING NEW RESEARCH AND STRENGTHENING EXISTING RELATIONSHIPS

Moving forward, DigiFI strives to identify, generate, and fund more research projects on digital ID and payment systems in Sub-Saharan Africa. In particular, they are interested in exploring issues of governance and trust in ID systems and the connected social welfare programs. This includes examining questions about how women are affected by digital technology and how digital technology can be provided to ensure women equitably benefit. DigiFI is also continuing to explore partnership opportunities with the other pillars of the G7P. For instance, the DigiFI team has had regular engagements with the ID4D team and is in talks to collaborate on impact evaluations in Morocco and Nigeria. The team also attended UNCDF’s WDFI Advocacy Hub roundtable and is in conversations with AFDI on a potential collaboration in Nigeria.

REFLECTIONS ON JPAL'S PROGRESS

Despite the challenges created by the COVID-19 pandemic, the DigiFI team managed to advance a number of studies related to the G7P mission. DigiFI has funded timely research to respond to demands from policymakers and researchers on digital IDs and digital payment systems across Sub-Saharan Africa, and the team has deliberately engaged local African researchers in the process. The long-term benefit of this work to the G7P will be through holistic efforts by the pillars to support policy needs and using DigiFI-generated evidence to inform other G7P partner initiatives to help advance the need for women's DFI across the African region.

UNITED NATIONS CAPITAL DEVELOPMENT FUND AFRICA POLICY ACCELERATOR (UNCDF APA)

The United Nations Capital Development Fund (UNCDF) operates the Africa Policy Accelerator (APA) as a pillar of its 'Inclusive Digital Economies and Financial Inclusion' practice area. The APA supports governments to achieve their DFS-related policy and regulatory goals by providing expert-guided advice on inclusive policy for DFS, supporting multi-stakeholder dialogue on regulatory issues, and introducing countries to global best practices to strengthen their regulatory environments around DFS.

Since 2019, the team has provided technical assistance to policymakers and regulators in 16 countries, including Algeria, Cameroon, the Central African Republic, Chad, Egypt, Equatorial Guinea, Eritrea, Ethiopia, Gabon, Mauritania, Niger, Sierra Leone, the Republic of the Congo (Brazzaville), and Tunisia, and they have successfully implemented nine policy and regulatory changes within these countries (UNCDF, 2022). The countries where the APA is now engaged, as well as the wide range of policy challenges it is helping to address, demonstrate the impressive scope of its impact.

ACCELERATING INCLUSIVE POLICY AND REGULATORY REFORM

Grounded in its strong expertise, the APA continues to provide technical assistance and support to accelerate policy change within the African region. The team's locally-driven country engagement approach first begins with speaking with policymakers and regulators in the country to understand on-the-ground dynamics and respective market contexts and conditions to determine and prioritize activities to accelerate policy change. Rather than prescribing stringent recommendations, the APA presents partners with options that they might consider, and if requested, they provide direct technical support to implement the recommendations.

The APA has adapted many of its [tools and resources](#) to make them more accessible to regulators across Africa. Direct regulatory changes have been adopted in certain countries, while in others, discussions remain ongoing. Some notable achievements from the past year include:

- In the CEMAC economic zone (Central African Economic Monetary Community), the APA established an [Advisory Panel on Women and Digital Financial Services](#), bringing together nearly 40 women and men from the six countries in the CEMAC region to share their expectations, concerns, and recommendations regarding the financial inclusion of women. Diverse stakeholder groups participated in the Advisory Panel, including community leaders, as well as technical experts and consumers of DFS. The APA team also collaborated with the Bank of Central African States (BEAC) to ensure that policy recommendations on women's financial inclusion and consumer protection were considered within their Regional Financial Inclusion Strategy.
- In Egypt, the [APA partnered with key financial inclusion actors to facilitate capacity-building](#). This included a collaboration with the Central Bank of Egypt (CBE) and Tufts University's Fletcher School Leadership Program for Financial Inclusion (FLPFI) to host an eight-week online training for nearly 30 industry stakeholders to develop policy solutions related to key elements of Egypt's National Financial Inclusion Strategy.

- In Sierra Leone, the [APA delivered technical assistance for financial consumer protection](#), with an emphasis on gender inclusion. The APA collaborated closely with the Bank of Sierra Leone (BSL) to design and implement their new financial consumer protection guidelines, which incorporated feedback from women's groups and knowledge exchange with peer markets. Updated guidelines for financial consumer protection were approved by Sierra Leone's Parliament, and future engagements will focus on monitoring the implementation of the guidelines with a gender lens.
- In Senegal, the APA participated in a technical committee established by the country's Ministry of Finance to review Senegal's 2022-2026 National Financial Inclusion Strategy. A number of APA recommendations were incorporated into the final strategy document and implementation plan, with a particular focus on gender-intentional policy reforms.

BOX 2:

BUILDING TRUST IN FINANCIAL INSTITUTIONS THROUGH CONSUMER PROTECTION POLICIES

DFS have played a significant role in increasing access to financial accounts globally, but access to these services remains uneven for women. According to the Global Findex 2021, women remain more likely than men to be unbanked, with 740 million women (54% of the unbanked population) lacking a bank account (Demirgüç-Kunt et al., 2022). The majority of unbanked adults continue to be women, even in economies that have successfully increased account ownership and have a small share of unbanked adults. Additionally, women often feel discriminated against by formal financial institutions, which – when coupled with lower financial literacy – can prevent women from accessing and using different services (Hasler & Lusardi, 2017). Recent research has also found that gender differences in risk perceptions may explain women's preferences for different types of financial products, and that these risk perceptions serve as determinants of trust in financial institutions, which is often lower among women compared to men (Gammage et al., 2017). Therefore, consumer protection policies are a critical lever for addressing these persistent inequalities to ensure that women benefit from digital financial inclusion and to build trust in financial institutions (Bin-Humam et al., 2018).

According to APA's policy brief on The Role of Consumer Protection in the Digital Economy, consumer protection policies can help mitigate factors that impede consumer choice and hamper their trust, while providing protections for vulnerable and underserved consumers, including women (Keck et al., 2021). In the context of DFS, for example, consumers might not fully understand how a financial product works or the consequences that will follow if they are unable to comply with the terms of service. Effective consumer protection laws can support consumers to make informed choices and give them the confidence to engage and transact safely. These laws can address information asymmetries, consumer irrationalities, and other barriers to consumer choice, such as data protection (Keck et al., 2021). They also typically involve the application of rules, principles, and procedures to impose obligations of fairness, accountability, and transparency on providers of financial services and grant consumers certain rights consistent with these values.

FRANCOPHONE-FOCUSED CAPACITY-BUILDING

The COVID-19 pandemic prompted the APA to make changes to its capacity-building approach to reach more Francophone stakeholders. For instance, over the past year, the APA greatly expanded its capacity-building efforts to leverage a broader set of training solutions, integrating mix-mode instruction and producing content in French. These changes corresponded with observations that policymakers and regulators needed additional capacity development to address the full range of digital finance regulations. The APA also developed partnerships with five learning institutions and disbursed scholarships to 129 participants from 26 institutions in 19 countries, of which 34% of scholarship recipients were women (UNCDF, 2022).

