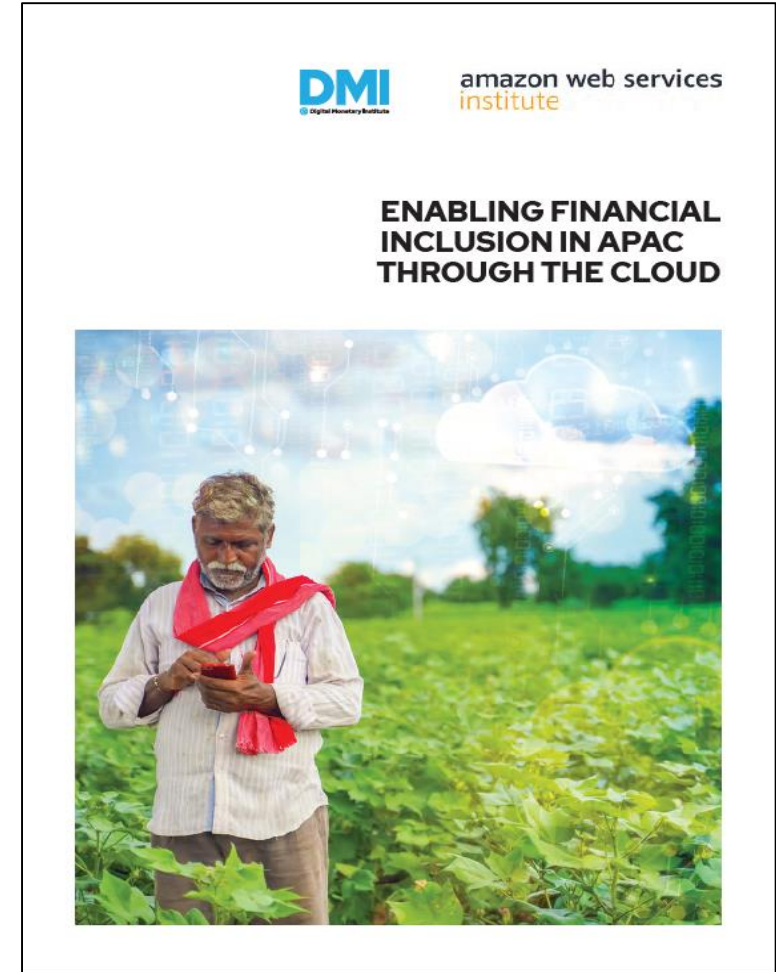
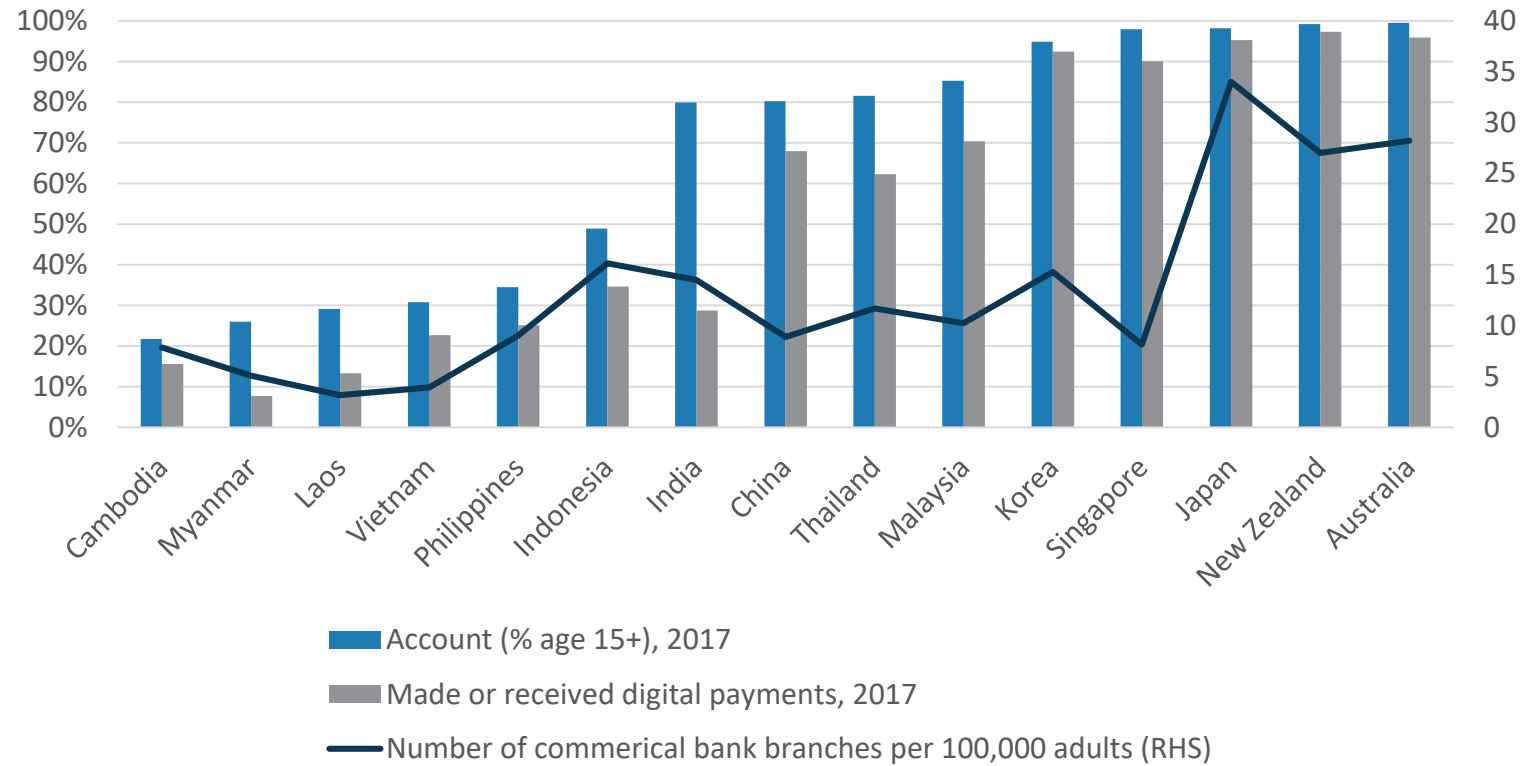


