GPF Work Program and Structure

A Roadmap to 2020

Background

As part of its Presidency, Argentina has reviewed the Finance Track agenda and working arrangements with the objective to ascertain whether there is any scope for streamlining and/or refocusing the agenda. This work comes in light of the recommendations dating back to 2011 that the G20 should review its ministerial and working group arrangements on a regular basis to assess their usefulness and relevance. Moreover, this work recognises concerns voiced by G20 members over a number of years regarding the breadth of the agenda and G20 working arrangements.

Against this background, Argentina conducted a survey of Finance and Central Bank Deputies in November 2017. The survey canvassed a range of issues relating to Finance Track meetings, communiqués, working groups and governance. The survey also included particular questions in relation to whether G20 working groups should be rationalised and posed specific questions in relation to the Global Partnership for Financial Inclusion (GPF). These issues were canvassed in the Finance Track given that the GPF Terms of Reference specifically indicate the GPF reports to G20 Finance Ministers and Central Bank Governors.

The survey revealed support from Deputies for action across a number of areas, including in relation to Finance Track working groups. In particular, Deputies agreed that some processes of the Framework Working Group should be streamlined, as well as meetings of the Sustainable Finance Study Group and the Africa Advisory Group. In terms of the GPF, the survey revealed that more than half the members supported the idea of analysing potential changes to streamline the work programme and structure of the GPF.

In light of the survey results, and following subsequent discussions, Finance and Central Bank Deputies agreed at their meeting in March to start discussions to assess the GPF with a view to examining its working arrangements and agenda. It was further agreed that Ministers and Governors ask the GPF in July to start discussions in the second half of 2018 with a view to implementing changes in 2020, when the Financial Inclusion Action Plan is to be updated.

At the July meeting in Buenos Aires, Finance Ministers and Central Bank Governors (FMCBG) asked the GPF to “streamline its work program and

\[1\] David Cameron’s report to the G20 in 2011 (Governance for Growth: Building Consensus for the Future).
structure so it continues to support economic growth, financial stability and reducing inequality”. In relation to the way forward, at the July meeting in Buenos Aires, FMCBG agreed that “to ensure the GPFI continues to make a positive contribution to financial inclusion, we ask that it considers where its work could be rationalised and prioritised. We also ask the GPFI to consider its current structure with a view to more closely aligning it with other working arrangements in the G20 finance track. This includes combining the work of the four GPFI subgroups into one working group, appointment of working group co-chairs and changing its membership arrangements. We expect the GPFI to provide a roadmap by the Leaders’ Summit in December on the path to achieving the requested changes in 2020”.

In light of this tasking, the GPFI is working to have changes ready to implement by the end 2020 to coincide with the end of the 2017 FIAP.

**A Roadmap to Review GPFI’s Work Program and Structure**

This Roadmap proposes a framework to ensure the tasking given by Ministers and Governors in July is achieved by end 2020. There are two key elements to the tasking:

1. To consider the work program of the GPFI with a view of streamlining and prioritising within a framework that considers the overarching objective of the G20: to promote economic growth, financial stability, and equality,

2. To consider the GPFI structure with a view to aligning it more closely with other working arrangements in the G20 finance track. This will require consideration of reducing the number of subgroups; reviewing the GPFI structure; and considering appointing permanent co-chairs of the group. Consideration will also need to be given to changing membership arrangements particularly with regards to affiliated members, implementing partners, and engagement of non-G20 countries.

The Roadmap has been developed by the GPFI Troika in consultation with current GPFI members. The GPFI Troika will oversee implementation of the Roadmap and report back to G20 Finance Ministers and Governors.

The Roadmap outlines six key areas of work that are considered necessary to achieve the tasking given by Ministers and Governors:

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2 A Finance Track working group consists of a structure whereby two co-chairs are appointed to take forward the agenda of the working group. Co-chairs are not rotated. Although co-chairs are ‘permanent’, they can step down from the position or the G20 president can request a change. Finance Track working groups are comprised of G20 members and invited guests. International organisations attend as technical advisers. Other participants can be invited on an as needs basis as agreed by the presidency and co-chairs.
1. Stocktake
2. GPFI Survey
3. Issue identification and scoping
4. Agreeing in a new structure
5. Drafting new constituent documents
6. Other issues
7. Timeframe

This Roadmap has been updated to take into account the results of the GPFI Survey conducted during October 2018 and it was further updated with the conclusions of the GPFI meeting in Basel.