TARGETED ADVOCACY AND COLLABORATION

Following the vision of the G7 Partnership to foster cross-sector collaboration on women's DFI, the APA has regularly engaged with similarly mission-aligned organizations, such as Women's World Banking, the GSMA (Groupe Speciale Mobile Association), IPA (Innovations for Poverty Action), Consumers International⁴, and CGAP (Consultative Group to Assist the Poor) to share lessons learned and explore joint projects. These partnerships have focused on two main areas to accelerate gender-intentional policy change, with the first area focused on participatory dialogue and local engagement of women's civil society organizations, and the second on gender-intentional policy research for evidence-based policy reform (UNCDF, 2022):

PARTICIPATORY DIALOGUE AND LOCAL ENGAGEMENT TO SUPPORT WOMEN TO ADVOCATE FOR THEIR NEEDS:

The APA is partnering with Women's World Banking to create a strategic communications and advocacy program to advance Women's Digital and Financial Inclusion (WDFI). It aims to create a community of diverse entities and organizations that are committed to furthering this cause and that are committed to joining together to discuss, strategize, and align efforts for greater impact. There are two interconnected components to the WDFI Advocacy Hub: Local Coalitions in Indonesia and Ethiopia made up of civil society, public and private sector organizations, and the Global Advocacy Hub (UNCDF, 2022b). The Coalitions serve as platforms for local stakeholders to discuss, strategize, and collaborate for greater impact. The APA will support the members of the Coalition by facilitating access to trainings and insights and by channeling financial resources to support the implementation of innovative practical solutions. At the global level, the Hub will create unified messages on priority issues. Unlike other global platforms, the WDFI Advocacy Hub is centered on elevating and amplifying local voices, shifting resources to local partners, and spurring a constructive dialogue with decision-makers.

GENDER INTENTIONAL RESEARCH FOR TARGETED AND EVIDENCE-BASED POLICY REFORM:

The APA has engaged with G7 Pillar Partner, J-PAL, to explore the use of quantitative impact evaluation methodologies to assess the impact of policies on women and other underserved groups. In addition, the APA is building on CGAP's recent framework to analyze DFS consumers' risks, to explore new avenues to analyze how these risks, especially those affecting women, and to translate into concrete policy options (Chalwe-Mulenga et al., 2022). For example, during CGAP's recent Member Exchange on Responsible DFS, the APA delivered a presentation on Financial Health as the pathway to strengthen consumer protection mechanisms.

⁴ Consumers International is a membership organization for consumer groups with over 200 members in more than 100 countries.

CASE STUDY: THE WOMEN'S DIGITAL FINANCIAL INCLUSION ADVOCACY HUB IN ETHIOPIA

On June 9, 2022, the launch event of the Women's Digital Financial Inclusion (WDFI) Advocacy Hub in Ethiopia brought together over 120 decision-makers and digital and financial experts to begin to articulate a common vision to accelerate their digital financial inclusion in Ethiopia (UNCDF, 2022c). The event included a keynote from H.E. Semereta Sewasew, State Minister of Finance, and contributions from H.E. Huria Ali Mahdi, State Minister of Innovation and Technology, Ms. Myriam Said, Senior Advisor on Digital Transformation at the Office of the Prime Minister, and Mrs. Martha Hailemariam, from the National Bank of Ethiopia, alongside high representatives from Safaricom, EthSwitch, and the European Investment Bank.

The Ethiopian Coalition is composed of 16 organizations from the private sector, civil society, and government, and held its inaugural meeting on July 13, 2022. The APA is partnering with the Fletcher School of Law and Diplomacy at Tufts University to offer members of the Coalition a chance to join the Leadership Program for Financial Inclusion (FLPFI). This training is a first step to help members better understand and address women's digital financial needs through policy change and smart-product design. In addition, the WDFI Advocacy Hub in Ethiopia is also hosting a network of young female champions who are passionate about women's digital financial inclusion in Ethiopia and aims to give them a platform to come together with a unified voice.

REFLECTIONS ON UNCDF'S PROGRESS

The APA team continues to support governments and regulators to shape policies to advance DFS. Through its franco-phone capacity-building initiatives and direct engagement with civil society and private sector organizations, the APA continues to advance an inclusive approach to accelerate policy change related to DFS. Recent collaborations with Women's World Banking and other development partners have helped the APA build strong local networks to directly involve women and underserved groups within the policymaking process.

WORLD BANK'S IDENTIFICATION FOR DEVELOPMENT INITIATIVE (ID4D)

The ID4D Initiative (ID4D) within the World Bank works to accelerate inclusive growth and the achievement of a wide range of development outcomes by enabling all people to access services and exercise their rights through inclusive and trusted ID and civil registration systems. Its aim is for improved ID systems to lead to expanded access to services, resources, and opportunities for individuals and for governments and businesses to be able to deliver services more effectively and inclusively. The ID4D partnership platform and multi-donor trust fund were launched in 2016 and are currently funded by the Foreign, Commonwealth & Development Office (FCDO), the French Development Agency (AFD), the Norwegian Agency for Development Cooperation (Norad), the BMGF, and the Omidyar Network.

ID4D is a truly cross-sectoral effort of the World Bank, working across ten different units spanning from digital development, financial, and private sector development, to gender issues and covering all regions of the globe. In addition to providing technical and financial assistance to nearly 50 countries, ID4D also serves as a knowledge hub on identification and as a global convener around the digital identification agenda. ID4D's effort relates directly to target 16.9 of the Sustainable Development Goals (SDGs), which commits to providing legal identity for all, including free birth registrations, and the Initiative also recognizes that trusted and inclusive ID systems can play a critical and foundational role across several areas of development, including financial inclusion and integrity, social protection, health, women's empowerment, and more.

ID4D structures its work around three mutually reinforcing pillars: (1) thought leadership and analytics; (2) global platforms and convening; and (3) country and regional action, which includes technical and legal assistance for the implementation of robust, inclusive, and trusted digital ID.

While digital ID systems support the SDGs, it is important to ensure that digital privacy and data protection are sufficiently addressed. With this in mind, ID4D works across the three core pillars to help practitioners better understand and implement good practices related to international data protection and privacy standards.

THOUGHT LEADERSHIP AND ANALYTICS

ID4D creates and disseminates knowledge and good practices on ID. Its activities are designed to fill existing gaps and respond to emerging priorities, ensuring that developing countries and the global community have the necessary evidence and tools to build ID systems that serve people and development goals. In addition to conducting cross-national data collection — including launching the ID4D-Findex Survey in 2021 and the subsequent launch of the Global Findex Database in June of this year,⁵ as well as the 2021 ID4D Global Dataset⁶— ID4D is continuing to advance a data-driven approach to enhancing public understanding of good practices related to identification for development. The 2021 dataset collection exercise has increased the rigor of ID4D’s global indicators on ID coverage and extended this data to include an expanded set of measures on ID system quality and characteristics. With this baseline in place, ID4D is working to institutionalize regular means for updating and improving on this data, such as through crowdsourcing, partnering with other organizations, and using abbreviated questionnaires. In addition, ID4D is promoting the inclusion and mainstreaming of ID ownership questions in related World Bank surveys, national censuses, and other data collection efforts, to ensure the sustainability of these measures.

Along with cross-country studies, ID4D’s research activities focus on growing the evidence base on ID around priority topics. This research focuses both on: (a) improving the implementation of ID systems to ensure they are inclusive and accessible, sustainable, and protective of people’s rights and data; and (b) evaluating the longer-term impact of obtaining an ID and leveraging ID for service delivery for people, governments, and the private sector.

GLOBAL CONVENING AND PLATFORMS

In 2021, advocacy efforts conducted by the ID4D team helped strengthen global and country commitments around the critical themes of inclusion, accountability, and trust—the foundations of “Good ID.” These efforts included facilitating a process to update the Principles on Identification for Sustainable Development, deepening engagement with civil society organizations (CSOs), promoting better public and stakeholder engagement, and building capacity through webinars and targeted knowledge exchanges. The updated Principles have since been endorsed by 30 organizations across the globe (World Bank, 2021c).