Enabling Financial Inclusion in APAC through the Cloud

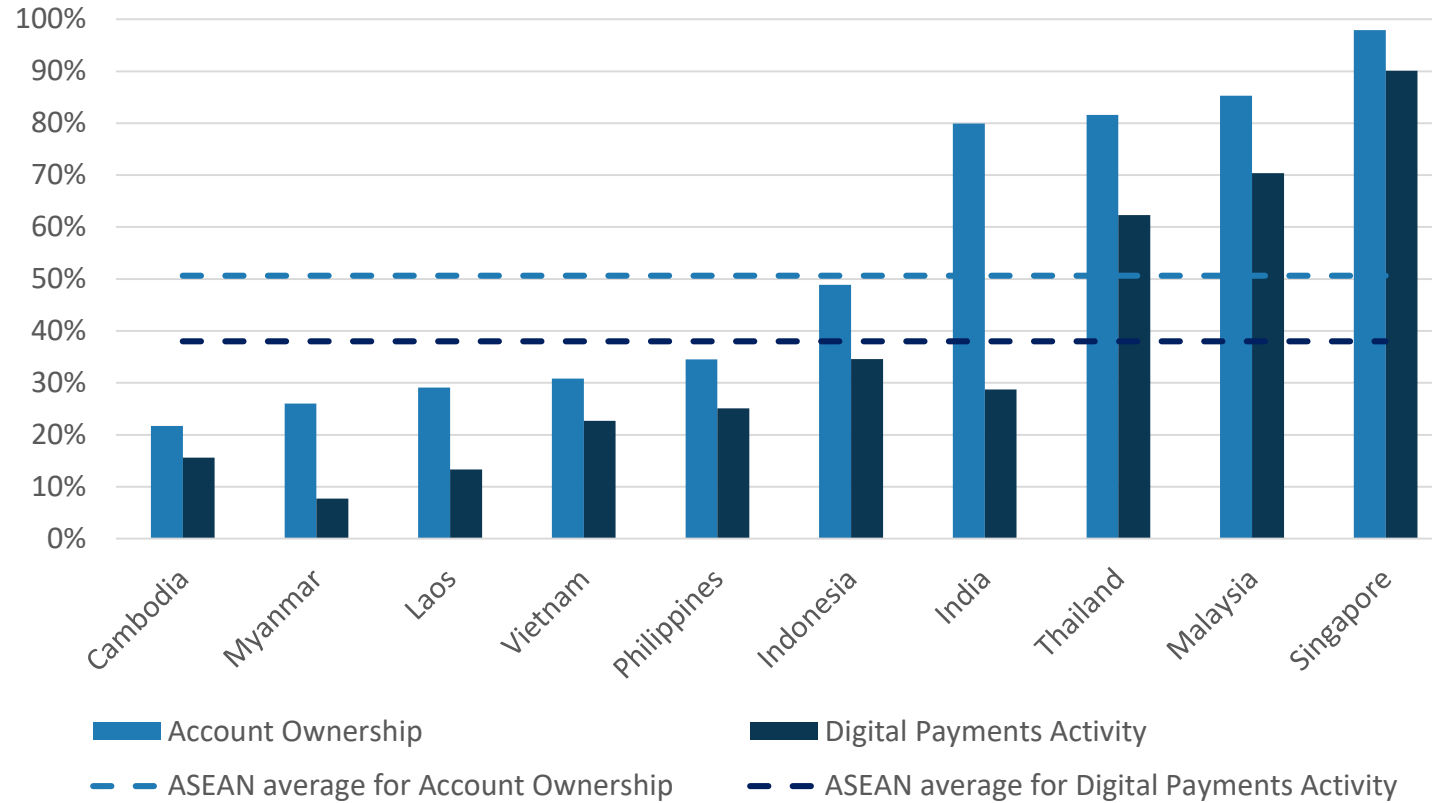


Uneven progress for financial inclusion in Asia Pacific



Source: World Bank Global Findex 2017, IMF Financial Access Survey 2018, OMFIF analysis