1. Stocktake

The first activity is a stocktake of the G20 Financial Inclusion Action Plan (FIAP) 2017. The overall aim of the stocktake is to:

   a) Assess the progress that has been made by the GPFI under the themes and objectives contained in the 2017 FIAP;
   b) Note achievements and progress made to date; and
   c) Highlight the work that remains outstanding under the FIAP and which is anticipated for completion in 2020.

This activity was covered by the 2018 Progress Report to Leaders.

2. GPFI Survey

To help inform the direction of the review, a survey was circulated to all current GPFI members in order to elicit views on:

   a) General aspects of the GPFI and its role
   b) Work program
   c) GPFI structure
   d) GPFI membership arrangements

GPFI members were asked to provide a consolidated response to the Survey, which incorporated the views of Finance and Central Banks Deputies. This whole-of-government response will facilitate the smooth progress of the review given the oversight by the Finance Track. The overall results of the GPFI survey were shared with the GPFI membership.

The results were disaggregated to show the responses from G20 members, non-G20 members, and implementing and Affiliated partners. The results of the GPFI
Survey were presented to the GPFI Plenary on 24 October. Annex 1 outlines the outcomes of the GPFI Survey.

3. **Issue identification and scoping**

In light of the stocktake referred to in section 1, consideration should be given to the work programs of the subgroups to determine whether any further work should be advanced under each of the work streams once the work outlined in the FIAP is brought to conclusion. As part of this, an analysis should be undertaken of the extent to which any future work contributes to economic growth, financial stability and equality, and the extent to which work is specifically requested by FMCGB and Leaders.

In addition, taking into account the responses to the GPFI Survey, consideration should be given to other topics outside the FIAP that warrant consideration by the G20, bearing in mind the need to rationalise and prioritise the scope of work the GPFI undertakes to enable more high-level attention to prioritised areas. Any new issues identified should be considered through the lens of their contribution to growth, stability and equality.

Following identification of, and agreement to, a future work program for the GPFI, a proposal will be made to select, prioritise, and sequence the work according to the areas which contribute most to the stated objectives. According to the GPFI survey there seems to be support for work to be carried forward on: Digital Financial Inclusion, vulnerable groups, financial consumer protection and financial Literacy, and gender policies, among others. It will be important to ensure that issues agreed to be advanced have a clear focus and alignment with G20 Finance Track agenda, can produce tangible outcomes that support financial inclusion and are not couched in broad uncertain terms. To ensure this, additional topics for the GPFI work programme should be presented to FMCGB or Deputies for prior consultation.

Moreover, an assessment should be made of the financial inclusion agendas of the international organisations and the Implementing and Affiliated Partners with a view to ensuring the work of the G20 is complementary and minimises duplication to that being undertaken in other forums. The GPFI survey revealed support for such an approach.

These tasks will be important in achieving a streamlined work program.

It is proposed that the GPFI Troika identify two G20 member countries to lead on the proposed assessment (Work Stream Leads). Annex 2 provides some preliminary options to guide the appointment process.

4. **Agreeing on a new structure**

Given the responses to the GPFI Survey, consideration should be given to
changing the GPFI structure by:

- rationalising/ eliminating the subgroups;
- appointing permanent co-chairs;
- reviewing membership arrangements; and
- considering the duration of the GPFI work program.

By the end of 2020, these issues will be agreed and ready for commencement. This means that the new structure will be in place by this time and the new work program will be taken forward from this point.

Again, it is proposed that the GPFI Troika identify two G20 members to lead on the process of agreeing a new structure (Structure Leads). Annex 2 provides some preliminary options to guide the appointment process.

5. Governing documentation

The final activity under the Roadmap would involve updating or drafting new governance documents of the GPFI.

The changes that the GPFI has been asked to consider will potentially require substantial reframing of the Terms of Reference (ToRs), to reflect outcomes regarding the work program, the structure of the GPFI and its membership. As a result, consideration should also be given to what consequential changes may be appropriate to ensure a cohesive G20 financial inclusion framework. This could include changes to the name, the duration of the work program, and the periodic review of the ToRs.

The new governance documents would guide the work of the GPFI as from end 2020. As the 2017 FIAP will continue until reviewed in 2020, it is proposed that the update of the work plan and/or the creation of new governance documents will follow the TORs processes and therefore be led by the GPFI Troika.