To provide country officials with more support for engaging effectively with CSOs in particular, ID4D launched a collaboration with the non-profit organization, Namati, and Open Society Foundations (OSF) to develop a guide for effective civil society engagement (Namati, 2020). This guide provides ID practitioners with the knowledge and practical tools to understand the necessity, benefits, and opportunities of meaningful engagement with CSOs, identifying the key themes and milestones across ID system design and implementation where CSOs can be consulted and providing guidance on how to structure outreach and engagement with CSOs given the constraints and challenges that they may face (World Bank, 2021). The intent is to support a shift in mindset from unidirectional communication and decision-making to bi-directional communication with the public throughout ID system design and deployment.

Aspects of ID4D’s CSO work were shared during the 6th ID4Africa Annual Meeting in June of this year. During the meeting, ID4D organized a workshop for over 30 countries on “ID Communications and Awareness Strategies: Best Practices for Building Evidence and Engaging the Public.” The ID4D team along with country representatives from South Africa, Ethiopia, Nigeria, as well as J-PAL Africa and Namati provided insights on how to increase engagement on ID projects, improve communications, and measure impact. Examples of how ID projects used data to adapt registration strategies and communication campaigns to ensure that no one is left behind were also highlighted and participants shared their respective experiences.

As part of its capacity-building and knowledge-sharing support, ID4D provides learning opportunities for policymakers and practitioners, including in the form of workshops and seminars on technical topics and peer-to-peer knowledge exchanges between individual country pairs or in small country groups. These exchanges are invaluable opportunities for countries to share experiences by discussing their respective challenges and solutions. As travel resumes, ID4D has begun to organize in-person exchanges. Currently, a delegation from Ethiopia is visiting the Philippines, and within

⁵ Access the Global Findex Database here: <https://www.worldbank.org/en/publication/globalfindex>

⁶ Access the ID4D Global Dataset here: <https://id4d.worldbank.org/global-dataset>

the past few months, a delegation from the Philippines went to India and Morocco to share experiences as summarized in the case study below.

CASE STUDY: ID KNOWLEDGE EXCHANGE HOSTED BY MOROCCO WITH ETHIOPIA, NIGERIA, AND THE PHILIPPINES

In June 2022, the Moroccan Ministry of Interior hosted a delegation of ID officials from Ethiopia, Nigeria, and the Philippines for an in-person knowledge exchange to learn more about Morocco's National Population Registry pilot, including their registration strategy and their implementation of the Modular Open Source Identity Platform. Lessons were shared about the importance of a real-time monitoring system to effectively manage the registration process and efforts to proactively raise awareness for registration through various communication channels. In addition, Morocco shared their approach to enabling the use of IDs to enroll remotely for social protection programs, and they highlighted the importance of having a robust legal framework, which includes personal data protection.

COUNTRY AND REGIONAL ACTION

In 2021, ID4D also helped 49 countries with the design and implementation of inclusive and trusted ID and civil registration systems. A total of 35 countries are receiving World Bank financing, with the potential to provide better IDs and civil registration documentation to up to 470 million people over the next five to seven years (World Bank, 2021). ID4D supports countries by conducting diagnostic assessments of their ID ecosystems, and so far in the Africa region alone, diagnostics have been completed or initiated in Angola, Burkina Faso, Cameroon, the Central African Republic, Côte d'Ivoire, the Democratic Republic of the Congo, Ethiopia, Eswatini, Gabon, Guinea, Kenya, Lesotho, Liberia, Mali, Morocco, Mozambique, Madagascar, Malawi, Niger, Nigeria, Rwanda, São Tomé and Príncipe, Somalia, Sudan, Togo, Tunisia, and Uganda.

ID4D also provides technical assistance for the design, planning, and implementation of digital ID ecosystems and facilitates legal and institutional reforms for countries to strengthen existing ID and civil registration ecosystems. Legal and regulatory support were provided to more than 17 countries in 2021. Using an ID Enabling Environment Assessment (IDEEA) tool, these countries were able to identify how to strengthen and align their laws with international good practices on ID and civil registration, data protection, cybersecurity and cybercrime, and electronic transactions (World Bank, 2018). Furthermore, ID4D continues to work in collaboration with other donors and development partners to build trusted ID ecosystems across the continent.

CASE STUDY: TOGO'S IDENTIFICATION PROJECT

The Togolese government has established a series of strategic objectives that are linked to the successful rollout of the Togo Identification Project (World Bank, 2021), including (a) the universal identification of all citizens and residents, without limitations related to age, language spoken, ethnicity, place of residence, etc.; (b) the establishment of a social registry of individuals and households (Registre social des personnes et des ménages (RSPM)); (c) the modernization of public administration services; (d) the improvement of social, financial, and economic inclusion; and (e) laying the foundation for an innovation driven economic model. With support from the World Bank, Togo is committed to providing over 80 percent of its population with officially-recognized IDs, facilitating access to services and economic opportunities, and paving the way for improved public administration and service delivery. Thus far, Togo has taken several important steps, including improving its legal and institutional environment with the passing of legislation on biometric registration and the creation of a national identification agency (L'Agence Nationale d'Identification (ANID)), a national cybersecurity agency (Agence Nationale de la Cybersécurité (ANCy)) and a data protection authority (Instance de protection des données à caractère personnel (IPDCP)). With these legal instruments and institutions in place, Togo plans to proceed with the registration of its population in 2022.

REFLECTIONS ON ID4D'S PROGRESS

ID4D has an established record of supporting countries in creating and modernizing foundational ID systems, which underpin much of DFS. ID4D's work program has contributed to the design, assessment, and deployment of new models and technologies for digital ID, while also strengthening evidence, knowledge, tools, and implementation support on good ID fundamentals for data protection and data privacy. ID4D has also worked to collaborate with G7P Pillar, J-PAL, on localized research and assessments.

6. HOW IS THE G7P WORKING AS A PARTNERSHIP?

THE CONCEPTUAL FRAMEWORK

Collaboration is defined as “a durable relationship that brings previously separate organizations into a new structure with commitment to a commonly defined mission, structure, or planning effort” (Perrault et al., 2011). Collaborations have been shown to yield benefits irrespective of their scope, forms, and intensity (Vangen & Huxham, 2010).

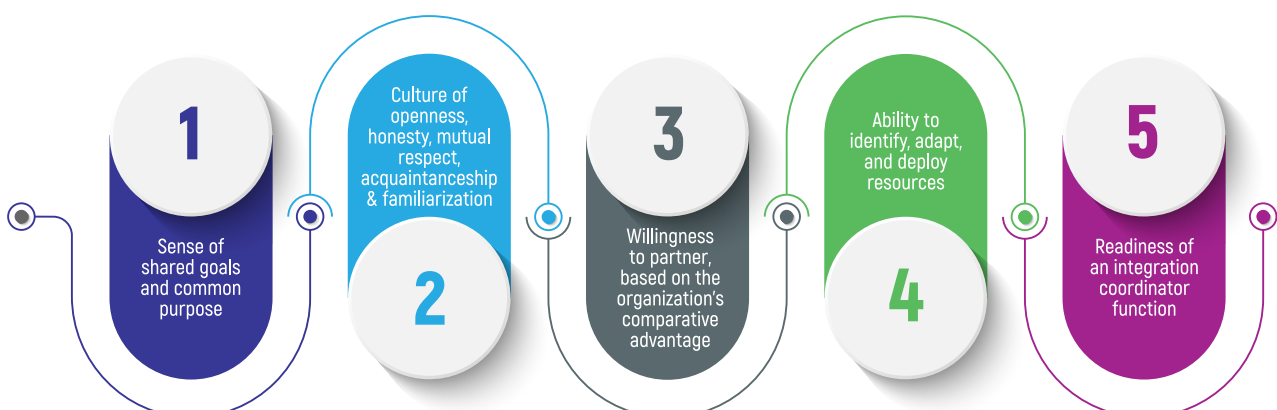
This report evaluates the G7P's performance as a collaborative partnership after its second full year of activities, focusing on two assessment questions:

1. In its second year of implementation, did the core G7P partner institutions – both donors and implementation partners – improve how they worked together?
2. Have changes in the external environment presented a risk to the G7P's effectiveness?