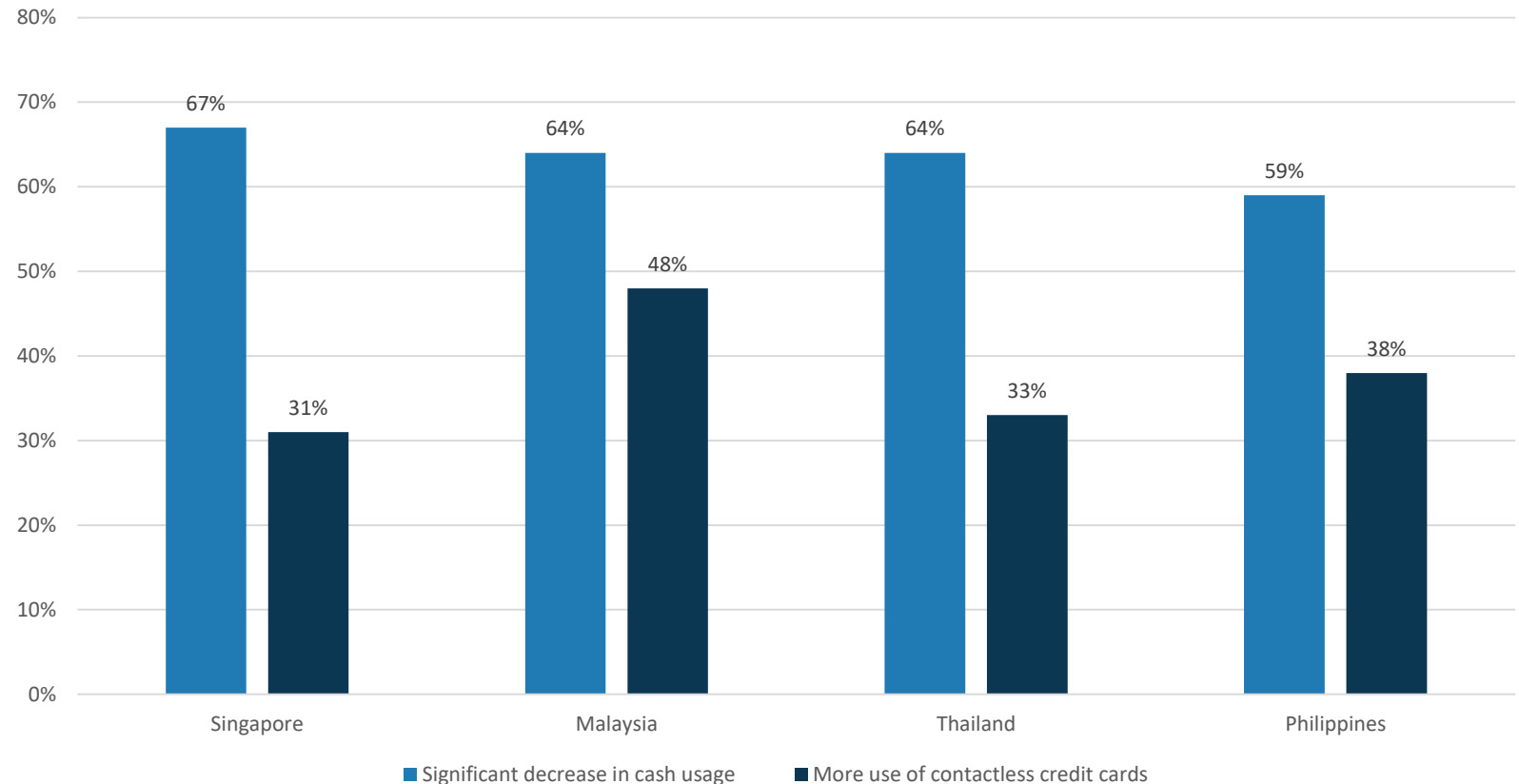
Disparities in account ownership and digital payments activity



Source: World Bank Global Findex 2017, OMFIF analysis

Covid-19 and the ‘dash from cash’

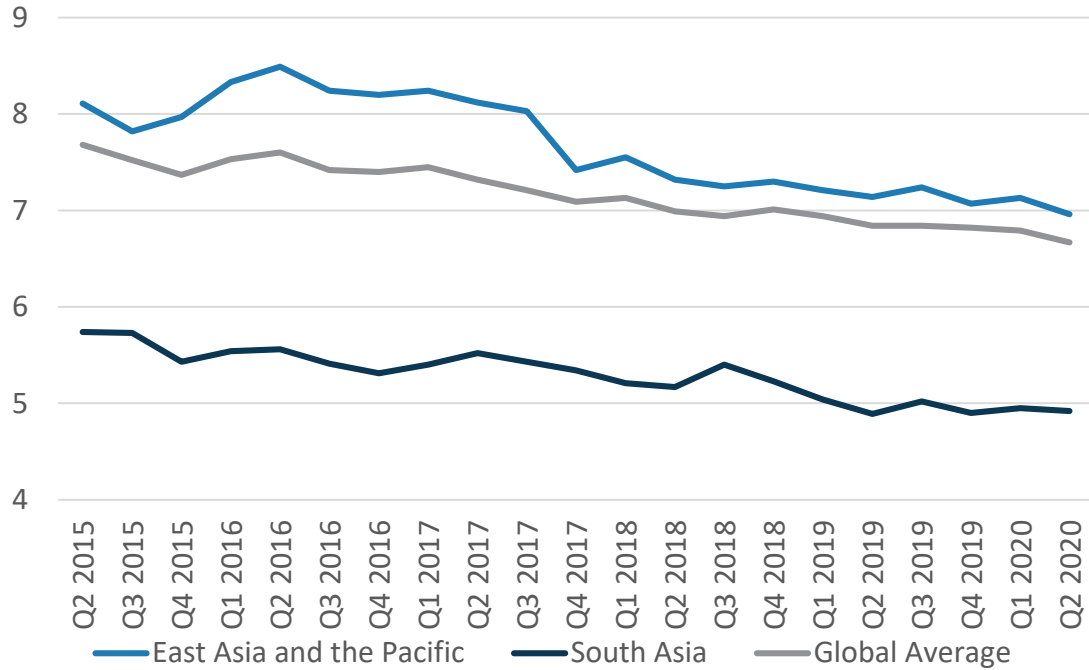
‘Covid has, in the most unintended way, pushed financial institutions to go digital, because there were banks that couldn't acquire a single new customer for three, four months, because there were no branches, or agents going on the ground to collect instalments from people and recover costs’.