6. Other issues

As a result of the potential changes that will flow from changes to the GPFI agenda, structure and membership, there are a number of other issues that should be considered. These include possible changes to the name of the group and processes relating to endorsement of GPFI-branded documents. In addition, consideration should be given to the management of the GPFI website and how funding is sourced and allocated for this task. These are issues which are proposed to be raised in the course of progress of the roadmap.

In addition, to ensure the smooth completion of the mandate, GPFI members should closely coordinate with Finance Deputies when putting forward country positions.
## 7. Timeline

### Timeline - GPFI Streamlining

<table>
<thead>
<tr>
<th>Date</th>
<th>Action</th>
<th>Responsibility</th>
<th>Task/Mandate</th>
</tr>
</thead>
<tbody>
<tr>
<td>13 September</td>
<td>Circulate draft survey and Roadmap to GPFI Troika</td>
<td>Argentina</td>
<td></td>
</tr>
<tr>
<td>17 September</td>
<td>Receive comments on survey and Roadmap</td>
<td>Germany/Japan</td>
<td></td>
</tr>
<tr>
<td>19 September</td>
<td>Circulate Survey and Roadmap to the GPFI</td>
<td>Argentina</td>
<td></td>
</tr>
<tr>
<td>3 October</td>
<td>Receive comments GPFI member comments on Roadmap</td>
<td>GPFI Membership</td>
<td></td>
</tr>
<tr>
<td>3 October</td>
<td>Results from survey due</td>
<td></td>
<td></td>
</tr>
<tr>
<td>5 October</td>
<td>Send comments to Finance Deputies</td>
<td>Argentina</td>
<td></td>
</tr>
<tr>
<td>9 October</td>
<td>Discussion of GPFI survey results at World Bank-IMF Annual Meetings</td>
<td>G20 Troika</td>
<td>Preparation of the Roadmap to streamline the GPFI</td>
</tr>
<tr>
<td>19 October</td>
<td>Circulate draft Roadmap - incorporating survey results and member comments</td>
<td>Argentina</td>
<td></td>
</tr>
<tr>
<td>24 October</td>
<td>Discuss draft Roadmap at GPFI meeting in Basel</td>
<td>GPFI Membership</td>
<td></td>
</tr>
<tr>
<td>2 November</td>
<td>Circulate Roadmap to the GPFI for a final round of comments</td>
<td>Argentina</td>
<td></td>
</tr>
<tr>
<td>9 November</td>
<td>Comments on Roadmap due</td>
<td>GPFI Membership</td>
<td></td>
</tr>
<tr>
<td>13 November</td>
<td>Finalise Roadmap incorporating members’ comments</td>
<td>Argentina</td>
<td></td>
</tr>
<tr>
<td>14 November</td>
<td>Roadmap circulated to Ministers and Governors</td>
<td>Argentina</td>
<td></td>
</tr>
<tr>
<td>30 November - 1 December</td>
<td>Endorsement of the GPFI Roadmap at the G20 Leaders’ Summit</td>
<td>G20 Leaders</td>
<td>Endorsement of the GPFI Roadmap</td>
</tr>
<tr>
<td>Assessment of work program</td>
<td>January</td>
<td>Settle two project leads for the assessment (Work Stream Leads) of possible work streams</td>
<td>Troika</td>
</tr>
<tr>
<td>---------------------------</td>
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<td>---------------------------------------------------------------------------------</td>
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<tr>
<td></td>
<td>February</td>
<td>Review the Subgroup agendas and other topics outside the current FIAP that could form the basis of a G20 financial inclusion work program.</td>
<td>Work Stream Leads in consultation membership</td>
</tr>
<tr>
<td></td>
<td>March</td>
<td>Consider the work program of the GPFI. Issue identification and scoping: concentrate work on issues that contribute to growth, financial stability and equality. Avoid duplication of work between the GPFI and IOs and knowledge partners.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>April</td>
<td>Assess the financial inclusion agendas of the IOs and Implementing and Affiliated Partners.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>May</td>