The first assessment question draws from last year's report, which introduced a framework⁷ to assess the readiness of each pillar to work as a constructive and collaborative G7P partner. Last year, we emphasized readiness, as the research literature suggests that successful inter-organizational collaborations do not happen overnight (Karam et al., 2018). These collaborations need to mature before there is a collective sense of belonging, shared goals, and a common purpose, and because maturation rates of effective inter-organizational partnerships depend on a range of factors, including the differences in corporate culture, institutional governance arrangements, and the relative power and reach of each partner.

The framework comprises five key capabilities, or dimensions, that the partnership must have to mature into an effective inter-organizational collaborative. We can expect the quality, relevance, and effectiveness of the partnership's support to clients will influence - and be influenced by - how they perform across these dimensions over the five-year implementation period.

As these dimensions are equally effective for assessing collaboration (not just readiness to collaborate), they provide the basis for answering our first assessment question. The five dimensions include:



⁷ Accountability Report 2021: G7 Partnership for Financial Digital Inclusion in Africa, September 2021, Section 5, page 20.

It's important to note that last year's report highlighted that readiness sets the expectations for nurturing trust, acquaintanceship, understanding, and mutual respect. As the partnership moves from a state of readiness to engagement, trust should build into reliance and then into interdependence (Karam et al., 2018), which will lead to a balancing of power in partnership decision-making as time passes.

The literature also suggests that forging effective relationships within an inter-organizational collaboration does not happen organically. It is a process that requires continuous supervision and cultivation. This cultivation process is affected by many factors, for example, when joint actions are initiated, as well as when and how they are executed (Kozuch et al., 2016). Cultivating a culture of collaboration over time is complicated by changes in the external environment in which the partnership operates or as the mandate of implementing partners evolves. To capture partnership performance as it adjusts to external factors, we have added the first assessment question which was not explicit in last year's assessment framework. The remainder of this section organizes our observations on the partnership under these two assessment questions.

G7P COLLABORATIONS IN THE SECOND YEAR OF IMPLEMENTATION

In this section, we use the five dimensions described above to assess how core G7P partner institutions – both donors and implementation partners – improved how they worked together in the second full year of implementation.



For the first dimension, **Shared Goals and Common Purpose**, there was clear progress. Implementation partners recognize each other as more than acquaintances in the digital financial space and are comfortable discussing risks and opportunities candidly and openly in monthly meetings. This progress was made without the benefit of in-person meetings or a designated shared space or common platform to communicate the G7P's mission and objectives to external audiences (e.g. a designated stand-alone website) – recommendations put forth in last year's report. Instead, steps were taken to develop a common communications narrative for the G7P, outlining main messages for each implementation partner that could be shared and used across the G7P. And a communications working group was established across the partners to promote cross-collaboration on initiatives and information sharing. These are both positive steps to forge a deeper sense of common purpose and mutual awareness.

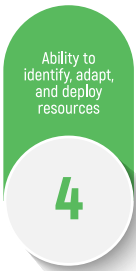
Nonetheless, the staff designated to represent their respective institutions differ in their ability to influence, or participate in, operational teams conceiving projects and engaging with country counterparts within their organizations. This is due to the differences in organizational size and reporting arrangements in each of the G7P institutions. Thus, the ability of each G7P institution to impact shared goals varies when it comes to setting operational priorities.



Regarding dimension 2, **mutual acquaintanceship and familiarizations** were firmly established in the second year of implementation. Last year, we reported that partners were still determining their respective roles. This year, partners frequently demonstrated how they could leverage each other's strengths to advance their common cause. For instance, there were many instances where the operational travel of one partner was identified as an opportunity by others – to develop a common front to identify change leaders and local groups that could assist in implementation, or to strategize on the co-development of national and regional strategies necessary to advance G7P objectives.



Our assessment also found strong indications of a **willingness to partner, based on a clear sense of each organization's comparative advantage** (dimension 3). At this stage of the G7P's evolution, there is a solid understanding of each organization's comparative advantage. As predicted in last year's report, as this mutual familiarization strengthened, more opportunities for finding synergies were uncovered. There were many instances where monthly exchanges triggered follow-up one-on-one discussions to coordinate work or to delve more deeply into strategies for overcoming country-specific implementation challenges. At this stage of maturity, partners also felt comfortable expanding the coordination dialogue to other key players in the DFI space – The Better Than Cash Alliance and Women's World Banking – who participated in discussions of advancing the DFI agenda in specific African regions. The inclusion of these additional players was important, given their role in supporting the “last mile” in African DFI.



The G7P's ability to **identify, adapt, and deploy resources** (dimension 4) – both financial and human capital – remains mixed. The group worked well in identifying and sharing information on high-profile funding initiatives in development, such as a proposed new fund for digital public infrastructure and digital public goods. And these initiatives could potentially provide new sources of funding for select members of the partnership.

However, adapting existing resources to foster collective institutional actions has not materialized, and this has limited implementation partners' ability to develop projects cross-organizationally and formalize cross-partner programmatic outcomes. As in last year's report, we argued for the creation of a small fund to finance joint operational activities. We still feel this is necessary to deepen inter-organizational collaborations in the field and hope to explore specifics on what the fund would finance with partners at an upcoming in-person meeting. We believe that ensuring program-level funds are used effectively to complement existing resources would not be difficult. Resource allocation decisions that could be made by the group, based on a set of transparent criteria, would help to reinforce a sense of joint decision-making and accountability. It would also provide an important signal from donors of the importance of the G7P to work across organizational boundaries.

In addition, there was minimal progress in coordinating resources – human, technical, and financial – to maximize synergies in country-level operations. While partners continued to take steps to establish relationships with each other and other implementation partners in the formative stages of project development, the G7P still lacks a Principles of Engagement Document that defines collaborative engagement modalities that could raise the visibility of partnership activities in country settings and accelerate the replication of successful operational collaborations in other countries. The absence of such a document and a common platform as noted earlier, could trigger perceptions of a lack of rigor in the G7P's actions or a commitment to hold each other accountable for performance.



Finally, we note the continued importance of an **integration coordinator function** (dimension 5) that actively invites dialogue and mitigates the risk of partners perceiving the collaboration as an additional oversight layer that adds little to improve the effectiveness and impact of their operational work. We find that the effectiveness of the coordination function remains high primarily due to the effectiveness of monthly coordination meetings. These meetings continue to be well-attended and provide essential regular opportunities for each organization to share experiences, aspirations, and work program specifics, and they have fostered a greater sense of connectedness. Multiple partners have observed that these meetings have helped them appreciate the respective activities of other G7P institutions. It is also worth reiterating the important role the BMGF and SDSN have played in these meetings. The Foundation's collaboration approach – acting more as a partner/facilitator rather than just a funder – has been lauded by multiple implementing partners. In addition, the SDSN has established itself as a credible neutral convener that facilitates communication across groups, organizes meetings, and is familiar with inter-organizational programs and their clients, leading to more candid exchanges that have helped to strengthen the collaborative.