Source: Mastercard Impact Studies 2020, OMFIF analysis

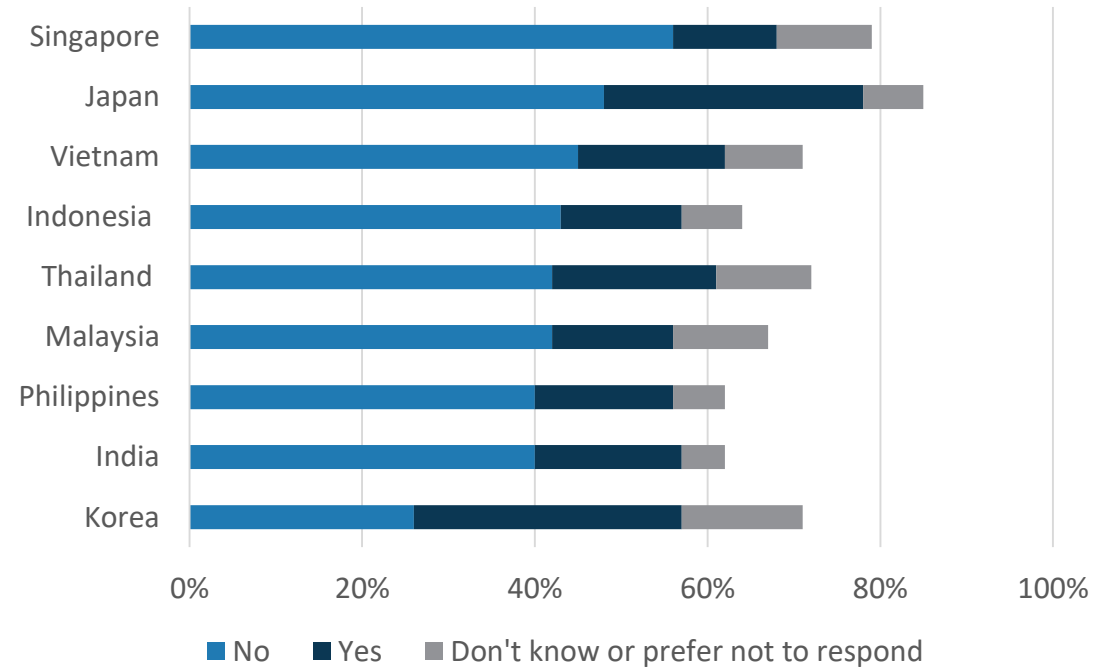
Financial inclusion must expand economic opportunities for individuals and small businesses

Cost by region, % of remittance amount



Source: World Bank, OMFIF analysis

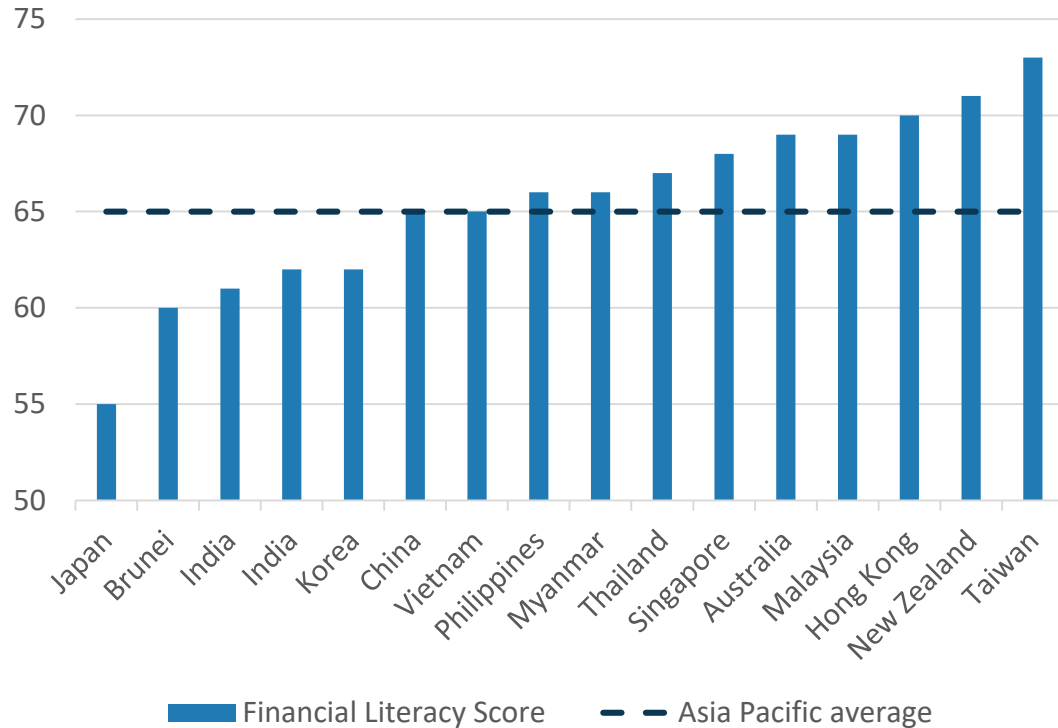
Does your business have a line of credit or a loan from a financial institution or bank?, share of responses