<td>Present and agree proposed G20 financial inclusion work program areas to GPFI Plenary</td>
<td>Work Stream Leads</td>
</tr>
<tr>
<td></td>
<td>June</td>
<td>Consider the work program of the GPFI. Issue identification and scoping: concentrate work on issues that contribute to growth, financial stability and equality. Avoid duplication of work between the GPFI and IOs and knowledge partners.</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Provide update during March GPFI meeting.</td>
<td></td>
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<tr>
<td></td>
<td></td>
<td>Select two project leads (Structure Leads) to review the structure of the GPFI</td>
<td>Troika</td>
</tr>
<tr>
<td></td>
<td>July</td>
<td>Consult membership on proposed priorities for G20 financial inclusion agenda, including an outline of possible sequencing of the work.</td>
<td>Work Stream Leads</td>
</tr>
<tr>
<td></td>
<td>August</td>
<td>Present options to consider the structure of the GPFI</td>
<td>Structure Leads in consultation with GPFI members</td>
</tr>
<tr>
<td></td>
<td>September</td>
<td>Consider GPFI membership, including the role of implementing and affiliated partners, IOs and non-G20 members.</td>
<td></td>
</tr>
<tr>
<td></td>
<td>October</td>
<td>Consider possible changes to GPFI membership and the role of partners, IOs and non-G20 members going forward</td>
<td></td>
</tr>
<tr>
<td></td>
<td>November</td>
<td>Outline proposals on structure and membership, and seek GPFI consensus</td>
<td>Structure Leads</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td>Proposed new structure for G20-GPFI members to consider</td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Month</td>
<td>Action</td>
<td>Responsible Body</td>
</tr>
<tr>
<td>------</td>
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<td>------------------------------------------------------------------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>2020</td>
<td>January</td>
<td>Agree on a new structure during the first Plenary (TBD)</td>
<td>GPFI membership</td>
</tr>
<tr>
<td></td>
<td>February</td>
<td>Update governance documents (terms of reference) in line with agreed changes.</td>
<td>GPFI membership</td>
</tr>
<tr>
<td></td>
<td>March</td>
<td>Prepare new work plan for commencement post 2020.</td>
<td>GPFI membership</td>
</tr>
<tr>
<td></td>
<td>April</td>
<td>Consider any other consequential changes to governance arrangements that may be appropriate in light of structure and membership changes (e.g., duration of work programs, name of the GPFI, progress reports, internal processes for agreement of documents and branding).</td>
<td>GPFI Troika</td>
</tr>
<tr>
<td></td>
<td>May</td>
<td></td>
<td>GPFI Troika</td>
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<tr>
<td></td>
<td>June</td>
<td></td>
<td>GPFI Troika</td>
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<tr>
<td></td>
<td>July</td>
<td></td>
<td>GPFI Troika</td>
</tr>
<tr>
<td></td>
<td>August</td>
<td>Finalise governance documents</td>
<td>GPFI Troika</td>
</tr>
<tr>
<td></td>
<td>September</td>
<td>Report back to Finance Ministers and Governors</td>
<td>GPFI Troika</td>
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<tr>
<td></td>
<td>October</td>
<td></td>
<td>GPFI Troika</td>
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<tr>
<td></td>
<td>November</td>
<td></td>
<td>GPFI Troika</td>
</tr>
<tr>
<td></td>
<td>December</td>
<td></td>
<td>GPFI Troika</td>
</tr>
<tr>
<td>2021</td>
<td>January</td>
<td>New work program and structure of the Financial Inclusion Working Group</td>
<td>GPFI membership</td>
</tr>
</tbody>
</table>
Annex 1
Report on the GPFI Survey Responses