In sum, the G7P has progressed over the past year, moving from a collection of institutions that were not fully aware of each other's roles and strengths to one where the benefits of knowledge exchange are recognized by all. Mutual trust, acquaintanceship, understanding, and respect are clear, and the strong trust among the collective has led to a balancing of power in partnership decision-making. However, these components alone are insufficient to support inter-institutional reliance and interdependence without the necessary funding and coordinating mechanisms. Furthermore, there are a number of external factors that could preclude the G7P's effectiveness, which we highlight in the next section.

EXTERNAL FACTORS THAT COULD LIMIT THE G7P'S EFFECTIVENESS

This year, three observations are worth highlighting that could hinder the G7P's effectiveness: 1) The impact on partnership planning with Oxford University's Blavatnik School of Government's decision to bring their Digital Pathways Initiative to a close; 2) The continuing quest to re-capture high-level political support; and 3) The rapidly changing constellation of global initiatives in the digital space.

POTENTIAL GAPS IN PLANNING

From the outset, the G7P recognized that planning was one of five key pillars⁸ for the partnership's success. The partnership's Launch Document⁹ argued that DFI efforts should not be conducted in isolation. Instead, they should be anchored in a country's broader digital strategy that provides the planning framework for setting priorities for G7P support. The Launch Document encouraged countries to carry out assessments of their digital readiness to better understand the state of their digital networks and the actions needed to address infrastructure gaps. It propounded that the country diagnostic framework (Phillips & Eleftheriades, 2019) developed by the Pathways for Prosperity Commission at Oxford University's Blavatnik School of Government could identify digital investments and develop supportive policies to ensure that they maximize the social and economic returns from digital technology while minimizing its harms. The diagnostic framework for assessing countries' inclusive digital readiness includes four components: infrastructure; human capital and labor markets; financing and business models; and tax and competition policy/regulation for innovation, with an assessment of inclusion, including gender inclusion, embedded in all components.

The Blavatnik School's decision to close the Digital Pathways Initiative in March 2022 leaves a gap in the G7P planning pillar. This gap may hinder identifying DFI priority-setting and could produce a reputational risk for the G7P if it is not filled. The recommendation to develop country frameworks, described under Practical Steps (section 7), may provide the means to fill this gap. Additionally, at an upcoming in-person meeting of the G7P, we plan to discuss how pillar partners (as well as potentially those outside of the G7P) could provide support in filling this gap.

CAPTURING HIGH-LEVEL POLITICAL SUPPORT

As noted in last year's 2021 report, the launch of the G7P through the July 2019 G7 Finance Ministers and Central Bank Governors' meeting provided a critical foundation for the partnership, allowing operational processes – including the accountability and a coordinator function – to be established from the outset. The report recommended that a G7P mid-term review be made available for comment at the G7 Foreign and Development Ministers Meeting in Spring 2023, given research indicates these commitments count¹⁰.

Last year's report also noted the challenge of securing the G7P and DFS on the G7's crowded agenda. And since last year, the number of global issues requiring G7 attention has increased. Along with the ongoing challenges of the pandemic, Finance Ministers and Central Bank Governors are contending with climate change, biodiversity loss, digital currencies, the war in Ukraine and related sanctions, as well as inflation and prospects for economic growth (G7 Research Group, n.d.). Nonetheless, the French Treasury continues to work with its G7 counterparts to explore options to propose recognition of the partnership by the end of 2022. The G7P core partners are also exploring whether this initiative could be presented at upcoming high-level events, including the G20's Global Partnership for Digital Financial Inclusion.

⁸ The five are: i) Build inclusive digital payments infrastructure, ii) Expand digital ID systems to reach excluded women, iii) Create enabling policy and regulatory environments to support innovation, iv) assess overall digital readiness to maximize social and economic returns, and v) Evaluate how governments can best use payments and ID system reforms to impact (Source: G7P Launch Report).

⁹ Access the G7P Launch Document here: https://docs.gatesfoundation.org/Documents/WomensDigitalFinancialInclusioninAfrica_English.pdf

¹⁰ The G7 have complied with their commitments about 76% of the time, with commitments to international development being complied with just under the average (74%) (Kirton, 2021).

7. PRACTICAL STEPS TO IMPROVE EFFECTIVENESS

The transition from readiness to actual collaboration was apparent in year two of G7P implementation. The previous section identified risks that could prevent effective collaboration stemming from changes in the external environment in which the G7P operates, as well as remaining weaknesses in some of the five dimensions that impede greater collaboration. This section proposes recommendations to address these challenges and risks.

IMPROVING COORDINATION AND COLLECTIVE DECISION-MAKING THROUGH A G7P COUNTRY PLATFORM

In its second year of implementation, the G7P partners continue to primarily work independently while supporting each other on their collective journey. However, as we approach the mid-point of the G7P’s five-year planning horizon, better modalities to deepen collaboration on the ground are essential to improve overall effectiveness.

The idea of adhering to a common set of principles, such as a Principles of Engagement Document described above, is not new. Over a decade ago, the World Bank published a reference framework for Financial Inclusion Strategies (World Bank, 2012). This framework provided advice and guidance on how stakeholders could support countries in developing action plans and strategies to enhance financial inclusion.

Reference frameworks and ‘Country Platforms’ have recently re-emerged in international development architecture. This model is being championed to coordinate development actors to address specific thematic initiatives, such as mitigating climate change (Carney, 2021). And in early 2020, the G20 Finance Ministers endorsed this approach to “exploit the largely untapped potential for collaboration among the international financial institutions, as well as with other development partners to maximize their contributions as a group, including by convergence around core standards” (Global Financial Governance, 2018).

Last year’s report recommended creating a Principles of Engagement Document – a “how to” guide that would outline principles of G7P country engagement and define specific engagement steps to improve coordination. Merging such a guide with the Country Platform Model could allow the G7P partners, along with other major actors working to support DFI, to exploit their untapped potential for collaboration in specific country settings, and we suggest exploring how to operationalize this document at an upcoming in-person meeting of the G7P.

A G7P Country Platform could document country engagement actions across the G7P’s three pillars (Infrastructure, Regulation, and Planning) and extend the documentation of these actions to include efforts under the “last mile.” Core G7P partners and supporting partners could describe their activities, principal country counterpart (i.e., country beneficiary), local collaboration partners, as well as other major partners working in parallel.

G7P COUNTRY KNOWLEDGE EXCHANGE PLATFORM



Documenting these activities could help to enable donor and implementation partners to ensure their efforts align with country DFI strategies and determine if there are gaps in support. And at a minimum, the Platform could expand knowledge sharing in country-level operations by explicitly recognizing both the actions of the core partners, as well as their engagements with major non-governmental actors as part of their operational processes. This has the potential to lead to identifying opportunities for more consistent and better-coordinated support as well as recognizing the actions of those supporting the last mile – an element missing from the current G7P pillar framework. The platform could also support partnership planning and act as a substitute for the readiness planning assessments that were anticipated to be provided through Oxford University’s Digital Pathways Initiative.

A G7P Country Platform could also provide the means to identify local support providers that are contributing (or could contribute) to G7P country operations and accelerate partnership objectives. Earlier sections already identified instances where G7P institutions are working with local partners. For example, at the local level, UNCDF’s APA and Women’s World Banking are working to enable local coalitions comprised of stakeholders from the public sector, private sector, and civil society as the inclusion of local civil society and consumer groups ensures a participatory process to develop impactful regulations and deepen trust between regulators and groups closer to end clients. As such, the platform could support last year’s recommendation to develop African-led consortiums that provide operational support and advocacy. It could also help to establish greater mutual awareness and trust with these entities.