Source: World Bank, OECD and Facebook Future of Business survey

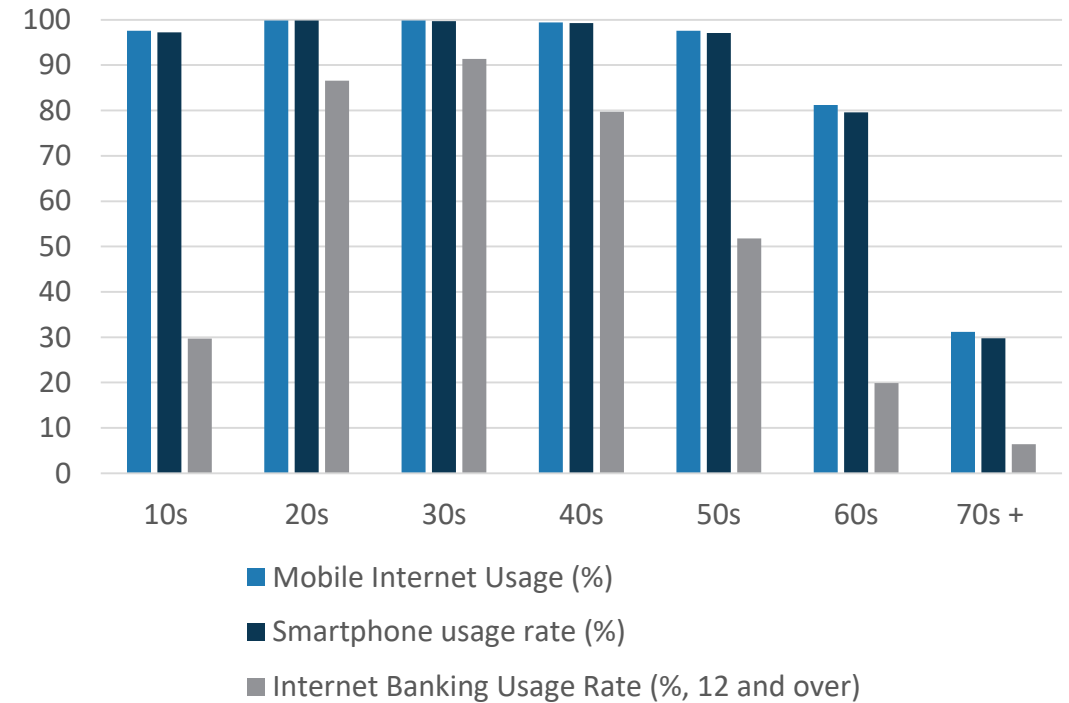
Tailoring financial inclusion for the elderly

Financial literacy scores by country



Source: Mastercard Index of Financial Literacy Index 2015, OMFIF analysis

South Korean ICT and digital financial service usage, % by age group



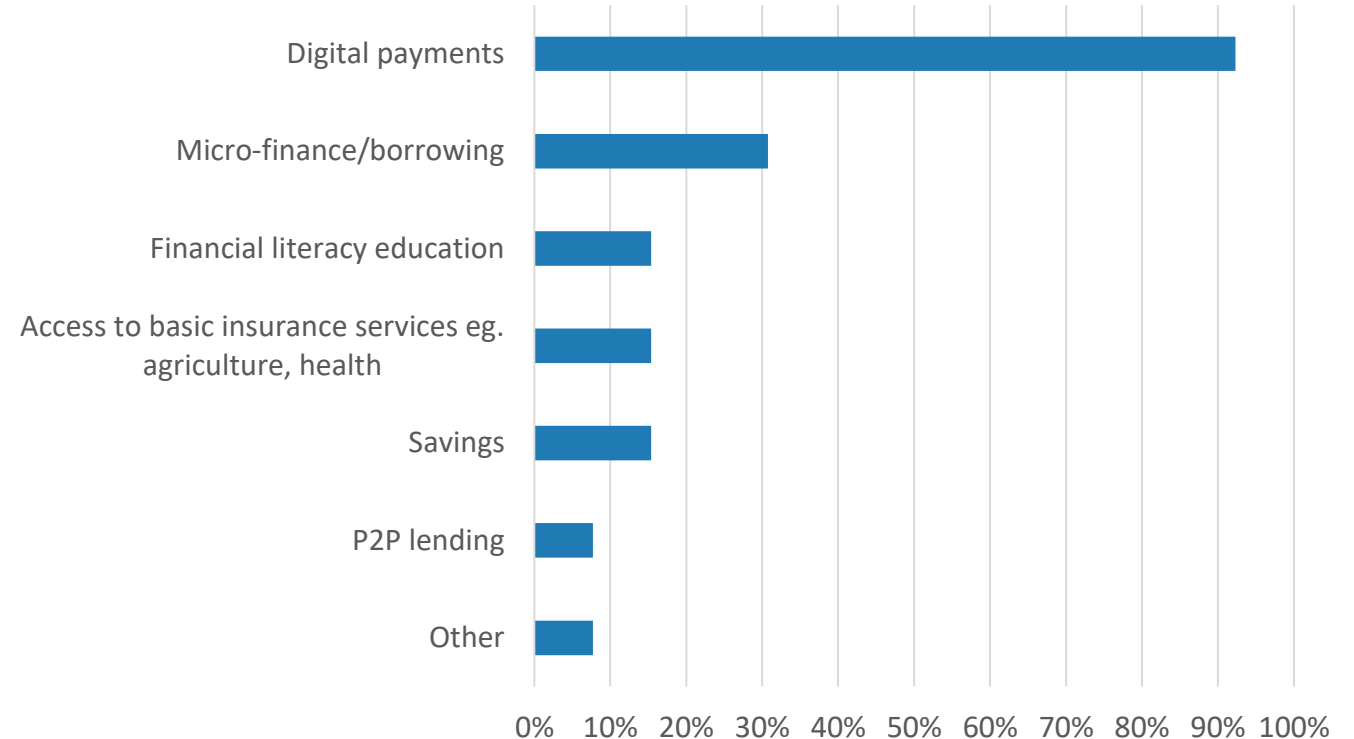
Source: Korea Internet and Security Agency 2017, OMFIF analysis