Report on GPFI Survey Responses

Background

G20 Finance Ministers and Central Bank Governors previously agreed to task the Global Partnership of Financial Inclusion (GPFI) to streamline its work program and structure so it continues to support economic growth, financial stability and reduce inequality.

The GPFI has commenced a process to comply with this mandate by end 2020, to be implemented as from 2021. For this purpose, the GPFI Troika has prepared and distributed a survey and a draft roadmap to the GPFI membership so they may provide their views regarding the work program, structure and membership arrangements, and governance documents. The results of the survey will feed into the roadmap and help guide fulfilment of the mandate.

This document outlines the results of the survey which will form the basis of discussion at the GPFI Plenary meeting in Basel on 24 October.

As of 10 October 2018, Argentina received 35 survey responses from:

- 20 G20 countries
- 5 non-G20 countries
- 6 Implementing Partners
- 4 Affiliated Partners

The results\(^3\) presented in this paper have been disaggregated at the levels of the G20, non-G20 and Affiliated and Implementing Partners.

\(^3\) Please note that when the sample does not match is because a member did not reply to that question on the survey
1. **General**

1.1. What policy documents or other work of the GPFI have been used in your country to inform your domestic financial inclusion agenda? Please provide concrete examples.

Of the responses received from members, 28 said that work of the GPFI has been used in their country and various examples have been provided.

1.2. Do you know of policy documents or other work of the GPFI that have been used in non-G20 countries to inform their national financial inclusion agenda? Please provide concrete examples.

Of the responses received from members, 19 said that work of the GPFI has been used in non-G20 countries and provided examples.

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5 See footnote 1.
1.3. What should be the role of the GPFI / a G20 financial inclusion working group from 2021 onwards?

Outlined below are all the comments made by G20 members, who selected the option “other”:

- A formal G20 finance track working or study group that should carry forward the work on financial inclusion in G20 and non-G20 countries alike. In order to continue to be an inclusive partnership, selected Implementing Partners and developing countries should be given a voice as well. As with all G20 working groups, GPFI's goal achievement and continuing existence of purpose should be regularly reviewed.

- A formal G20 finance track working group that aims to carry forward work on financial inclusion and median income growth alongside developing countries and other stakeholders. GPFI should be streamlined and a sunset determined soon after 2021, as appropriate.

- An arrangement whereby G20 countries, non-G20 countries and other stakeholders can carry forward work on financial inclusion.

- Part of the GPFI's goals as set out in the jointly agreed action plan seems close to being achieved. For example, the work on financial inclusion of forcibly displaced persons seems to be nearing conclusion. At the conclusion of the Financial Inclusion Action Plan in 2020, it should be considered whether the existence of the GPFI is still necessary, or if the
remaining work of the platform could be folded into the G20 Development Working Group.

- The GPFI is an inclusive platform for all G20 countries, interested non-G20 countries and relevant stakeholders to carry forward work on financial inclusion, including implementation of the G20 Financial Inclusion Action Plan, endorsed by the G20. GPFI works under Leaders mandate, which constitutes its unique status. It can’t be measured only as regular technical finance working group, because financial inclusion has many cross-cutting issues with other tracks and policy dimension, which relates to G20 Leaders level. The initial Leaders mandate states this status very clearly and need to be used. The GPFI TOR also states, that “The GPFI is designed to take forward the G20’s work on financial inclusion, facilitate efficient and effective coordination to support various on-going financial inclusion efforts, monitor progress over time against agreed objectives, and ensure continuity on financial inclusion in global discussions’.

Comment

On the basis of the responses to question 1.3, there are different views as to whether the GPFI should evolve into a formal finance track G20 working group. Further discussions are required to decide on the future role of the GPFI.
2. Work program

Currently the GPFI undertakes a range of activities which include producing research papers, policy recommendations and voluntary standards. In addition, the GPFI supports domestic financial inclusion agendas by supporting implementation of policies and standards in G20 and non-G20 countries.

Ministers and Governors have asked the GPFI to streamline its work program so it continues to support economic growth, financial stability and reduce inequality. It will be important to ensure that the GPFI’s work has as its basis these three overarching objectives.

2.1. The role of the G20’s financial inclusion agenda should be to:

Outlined below are the comments made by G20 members, who selected the option “other”:

- Strive to include these policy recommendations into G20 communiqués, as concrete commitments by G20 members
- Engagement with financial sector standard setting bodies and other stakeholders, to encourage coordination, information sharing and consideration of cross-cutting financial inclusion issues.
- Strengthen coordination and collaboration between various national, regional and international stakeholders, over which the G20 has influence
that can ultimately become independently sustainable. As example, GPFI played major role in integrating financial inclusion agenda in the SSBs work and to encourage the building of a standing platform for coordination, cooperation and information sharing among the SSBs on cross-cutting financial inclusion issues relevant to their core mandates.

Comment

The results show that most members support a practical focus to the financial inclusion work of the G20 in terms of producing policy recommendations, voluntary principles or guidelines, and supporting policy implementation. In light of these results consideration should be given to how to focus future work under the financial inclusion agenda in these three areas.

2.2. At the conclusion of the FIAP in 2020, on what issues should the G20’s financial inclusion agenda focus in order to support economic growth and financial stability, and reduce inequality? Please specify up to four issues.

