

Driving Financial Inclusion through Innovation: Exploring Asia's Digital Financial Services Landscape Statement of Work

The GSMA

The GSMA represents the interests of more than 750 operators worldwide with over 350 companies in the broader mobile ecosystem, including handset and device makers, software companies, equipment providers and internet companies, as well as organisations in adjacent industry sectors. Its mission is to act as a guiding beacon for the mobile industry, focusing on activities where collective action can deliver significant benefit. The GSMA has four main activities:

- Provide strategic direction and thought leadership to our members.
- Drive collaborative industry programmes aimed at maintaining operator relevance in the digital world.
- Advocate for the industry to regulators, policy makers and society as a whole.
- Convene the broad mobile communications ecosystem at our industry leading events.

The Mobile Money Programme

The Mobile Money Programme strives to build a digital finance ecosystem that is inclusive, innovative, and safe - and at a scale that supports a commercially sustainable industry, reaching the most excluded in our society.

For the past 10 years the GSMA Mobile Money Programme's has played a critical role in driving financial inclusion and supporting the growth of the mobile money industry. By delivering industry data and insights, advocating for industry needs in nascent and evolving regulatory environments and supporting mobile money providers to build and scale digital finance platforms, we have helped reach the world's most vulnerable with innovative use cases and life-enhancing financial products and services.

The Mobile Money Programme is funded by the Gates Foundation and Visa and is supported by the GSMA and its members.

Background Context

The Digital Financial Services (DFS) landscape in Asia is undergoing rapid transformation, driven by technological advancements, shifting consumer expectations, and regulatory changes. Despite Asia's position as a global hub of innovation, there remains a gap in comprehensive research specific to DFS including mobile money (MM) services and digital banking in the region. This research is critical for the following reasons:

- **Diverse Market Dynamics:** Asia presents a wide array of mobile money (MM) models, from agent-based systems prevalent in some markets to fintech-driven solutions in countries like the Philippines. Unlike Africa, where MM is predominantly agent-led and telecom-driven, Asia exhibits a more fragmented ecosystem influenced by varying levels of mobile money models, digital public infrastructure (DPI) integrations, regulatory frameworks, and consumer readiness. Understanding these differences is vital to contextualising strategies.
- **Exploring Success and Challenges:** MM thrives in some Asian markets while lagging in others, largely due to differences in infrastructure, regulatory support, and consumer adoption. This research aims to uncover how challenges such as low digital literacy, fragmented payment systems, payment infrastructure challenges and regulatory hurdles have been addressed successfully, offering lessons for lagging markets.
- **Evolving Consumer Behaviour and Business Models:** The transition from agent-based models, as seen in Africa, to fintech-enabled, app-based systems in Asia highlights the region's innovative approach to mobile money. Examining how these models evolve to meet customer preferences—such as faster transactions, lower costs, and seamless user interfaces—will help stakeholders stay ahead of market trends.

- **Partnerships Driving Innovation:** Successful collaborations between mobile money providers, banks, fintechs, aggregators, card networks, and even competing mobile money players may be instrumental in driving innovation and extending service reach. Documenting these partnerships will shed light on effective strategies for ecosystem building.
- **Regulatory Perspectives:** Asian regulators are increasingly looking to DFS including mobile money to drive financial inclusion. This research will examine how policies such as open banking, data privacy, and financial inclusion mandates and national strategies influence the ecosystem and align with broader national goals.
- **Global Implications:** Asia's mobile money ecosystem offers unique lessons for global digital finance initiatives, from scalable cross-border solutions to fintech-driven innovation and regulatory approaches. A comprehensive understanding of Asia's landscape can contribute to the global narrative of inclusive financial systems.

This research aim to provide stakeholders with actionable insights into the complexities, opportunities, and challenges of DFS including MM services in Asia, empowering them to innovate, drive meaningful impact and evolve into holistic DFS players.

Services

The scope of work for the supplier includes but is not limited to the following activities:

- i. Collect relevant data to evaluate DFS trends, challenges and opportunities in ~12 APAC markets:
 - a) Analyse the evolution of digital financial services including MM and digital banking in Asia. Analysis will also cover the impact of digital transformation, partnerships, and innovative business models.
 - b) Include specific case studies of diverse models, such as agent-based systems in Africa versus fintech-led and digital banking models in South and Southeast Asia.
 - c) Highlight the examples of specific pain points, such as lack of digital and or financial literacy, high transaction costs, fragmented payment systems, payment infrastructure challenges, regulatory hurdles etc.
 - d) Assess the applicability of current definition of MM at the GSMA to the Asian context.
 - e) Provide quantitative benchmarks, such as projected adoption rates, etc. to evaluate success of each of the metric. The analysis should highlight penetration among women and rural populations for a more inclusive perspective. Example inclusion metrics for each market can at least include:
 - Percentage of adults with a bank or MM account or account with any other financial institution;
 - Number of ATMs and bank branches per 100,000 adults;
 - Volume of cash vs non-cash payments;
 - Percentage of adults saving or borrowing formally vs informally;
 - Percentage of adults with formal insurance, including microinsurance ;
 - Cost of cross-border remittances;
 - Number of cyberattacks and fraud incidents / population; and
 - Transactions by type – MM, instant payments, RTGSS, cards, other DFS etc.
 - f) Assess changing consumer expectations, usage patterns, and preferences for DFS and mobile money services across different markets. The analysis could also focus on rural vs. urban adoption models to explore geographic variations.
 - g) Assess types of licenses issued by central bank and interoperability among different players and role of national and private switches in DFS growth.