Digital payments seen as most promising area for financial inclusion

‘The closest that you come to digital banking [in developing communities], is in terms of actually digitising a transaction. Payments in many parts of the world today is still cash-driven...

If we are able to move some part of the 10 to 5 transactions that an average person does in a day from cash to digital, that's probably showing the success of what digital payments can bring in the overall ecosystem of digitising financial services’

In which area does fintech have the greatest impact on financial inclusion in your country?, % of total responses



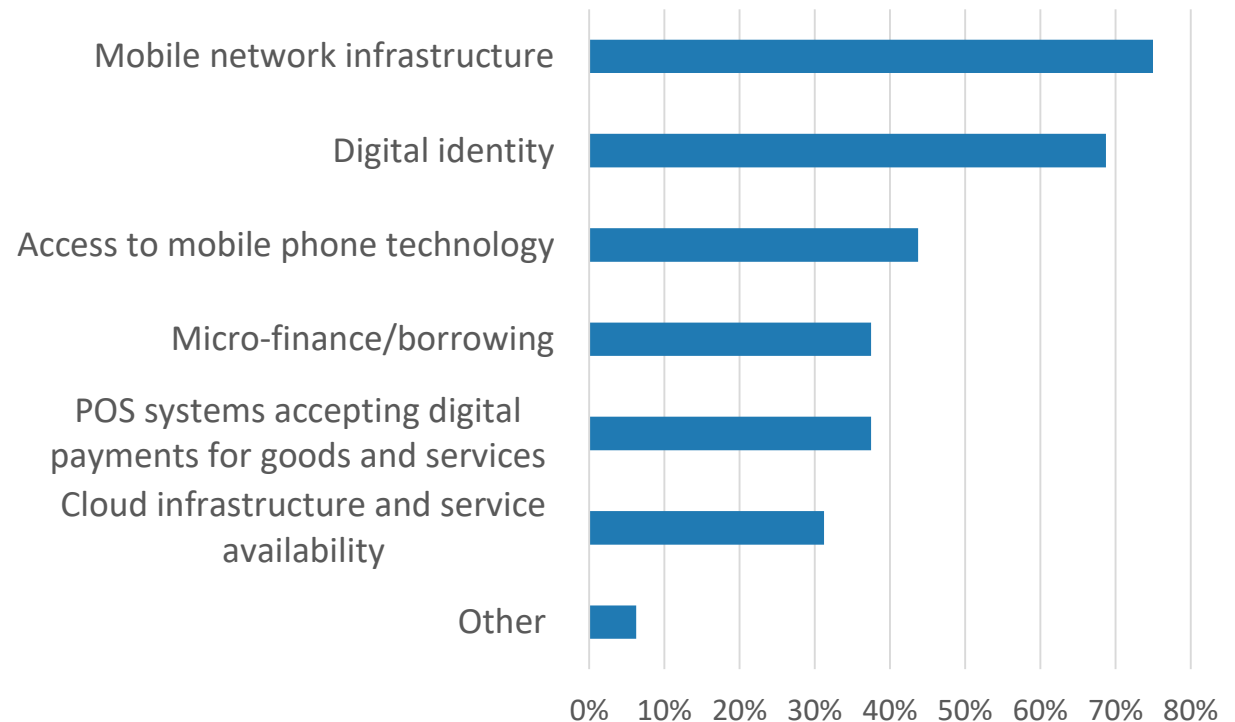
Source: OMFIF-AWS fintech and financial inclusion survey

Mobile network infrastructure & digital identities as necessary foundations for financial inclusion

‘The development of a digital identity system will refine, and improve the efficiency of, KYC and AML/CFT measures, making it possible to provide financial services to people, companies, and communities that were so far excluded from financial services due to excessive risk aversion taken by financial institutions’