Specific issues raised by members are outlined below:

<table>
<thead>
<tr>
<th>Subject</th>
<th>Frequency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Digital Financial Inclusion</td>
<td>14</td>
</tr>
<tr>
<td>Vulnerable Groups</td>
<td>9</td>
</tr>
<tr>
<td>Financial Consumer Protection and Financial Literacy</td>
<td>7</td>
</tr>
<tr>
<td>Gender policies (cross-cutting)</td>
<td>4</td>
</tr>
<tr>
<td>Implementation of policy recommendation</td>
<td>4</td>
</tr>
<tr>
<td>Digital Financial Infrastructure</td>
<td>3</td>
</tr>
<tr>
<td>Remittances</td>
<td>3</td>
</tr>
<tr>
<td>Access to Credit for SMEs</td>
<td>3</td>
</tr>
<tr>
<td>Agenda setting at the time</td>
<td>2</td>
</tr>
<tr>
<td>Data harmonization and collection</td>
<td>2</td>
</tr>
<tr>
<td>Mainstreaming financial inclusion in the standard-setting bodies</td>
<td>2</td>
</tr>
<tr>
<td>Private sector participation</td>
<td>2</td>
</tr>
<tr>
<td>Implementation of SDGs</td>
<td>2</td>
</tr>
<tr>
<td>Access to Financial Services</td>
<td>1</td>
</tr>
<tr>
<td>Financial Inclusion and Sustainability</td>
<td>1</td>
</tr>
<tr>
<td>Promote financial inclusion post-2020</td>
<td>1</td>
</tr>
<tr>
<td>Research</td>
<td>1</td>
</tr>
<tr>
<td>Responsible finance</td>
<td>1</td>
</tr>
<tr>
<td>Social responsibility of financial institutions</td>
<td>1</td>
</tr>
<tr>
<td>Defining the relationship between median income growth, global macroeconomic growth, and financial inclusion</td>
<td>1</td>
</tr>
<tr>
<td>Monitor financial inclusion with quantitative and qualitative tools</td>
<td>1</td>
</tr>
<tr>
<td>Develop global standards, guidelines, and/or minimum requirements for national identification</td>
<td>1</td>
</tr>
<tr>
<td>Access to insurance and private pensions</td>
<td>1</td>
</tr>
</tbody>
</table>

Comment

From the responses above, there are a range of views on the issues which the financial inclusion agenda should address. Given the weight of support for digital
financial inclusion, vulnerable groups, financial consumer protection and financial literacy, and gender issues, members should consider whether this should be the key focus going forward.

2.3. The issues identified in question 2.2 should be prioritised and sequenced to ensure the work program is manageable and achievable.

<table>
<thead>
<tr>
<th></th>
<th>Agree</th>
<th>Disagree</th>
<th>Unsure</th>
</tr>
</thead>
<tbody>
<tr>
<td>G20</td>
<td>30</td>
<td>18</td>
<td>4</td>
</tr>
<tr>
<td>Non-G20</td>
<td>22</td>
<td>20</td>
<td>0</td>
</tr>
<tr>
<td>IP &amp; AF</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
</tbody>
</table>

Comment

Given the clear weight of opinion on prioritising and sequencing, members should discuss how best to achieve this, taking into account the responses to question 2.2 on the future focus of the financial inclusion agenda.
2.4. The G20 financial inclusion agenda should create synergies with the agendas of the international organisations and other forums.

Comment

From the graph above it is clear that respondents believe that there should be synergies between the agendas of the GPFI and those of the IOs and fora. Members should discuss the best way to achieve such synergies.
2.5. The G20 financial inclusion agenda should avoid duplication between the agendas of the international organisations and other forums.

2.5.1. If you agree, in what areas do you see the biggest overlap between the GPFI agenda and the agendas from other bodies?

In the comments received, a number of countries note that the potential for overlap was with the work of the FSB, FATF, AFI, CGAP, the Better than Cash Alliance, the SME Finance Forum, World Bank Group, IMF, OECD, UNGSA, and the DWG, in the policy areas of consumer protection, financial literacy, and remittances. Some members noted that the GPFI agenda should ensure consistency and coordination between different agendas. While some members mentioned that the overlap between agendas is not an important issue, as it would give the agenda more prominence, it is clear that the weight of opinion is that duplication be avoided.

2.5.2. If you agree, in what areas do you see the risk of duplication of work?

In the comments received, many countries mention that the risk of duplication comes from work on digital financial services, prudential regulation, financial services trade issues, different data collection, format and purposes. To avoid the
risk of duplication, some suggest that a stock take of the financial inclusion work of other bodies should be carried out.