Although there are clear benefits to constructing a G7P country platform, we are cognizant of the challenges of ensuring that it works effectively. Like the G7P in its early stages of inception, there is a risk of actors perceiving the platform as an additional oversight layer that adds little to improve country-level performance.

However, we believe these risks can be mitigated. After the G20 launched their country platform concept, several development experts raised issues and provided advice to ensure platforms had an impact (Plant, 2020; LSE Global Policy Lab, n.d.). Many of the key questions for consideration are germane to the effective implementation of a G7P Country Platform. For example, what implications does ownership have for country choice and platform design and links to country strategies? Can a collaborative define a clear definition of purpose to determine the participants, time frame, administrative support, and, most importantly, cost both in money and time? How will the platform improve efficiency? And how will the success of the platform be measured? While measuring the counterfactual to a country platform will always be difficult, some significant benchmarks, linked to the stated purpose, should be set for each country. Lastly, including private sector actors is likely to change the nature of collaboration. While objectives may be shared, incentives for adhering to stated standards of transparency and information sharing can be different.

Learnings from similar initiatives suggest that it would be beneficial to launch two to three pilot exercises in countries where there is already engagement (current or planned) among a majority of G7P partners, where the G7P is engaged with local entities to reinforce their support to governments, where donor partners have a working group to coordinate activities in the financial and/or IT sector, and where other actors are engaged in supporting the last mile and see the value of multi-institutional collaboration.

We suggest that pilots should not be over-burdensome, and we recommend starting small, by first establishing knowledge exchanges amongst the diverse set of implementers working across supporting domains. Platforms could then move to deeper forms of collaboration, as participating institutions become familiar with each other and develop a sense of common purpose – like the G7P’s own evolution.

Learning from the first two years of G7P implementation, establishing a country platform Integration Coordinating Institution is also important. However, attendance at coordination meetings would need to vary, as not all discussions need to involve each partner, as there are instances where “official sector only” discussions are essential to advance the policy and regulatory agendas. At a minimum, the convening function and documentation of development partner activities would need to be financed.

We recommend setting aside time to scope out the potential of a G7P country platform and its modalities at an upcoming in-person meeting.

INFORMING OTHER GLOBAL DFI INITIATIVES THROUGH G7P EXPERIENCES

We noted last year how the lack of formal governance arrangements required mitigating a set of risks to ensure the G7P's continued effectiveness. Nurturing G7 interest at the political level, providing opportunities for collective decision-making, and strengthening the G7P brand were seen as, and continue to be, necessary steps to ensure the G7P has an enduring impact.

Yet, the G7P's informal structure is also proving to be an asset – one that could provide valuable lessons for other multi-stakeholder partnerships that could be developed in support of the Digital Public Infrastructure/Digital Public Goods (DPI/DPG) agenda. Among the G7P's core strengths that could inform supporting modalities for the DPI/DPG agenda include:

ADAPTABILITY

As the G7P is not bound by a formal agreement, it has the flexibility to add or subtract implementation partners as circumstances warrant. For example, the participation of The Better Than Cash Alliance and Women's World Banking in selective information-sharing sessions required only the verbal agreement of the group. And presumably, adding these or other institutions on a more permanent basis would require the same verbal agreement. This adaptability contributes to both the G7P's resilience and responsiveness – seen by the research literature as vital to partnership competence and performance. The adaptability also extends to funding arrangements. For example, should donors wish to establish a fund to incentivize collaboration, it could be small and only require revisions to the terms of use of larger-scale multi-donor funding instruments and attendant results matrices.

WORKING ACROSS INSTITUTIONS OF DIFFERENT SIZES AND SCOPE

The G7P is composed of institutions that vary in size, program scope, primary country counterparts, and influence on the global development architecture. For example, the ID4D is a truly cross-sectoral effort of the World Bank, working across ten different units spanning from digital development, financial, private sector development, and gender issues working in over 40 countries by providing financial and technical assistance (through staff or global experts). The AfDB's ADFI has a similar size and scope. By contrast, J-PAL's DigiFI focuses on generating rigorous evidence on digital ID and payments and relies on local and international academics to conduct Randomized Control Trials. UNCDF's APA lies somewhere in between. The G7P has provided the space for these different institutions to appreciate the roles, strengths, and weaknesses of each partner, as well as a safe space to identify, discuss, and debate inconsistencies in advice provided to countries. Had the G7P been constructed with formal arrangements, it would likely require a supporting multi-donor fund. The terms of reference and attendant results matrix would be difficult to craft with the additions and departure of participating institutions, and would likely clash with existing funding and existing arrangements already supporting these (or similar) initiatives.

A CLEAR DEFINITION OF PURPOSE, TIME FRAME, AND PUBLICLY-AVAILABLE MEASURES OF PERFORMANCE

The G7P's vision has been clear from its outset: to connect 400 million people in Africa, most of them women, with access to DFS. The G7P's structure provides the blueprint to pursue this vision, and the Assessment Framework and this Accountability Report provide the means to assess performance.

These assets and the success of the G7P to date have great potential to inform how similar collaboratives supporting the DPI/DPG agenda are constructed and managed. And we encourage G7P institutions engaged in the development of these new collaboratives to promote the G7P as a working example of an effective inter-organizational collaboration. Partners are also encouraged to look for ways to promote the G7P as a case study in the lead-up to high-level events around the Digital Public Goods Charter during this year's UN General Assembly.

ADDITIONAL RECOMMENDATIONS

Two of the recommendations put forth in last year's report remain important for advancing the G7P's effectiveness in the coming years. These include:

ESTABLISHING A SMALL FUNDING SOURCE AT THE PROGRAM LEVEL

We have argued strongly for program-level funding, as the alternative is soliciting resources from the existing funding channels of each implementation partner. Resource allocation decisions, such as the selection of pilot countries and operationalizing the platform, would be made by the group. As stated earlier, these resource allocations would reinforce a sense of joint decision-making and accountability. The creation of the fund would also signal donor endorsement of the value of the G7P's flexible structure and would likely be the most cost-effective mechanism to improve operational synergies.

REINSTATING ANNUAL IN-PERSON MEETINGS

Pre-pandemic, in-person meetings were instrumental in facilitating bi-lateral relationships between implementing organizations. Furthermore, as the pandemic has precluded the partners from ever meeting in person all together, we see great value in gathering the partners together for in-person meetings on an annual basis. Doing so would provide an opportunity to strengthen the G7P's sense of community, identify and explore common themes (e.g., trust), review joint performance, and strengthen the collective narrative across the implementation pillars.

8. CONCLUSION

This report profiles the G7P as it approaches the mid-point of its five-year operational cycle. It has documented the efforts of the pillar partners to extend digital financial inclusion to African women and underscored the importance of trust to nearly all facets of the partnership.

To cement the G7P's legacy, the report recommends piloting country platforms as a mechanism for documenting actions supporting DFI in country settings as well as showcasing the G7P's strengths to inform global digital initiatives that require a community of implementers to succeed. These recommendations will both deepen operational collaborations in country settings, while influencing other multilateral initiatives being developed in the digital development space.

8. REFERENCES

ADFI. (2019, July 30). Call for Proposals in Digital Financial Inclusion for the Africa Digital Financial Inclusion Facility (ADFI).

https://www.afdb.org/sites/default/files/2019/07/30/africa_digital_financial_inclusion_facility_call_for_proposal_july_2019-interactive_form.pdf

ADFI. (2022). We-Fi Announces New Round of Funding for Women Entrepreneurs; \$15 million to the Africa Digital Financial Inclusion Facility to Improve Access to Finance for Women-owned Small Businesses.