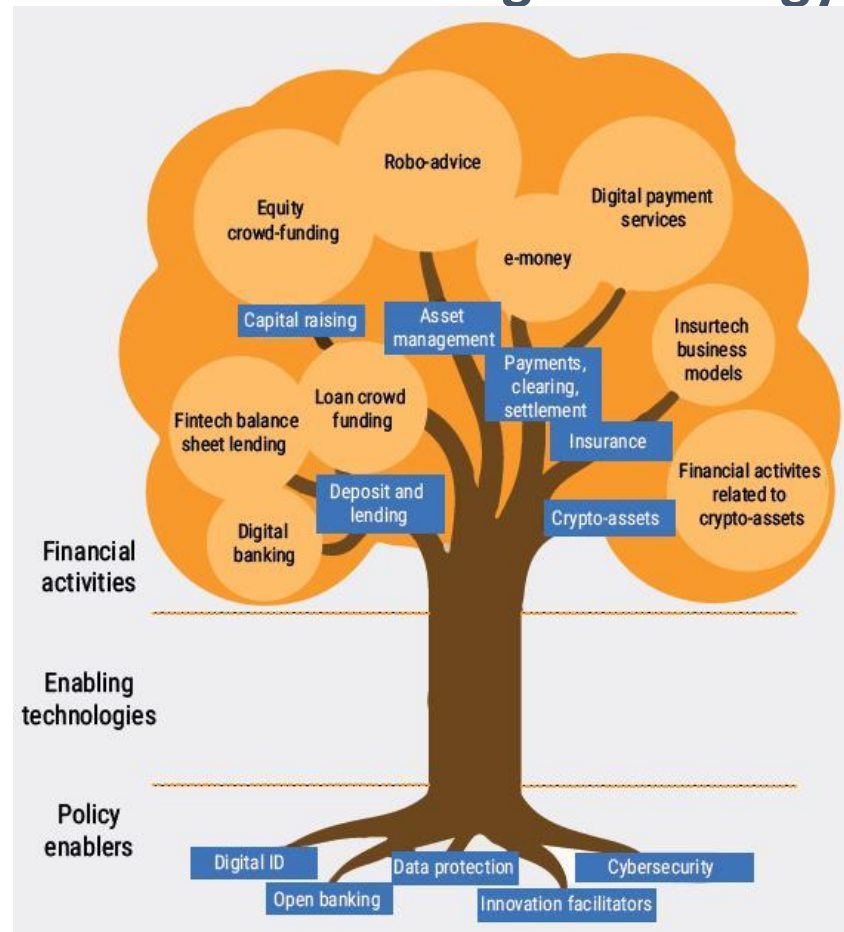
- East Asian financial regulator

‘What are the technological prerequisites/complements needed to facilitate adoption of digital financial services?’, % of total responses



Source: OMFIF-AWS fintech and financial inclusion survey

Cloud as an enabling technology



Source: *Bank for International Settlements*

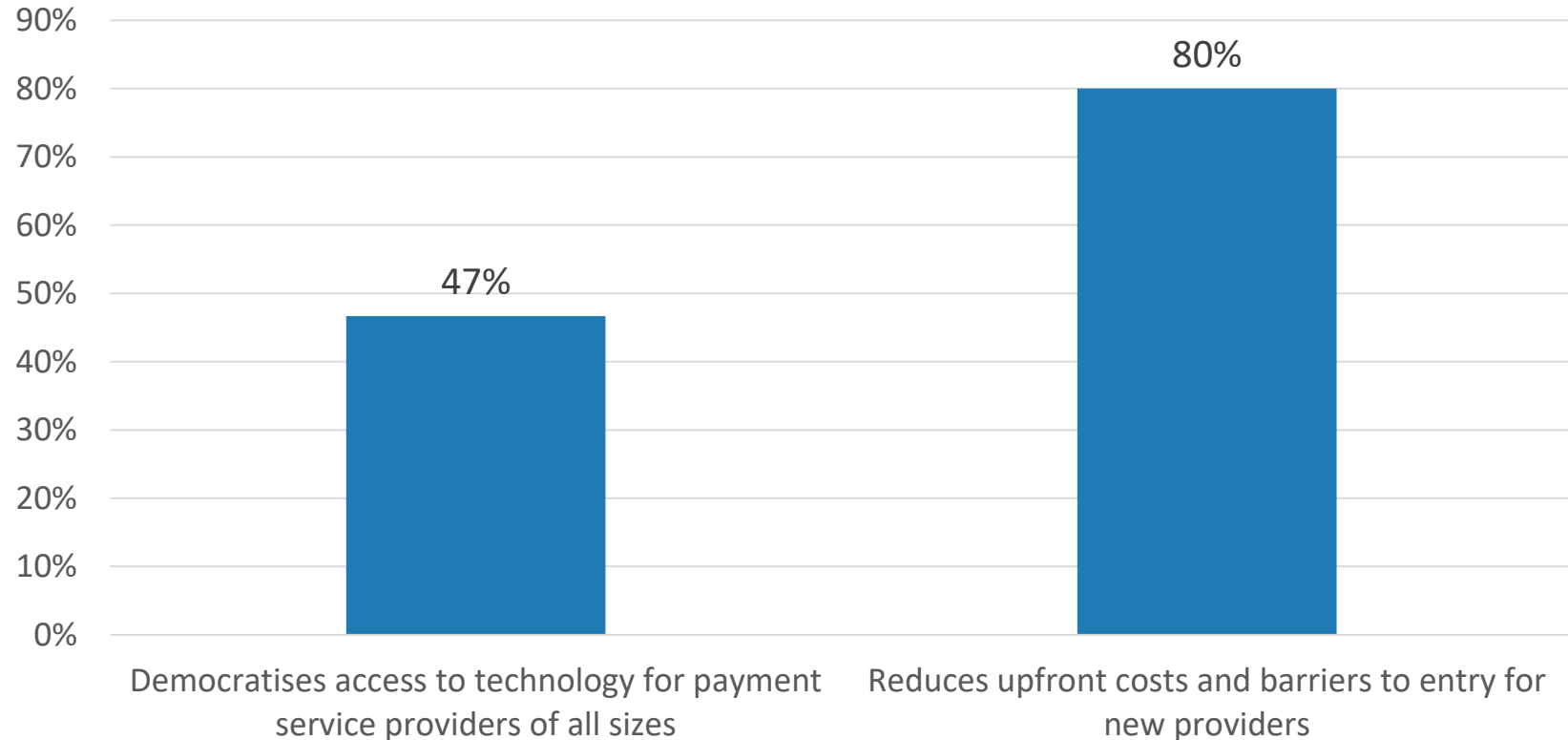
Cloud offers cost savings, scalability, resiliency and accessibility