Comment

The results of these questions build on the responses to question 2.4. In determining how best to achieve synergies between agendas, members should also consider how best to steer the G20’s financial inclusion work so as to avoid duplication. Consideration will need to be given to the content of the G20's financial inclusion agenda and to coordination and collaboration with G20 and non-G20 bodies in order to minimise duplications and create synergies. This will facilitate the respective assessment. As suggested by some members, some sort of assessment or stock take of the work of the IOs and other fora in the area of financial inclusion may be warranted.

2.6. In light of the changes being considered to the GPFI agenda and structure, do you agree that the G20’s financial inclusion agenda should be changed from a three year work program to an annual one that is agreed at the beginning of each year.

Below is a summary of some of the general comments made on this question:

A number of comments noted that a 3 year or a multiyear Action Plan may be more useful than having a 1 year agenda. They believe that this would ensure...
consistency and completion of the work given many financial inclusion issues cannot be solved in one year. Some comments, however, indicate a preference for the agenda to be revised on an annual basis or the duration of the GPFI’s work to be determined according to the issues at hand. Some also propose that the next iterations of the FIAP provide space for the priorities of the Presidency to be incorporated into the program.

Comment

Given the mixed views on this issue, it would be desirable for members to discuss how best to take this issue forward. Consideration should be given to the issues on the G20 financial inclusion agenda and which of those could be completed in a timeframe of less than three years. While some issues might require a longer timeframe to bring to completion, the overarching objective should be to achieve outcomes as quickly as possible taking into account the proposed timeline.
3. **GPFI structure**

Ministers and Governors also asked that consideration be given to combining the work of the four GPFI subgroups into one working group.

#### 3.1. In relation to the GPFI Subgroups:

Outlined below are all comments made by G20 members, who selected the option “other”:

- The GPFI could consider continuing having multiple subgroups, but reducing the number of active groups to two at any given point in time. Moreover, each subgroup should aim to focus on one topic at a time. Maintaining subgroups, while making sure that there are few of them active, and focusing their agenda, could achieve the goal of getting multiple GPFI members onboard with the work conducted, while maintaining the expertise that develops, within each subgroup, by its participants.

- The current structure is complex, sometimes difficult to follow, and involving many different actors and institutions. A single working group would make attendance easier and strengthen the clarity of the group and its work.

- Integrate the subgroups into one group

- The GPFI could consider alternatives to phasing out the Subgroups entirely, such as reducing the number of Subgroups. These could be broadly envisaged as ‘architecture’ and ‘end user’ focused Subgroups. The GPFI
could also consider moving back to more of a ‘task group’ format as existed under the original FIAP where the work of the Subgroups is envisaged as more time-limited and discrete.

- The rationalisation of the sub-groups should not eliminate the important issues for financial inclusion. The discussions in the four working groups should be continued in the new one working group.

**Comment**

On the basis of responses to this question, there is clear support for streamlining the subgroups and moving to a working group structure as from 2021. Members should consider how best to achieve this by the end of 2020. Consideration of this should go hand-in-hand with views expressed earlier on the financial inclusion agenda that the G20 should take forward.

3.2. Other working groups in the Finance Track have 2 permanent co-chairs. Should the new GPFI structure have:

![Bar chart showing the distribution of permanent co-chairs for different groups](chart.png)

Outlined below are all comments made by G20 members, who selected the option “other”.

- Two permanent co-chairs plus the G20 presidency country as an additional co-chair.
• The GPFI co-chair should continue as the current arrangement of having Troika countries co-chairing the working group. This will ensure close alignment between the GPFI work and the G20-Finance Track.
• This is closely linked to other proposed changes, such as elimination of Subgroups. If there are no longer permanent co-chairs of the Subgroups then it probably makes sense to move towards having permanent co-chairs for the GPFI (or whatever it may be called in the future). But if some or all of the Subgroups continue to operate, then this reform makes less sense.
• According to the 2017 Terms of Reference, “Subgroup Co-chairs are expected to take on this commitment for a minimum of three years.” This is close to permanent, with additional flexibility built in it. In effect, the GPFI working groups have been quite stable, with the same countries taking on co-chair roles for several years in a row. However, we have recently seen the example of a country taking the role of a co-chair and bringing to it renewed dynamism.
• Understanding permanent as indefinite, and considering our proposal of maintaining the GPFI’s subgroup structure, we do not foresee the need for permanent co-chairs. Rather, we believe that the current subgroup GPFI co-chair structure functions well.
• Rotating rather than permanent co-chairs could be more efficient in terms of engagement. Led by the G20 Presidency country, the GPFI Troika is responsible for leading and managing the overall work and ensures continuity of the work of the GPFI. This is already a fair process for effectiveness and engagement.
• As a G20-created, members-led body the optimal structure of the GPFI should be left to the decision of the participating countries. The rotating Troika Co-Chair structure in situation of the absence of the Secretariat affords continuity from G20 Presidency to G20 Presidency while also allowing the current Presidency to establish specific priorities for their year as lead Co-Chair, and the “standing Co-Chair” structure of Subgroups also facilitates continuity while positioning the most interested countries to contribute more in topical areas of areas of special programmatic concern. These beneficial attributes of the current structure, however, could be preserved under a variety of possible approaches to streamlining.
• We are indifferent with the permanent or non-permanent co-chairs. However, co-chairs should be actively involved in the subgroup and be able to lead the subgroup so that the subgroup is driven only by G20 countries, not by Implementing/Affiliated Partners or by non-G20 members.