<https://www.adfi.org/news/we-fi-funding-women-entrepreneurs-15-million>

ADFI. (n.d.). Enhancing Access to Financial Services in Northern Nigeria Through Female Agent Networks.

<https://www.adfi.org/projects/enhancing-access-financial-services-northern-nigeria-through-female-agent-networks-0>

Better Than Cash Alliance. (2021, March 8). “Reaching Financial Equality for Women: 10 Actions to Reach Financial Equality.”

<https://www.betterthancash.org/explore-resources/reaching-financial-equality-for-women>

Bill & Melinda Gates Foundation. (2019, July). A G7 Partnership For Women’s Digital Financial Inclusion in Africa.

https://docs.gatesfoundation.org/Documents/WomensDigitalFinancialInclusioninAfrica_English.pdf

Bin-Humam, Y., Carlos Izaguirre, J., Hernandez, E. (2018, October 10). 4 Regulatory Enablers for Digital Finance: A Gender Perspective. CGAP.

<https://www.cgap.org/blog/4-regulatory-enablers-digital-finance-gender-perspective>

Carney, M. (2021). Country Platforms Action Plan.

<https://assets.bbhub.io/company/sites/63/2021/11/Country-Platforms-Action-Plan.pdf>

Cavoukian, A. Privacy by Design The 7 Foundational Principles. IAB

https://iab.org/wp-content/IAB-uploads/2011/03/fred_carter.pdf

Chalwe-Mulenga, M., Duflos, E., & Coetzee, G. (2022). The Evolution of the Nature and Scale of DFS Consumer Risks A Review of Evidence.

https://www.cgap.org/sites/default/files/publications/slidedeck/2022_02_Slide_Deck_DFS_Consumer_Risks.pdf

Deasi, V., Neumann, J., Satola, D. (2021, January 28). Good Digital ID Needs Great Data Protection. World Bank.

<https://blogs.worldbank.org/digital-development/good-digital-id-needs-great-data-protection>

Demirgüç-Kunt, A., Klapper, L., Singer, D., Ansar, S. (2022). The Global Findex Database 2021. World Bank.

<https://www.worldbank.org/en/publication/globalfindex/Report>

Digital Public Goods Charter. <https://www.dpgcharter.org>

Galiani S, Gertler P, Ahumada CN (2020) Trust and Saving in Financial Institutions (No. w26809). Natl Bur Econ Res.

<https://www.nber.org/papers/w26809>

Gallup. Confidence in Institutions. <https://news.gallup.com/poll/1597/confidence-institutions.aspx>

GFCE. (n.d.). Cybersecurity and Cybercrime Trends in Africa.

<https://thegfce.org/initiatives/cybersecurity-and-cybercrime-trends-in-africa/>

- Gammage, S., Kes, A., Winograd, L., Sultana, N., Hiller, S., & Bourgault, S. (2017). "Gender And Digital Financial Inclusion: What Do We Know And What Do We Need To Know?." International Center For Research On Women.
<https://www.icrw.org/wp-content/uploads/2017/11/Gender-and-digital-financial-inclusion.pdf>
- Global Financial Governance. (2018). Why the Need for Reform.
<https://www.globalfinancialgovernance.org/>
- Golden, D., Goldhammer, J., Parekh, J., Kearns-Manolatos, D. (2022, February 16). Earning Digital Trust: Where to Invest Today and Tomorrow. Deloitte Insights.
<https://www2.deloitte.com/us/en/insights/topics/digital-transformation/digital-trust-solutions.html.html.html/#endnote-4>
- GSMA. (2020). The Mobile Gender Gap Report 2020.
<https://www.gsma.com/mobilefordevelopment/wp-content/uploads/2020/05/GSMA-The-Mobile-Gender-Gap-Report-2020.pdf>
- G7 Germany. (2022). Meetings of the G7 Digital Affairs Ministers.
<https://www.g7germany.de/g7-en/current-information/g7-meetings-digital-ministers-2014854>
- G7 Research Group. (n.d.). G7/8 Finance Meetings. University of Toronto.
<http://www.g7.utoronto.ca/finance/index.htm>
- Hagemann V, Kluge A. Complex Problem Solving in Teams: The Impact of Collective Orientation on Team Process Demands. (2017). Front Psychol. 8:1730. doi: 10.3389/fpsyg.2017.01730. PMID: 29033886; PMCID: PMC5627219.
- Hammer, L., Esquivel-Korsiak, V., Pande, R. (March 2021). Understanding The Gender Gap In Id: Key Research Findings and Policy Lessons From Nigeria. World Bank.
<https://documents1.worldbank.org/curated/en/632411615961644201/pdf/Understanding-the-Gender-Gap-in-ID-Key-Research-Findings-and-Policy-Lessons-from-Nigeria-Evidence-Note.pdf>
- Hasler, A., Lusardi, A. (2017, July). The Gender Gap in Financial Literacy: A Global Perspective. Global Financial Literacy Excellence Center.
<https://gflec.org/wp-content/uploads/2017/07/The-Gender-Gap-in-Financial-Literacy-A-Global-Perspective-Report.pdf?x87657>
- Hernandez, E., Blackburn, C., Raman, A., Reynolds, P. (2020, August). Agent Network Journeys Toward the Last Mile. CGAP.
https://www.cgap.org/sites/default/files/publications/2020_12_Focus_Note_Agent_Network_Journeys.pdf
- IMF. (2019, September 30). IMF Releases the 2019 Financial Access Survey Results.
<https://www.imf.org/en/News/Articles/2019/09/27/pr19359-imf-releases-the-2019-financial-access-survey-results>
- IMF. (2021, November 1). IMF Releases the 2021 Financial Access Survey Results.
<https://www.imf.org/en/News/Articles/2021/10/28/pr21315-imf-releases-the-2021-financial-access-survey-results>
- Kirton, J. (2021). G7: Commitments, Prospects, Ability to Deliver. ISPI.
<https://www.ispionline.it/it/pubblicazione/g7-commitments-prospects-ability-deliver-30786>
- JPAL. African Scholars Opportunities at DigiFI.
<https://www.povertyactionlab.org/initiative-subpage/african-scholars#:~:text=African%20Scholars%2C%20as%20well%20as,the%20course%20before%20scholarship%20acceptance.>
- Kaimba, B. (2017). Africa Cybersecurity Report 2017: Demystifying Africa's cybersecurity Poverty Line.
<https://digital4africa.com/wp-content/uploads/2018/04/Africa-Cyber-Security-Report-2017.pdf>

Karam, M., Brault, I., Van Durme, T., Macq, J. (2018, March). Comparing Interprofessional and Interorganizational Collaboration in Healthcare: A Systematic Review of the Qualitative Research. *International Journal of Nursing Studies* 79, 70-83,

<https://www.sciencedirect.com/science/article/pii/S0020748917302559/>

Keck, M., Gillani, S., Dermish, A, Grossman, J. (2021, October). The Role of Consumer Protection in the Digital Economy. UNCDF.

<https://static1.squarespace.com/static/5f2d7a54b7f75718fa4d2eef/t/61bb0d1e44dd780d5206852d/1639648543335/EN-UNCDF-Brief-Consumer-Protection-2021.pdf>

Kożuch, B., Sienkiewicz- Małjurek, K. (2016). Factors Of Effective Inter-Organizational Collaboration: A Framework For Public Management. *Transylvanian Review of Administrative Sciences*.