Cloud could 'allow incumbent financial institutions greater flexibility and agility to explore and test new products and services as compared to using their legacy in-house IT infrastructure...

they could more quickly launch new products/services and adapt them to better suit their customers'

– Southeast Asian central bank

'What role does cloud play in facilitating FI?' % of total responses



Source: OMFIF-AWS fintech and financial inclusion survey

Overcoming legacy challenges through cloud

- **NIRA**, a consumer finance start-up providing small loans to lower-income groups in India, uses a cloud-based computer vision platform to conduct image verification and validation of customers' identity cards
- Cloud models can facilitate interoperability as an enabler between public and private sector payments innovations
- The Cambodian payments aggregator **Clik**, is poised to integrate with the National Bank of Cambodia's Bakong digital currency

'As central banks and regulators push forward with competitive open banking regimes, interoperability and scalability in data processing between banks and third-party fintechs will be essential.'

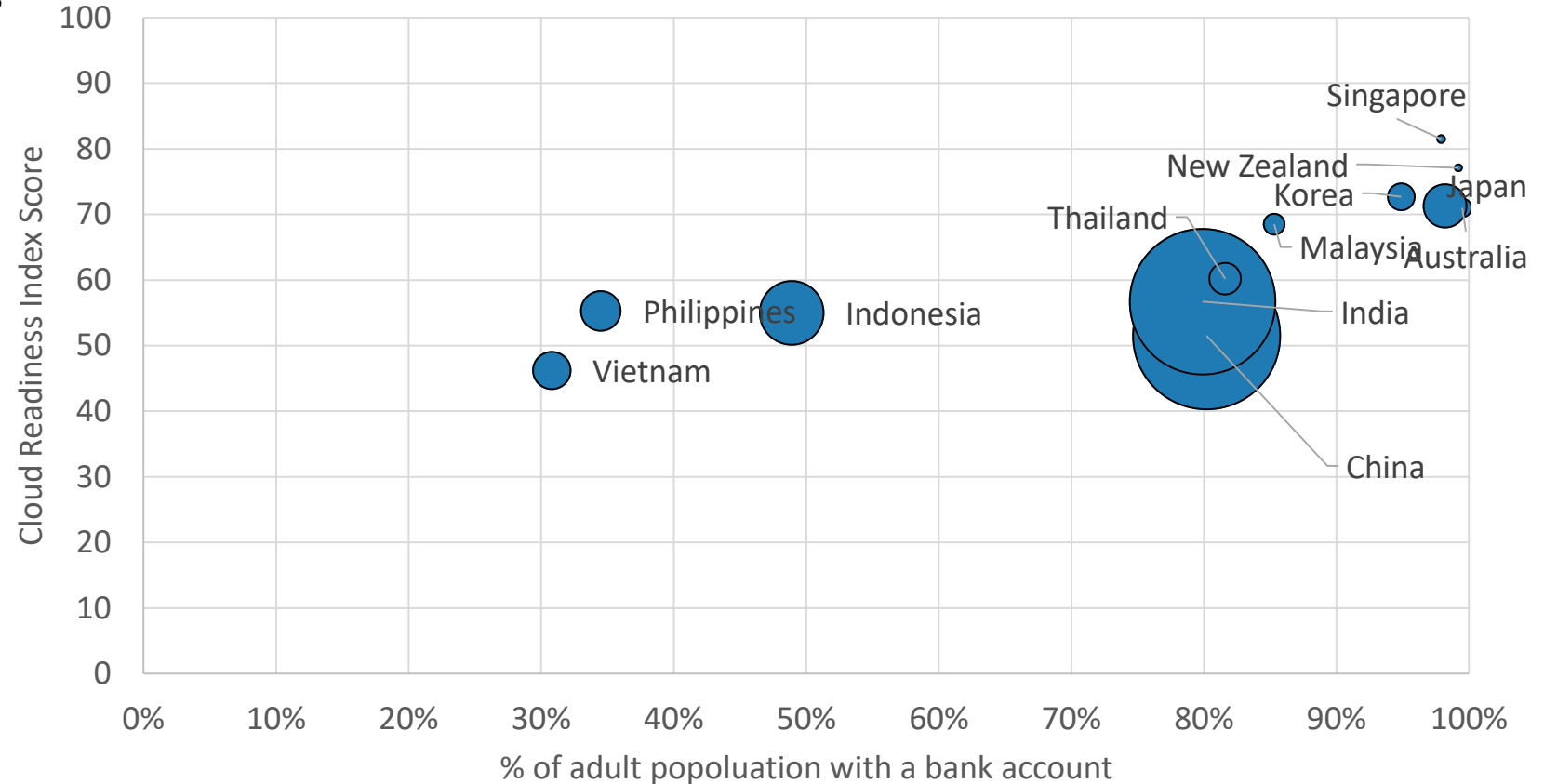
This could be achieved through the provision of API access, and cloud-native services and products.'

‘Improvements in back-end technology will bring down costs and improve the operations of financial service providers.

This will give providers with a stronger business case to continue offering financial services in remote areas and increase their ability to offer more bespoke products to their customers.

End users can enjoy lower transaction costs and more relevant services’
– Southeast Asian central bank

Cloud-ready future for financial inclusion



Source: Asia Cloud Computing Association 2020, World Bank Global Findex 2017, OMFIF analysis
*Size of bubbles represent population size