Below is a summary of some of the general comments made on this section.

Some countries comment that the Subgroups should finalise existing tasks given by the FIAP by 2020 and not take on new tasks. Moreover, residual work should
be transferred into the new structure. Others state that the merging of subgroups could be completed before 2021 and take effect immediately. Most of the comments agree to a phasing-out of subgroups and that permanent co-chairs would be a way to ensure continuity and maintain a consistent approach. However, there are comments that suggest that the current structure should be maintained.

Comment

Given the responses to this question, two-third of the respondents expressed their support for having a structure with permanent co-chairs. Moving forward members will need to decide the final chairing arrangements regarding the number and composition. Co-chairing arrangements will need to align with the structure ultimately adopted.
4. Membership

Ministers and Governors asked that consideration be given to changing the GPFI’s membership arrangements.

4.1. Should non-G20 members continue to participate in the financial inclusion agenda in the same way that they currently do?
4.2. Should Implementing and Affiliated Partners continue to be formal members of the GPFI?

Comment

The responses to these questions show support for maintaining the current status and participation of non-G20 members and Partners. Members should consider how best to achieve this in light of the support that the GPFI move to a structure that more closely resembles a G20 working group.
4.3. If you consider that Implementing and Affiliated Partners should continue to be involved in the G20 financial inclusion agenda, can they be combined into a single stakeholder category?

Below is a summary of some of the general comments made on this question.

There are mixed views on whether implementing and affiliated partners should be combined into one category of partners. Some comments received indicated that there was no clear benefit in doing this, that their roles are distinct and that the current arrangements work best. Others considered that it would be desirable to use this current process to reduce the number of implementing and affiliated partners. Others mentioned that the participation of Implementing Partners and the scope of their role and engagement depend on the type of work GPFI will decide to undertake, the country presidency priorities, and the nature of the contribution to which Implementing Partners can commit. The institutions and their roles can be changed depending on the GPFI needs.

Comment

While there appear to be differing views as to whether Implementing and Affiliated Partners could be merged into a single category, there could be merit in considering whether it is possible to streamline the functions of these partners.
so that their roles can be combined and whether there is scope to reduce the number of partners.
Annex 2
Selection of work stream and structure leads

This annex outlines some possible considerations that will help guide the appointment and role of the Work Stream and Structure Leads. These issues will be considered further in line with the timetable outlined in the roadmap.

To the extent possible, the Work Stream and Structure Leads should be G20 members comprised of representatives from G20 advanced and emerging economies.

There will be two selection processes, one for the Work Stream Leads and another for the Structure Leads.

Consistent with the roadmap, the process for the Work Stream Leads will commence in December 2018 and end in January 2019. They will be endorsed by Finance Deputies during their meeting on 17-18 January 2019. The selection process for the Structure Leads will start in May 2019 and end in June 2019, and will be endorsed during the Finance Deputy meeting on 6-7 June 2019.

It is proposed that nominations from countries be sought to gauge interest in their participation as Work Stream and/or Structure Leads. Any nominations should be provided to the GPFI Troika by e-mail and should be endorsed by the Finance Deputy.

If there are more than two candidates, the GPFI Troika will consider the nominations and select the two Leads for each process.

Once appointed the Work Stream and Structure Leads should consult closely with the GPFI membership and agree a process to ensure their work is advanced in a way that is transparent, fair, effective and efficient.