<https://core.ac.uk/download/pdf/53137317.pdf>

LSE Global Policy Lab. (n.d.). Making the Global Financial System Work for All. Institute of Global Affairs.

<https://www.lse.ac.uk/iga/assets/documents/publications/2019/B20-2019-Global-Policy-Lab.pdf>

MITx. MicroMasters Program in Data, Economics, and Development Policy.

<https://micromasters.mit.edu/dedp/>

Morell-Ducós, J. (2021, December 8). Furthering Digitalization’s Potential for Financial Inclusion: Insights from Sub-Saharan FSPs, Supervisors, and Associations. Center for Financial Inclusion.

<https://www.centerforfinancialinclusion.org/furthering-digitalizations-potential-for-financial-inclusion-in-sights-from-sub-saharan-fsps-supervisors-and-associations>

Namati. (2020). Recognizing Human Rights Norms in the “Principles on Identification for Sustainable Development”: Civil Society Consultation Report.

https://namati.org/wp-content/uploads/2020/12/Consultation_on_Digital_ID_CSO_Report.pdf

Oborn, E., Barrett, M., Orlikowski, W., & Kim, A. (2019). Trajectory Dynamics in Innovation: Developing and Transforming a Mobile Money Service Across Time and Place. *Organization Science* 30(5):1097-1123.

OECD. Trust in Government. <https://www.oecd.org/governance/trust-in-government/>

Open Society Foundations. <https://www.opensocietyfoundations.org>

Perrault, E., McClelland, R., Austin C. and Sieppert, J. (2011). Working Together in Collaborations: Successful Process Factors for Community Collaboration. *Administration in Social Work*, vol. 35, no. 3, pp. 282-298.

Phillips, T. & Eleftheriades, C. (2019). Digital Strategy Kit: Prototype V1.

https://pathwayscommission.bsg.ox.ac.uk/sites/default/files/2019-03/Digital%20strategy%20kit%20-%20Prototype%2011032019_0.pdf

Plant, M. (2020). Some Thoughts on Country Platforms. Center for Global development.

<https://www.cgdev.org/publication/some-thoughts-country-platforms>

Rainie, L., Anderson, J. (2017, August 10). The Fate of Online Trust in the Next Decade. Pew Research.

<https://www.pewresearch.org/internet/2017/08/10/the-fate-of-online-trust-in-the-next-decade/>

Rapoza (2012). Can Hackers Destroy the Internet? *Forbes*.

<https://www.forbes.com/sites/kenrapoza/2012/02/08/can-hackers-destroy-the-internet/?sh=22d327cf3f10>

Saran, S., Bharti Mittal, S., Robbins, C., Smith, B., Teo, J. (2022, May 25). Advancing Digital Cooperation. World Economic Forum. <https://www.weforum.org/events/world-economic-forum-annual-meeting-2022/sessions/advancing-digital-cooperation>

Shivkumar, G., O’Neil, K., Marte Kristiansen Nordhaug, L. (2021, August 30). How to Bring Digital Inclusion to the People Who Need it Most. World Economic Forum.

<https://www.weforum.org/agenda/2021/08/4-reasons-you-should-care-about-digital-public-infrastructure/>

Shree, S., Pratap, B., Saroy, R. Dhal, S. (2021) Digital Payments and Consumer Experience in India: A Survey Based Empirical study. *Journal of Banking and Financial Technology* 5, 1–20.

<https://doi.org/10.1007/s42786-020-00024-z>

United Nations (2020). Report of the Secretary-General: Roadmap for Digital Cooperation.

[https://www.un.org/en/content/digital-cooperation-roadmap/assets/pdf/Roadmap for Digital Cooperation EN.pdf](https://www.un.org/en/content/digital-cooperation-roadmap/assets/pdf/Roadmap%20for%20Digital%20Cooperation%20EN.pdf)

UNCDF. Bank of Sierra Leone's Consumer Protection Journey.

<https://policyaccelerator.uncdf.org/whats-new/bank-sierra-leones-consumer-protection>

UNCDF. Policy Tools and Resources. <https://policyaccelerator.uncdf.org/policy-tools>

UNCDF Policy Accelerator. Introducing the UNCDF Advisory Panel on Women and Digital Financial Services in Central Africa.

<https://policyaccelerator.uncdf.org/whats-new/introducing-panel-central-africa>

UNCDF. (2022). Accountability Report 2022: G7 Partnership for Women's Digital and Financial Inclusion in Africa.

UNCDF. (2022b). Join us! We're Building a Coalition to Advance Women's Digital Financial Inclusion in Ethiopia

<https://policyaccelerator.uncdf.org/whats-new/join-us-ethiopia-wdfi-hub?rq=WDFI%20Advocacy%20Hub>

UNCDF. (2022c). We're Live! The Women's Digital Financial Inclusion Advocacy Hub Launches in Ethiopia.

<https://policyaccelerator.uncdf.org/whats-new/ethiopia-coalition-launch>

UNDP. (2022, June 3). Global Leaders Commit to Cooperation to Advance the Use of Digital Public Goods in Support of Inclusive Development Outcomes.

<https://www.undp.org/press-releases/global-leaders-commit-cooperation-advance-use-digital-public-goods-support-inclusive-development-outcomes>

Vangen, S. and Huxham, C. (2010). Introducing the Theory of Collaborative Advantage, in Osborne, S.P. (ed.), *The New Public Governance? Emerging Perspectives on the Theory and Practice of Public Governance*, London, New York: Routledge, pp. 163-184.

World Bank. (2012). Financial Inclusion Strategies Reference Framework.

<https://documents1.worldbank.org/curated/en/801151468152092070/pdf/787610WP0P144500use0onl-y0900A9RD899.pdf>

World Bank. (2017). The State of Identification Systems in Africa – A Synthesis of Country Assessments.

<https://documents.worldbank.org/en/publication/documents-reports/documentdetail/156111493234231522/the-state-of-identification-systems-in-africa-a-synthesis-of-country-assessments>

World Bank. (2018). ID Enabling Environment Assessment (IDEEA) Guidance Note.

<https://documents1.worldbank.org/curated/en/881991559312326936/pdf/ID-Enabling-Environment-Assessment-Guidance-Note.pdf>

World Bank. The 2021 Annual Report.

<https://documents1.worldbank.org/curated/en/436051643089705385/pdf/Identification-for-Development-ID4D-and-Digitalizing-G2P-Payments-G2Px-2021-Annual-Report.pdf>

World Bank (2021b). Financial Inclusion and Consumer Protection.

<https://responsiblefinance.worldbank.org/en/responsible-finance/financial-consumer-protection>

World Bank. (2021c). Principles on Identification for Sustainable Development.

<https://documents1.worldbank.org/curated/en/213581486378184357/pdf/Principles-on-Identification-for-Sustainable-Development-Toward-the-Digital-Age.pdf>

World Bank. (2022, April). Digitalization and Development.

[https://www.devcommittee.org/sites/dc/files/download/Documents/2022-04/Final%20on%20Digitalization DC2022-0002.pdf](https://www.devcommittee.org/sites/dc/files/download/Documents/2022-04/Final%20on%20Digitalization%20DC2022-0002.pdf)



SUSTAINABLE DEVELOPMENT
SOLUTIONS NETWORK
A GLOBAL INITIATIVE FOR THE UNITED NATIONS

BILL & MELINDA
GATES *foundation*



MINISTÈRE
DE L'ÉCONOMIE,
DES FINANCES
ET DE LA RELANCE

*Liberté
Égalité
Fraternité*