- h) Identify synergies between MM services and other financial products, such as insurance, mutual funds, and consumer finance. Track the impact of partnership models like bank-led partnerships vs. fintech collaborations.
- i) Study the implications of emerging regulatory trends such as, digital banks, interoperability, etc. and their influence on the growth and sustainability of MM services as well as financial inclusion. Provide examples of policy interventions that successfully overcame challenges would be pertinent.
- j) Evaluate the impact of cross-border regulations on remittance flows and the impact of fees and taxes imposed by regulators on user adoption.
- k) Analyse the role of public-private partnerships in ecosystem development. Provide actionable insights to encourage partnerships among banks, MNOs, fintech companies, card networks, and regulators.
- l) Collect this data for each of the APAC markets - financial inclusion metrics, digital inclusion (cash vs cashless transactions), key trends, DFS services (payments, deposits, lending, etc.), DFS models including MM models, regulatory frameworks, key challenges, actionable recommendations, and projections for the future and regional comparisons between Asia and other successful MM ecosystems.
- ii. Synthesise the gathered data, research, and analysis into a well-structured, detailed report that includes:
 - a) Creating engaging charts, graphs, and tables to clearly convey findings, projections, and actionable insights.
- iii. Developing a PowerPoint presentation summarising the report's key findings

Deliverable:

The research will culminate in the publication of “**Driving Financial Inclusion through Innovation: Exploring Asia’s Digital Financial Services Landscape**”, which will cover the scope mentioned above and provide below:

- **Executive Summary:** A visual summary of findings, including a marketwise comparative analysis of financial inclusion metrics, digital inclusion (cash vs cashless transactions), key trends, DFS services (payments, deposits, lending, etc.), DFS models including MM models, regulatory frameworks, key challenges, actionable recommendations, and projections for the future and regional comparisons between Asia and other successful MM ecosystems.
- **Detailed Industry Analysis:** Impact of technology and digitisation, classic vs emerging MM models, analysis of strategic partnerships (MM/cards/Fintechs/banks/aggregators), integration with DPI, focus on ESG, evolving consumer behaviour, trends in cross-border payments/integrations, opportunities in product diversification, including insurance and consumer finance, new regulatory trends like open finance, data privacy.
- **Detailed Marketwise Analysis:** 12 Country-specific 1-pager profiles including financial inclusion metrics, digital inclusion (cash vs cashless transactions), key trends, DFS services (payments, deposits, lending, etc.), DFS models including MM models, regulatory frameworks, key challenges, actionable recommendations, and projections for the future.
- **Strategic Insights for Stakeholders:** A roadmap for MM operators, regulators, and policymakers to enhance service delivery and drive financial inclusion. Guiding players on opportunities to further expand financial inclusion while continuing to remain sustainable. Capturing priorities of regulators and policymakers from private sector and role industry representatives in bringing industry together.
- **Projections and Recommendations:** Evidence-based predictions and short-term, medium-term, and long-term strategy and recommendations to navigate future challenges and capitalise on emerging opportunities.

This report aims to be a definitive resource for stakeholders across the MM ecosystem, fostering innovation and collaboration to drive inclusive financial growth in Asia.

Note: Consumer here means individuals as well as non-individuals, including MSMEs, etc. who use digital financial services.

The supplier will deliver the following no later than 9th May 2025:

- i. An inception report that outlines a rough draft report, proposed approach, methodology, timeline of activities and draft research tools.
- ii. A list of raw quantitative and qualitative data collected during the research.
- iii. A report in Word format between 30 to 40 pages (including annexures, etc.), presenting the main findings as per the research scope.
- iv. A PowerPoint slide deck of approximately 10 slides offering a comprehensive overview of the key findings.

The project timelines are as follows:

Deliverable	Responsibility	Delivery Date
Kick Off meeting	Supplier & GSMA	17 th Feb 2025
Supplier to produce Initial Research findings and insights	Supplier	28 th Feb 2025
GSMA Feedback: Initial Research findings and insights	GSMA	7 th Mar 2025
Report: first draft	Supplier	16 th Mar 2025
GSMA Feedback on first draft of the Report	GSMA	23 rd Mar 2025
Report: second draft	Supplier	4 th Apr 2025
GSMA Feedback on second draft of the Report	GSMA	11 th Apr 2025
Report: final report & entire raw data	Supplier	18 th Apr 2025
First draft of PPT slides containing key findings/insights	Supplier	25 th Apr 2025
GSMA Feedback on First draft of PPT slides	GSMA	2 nd May 2025
Final PPT slides containing key findings/insights	Supplier	9 th May 2025

The consultant will be in close contact with the GSMA contract manager throughout the project period with a minimum of weekly status updates.

Travel

This project will not require any travel.

Supplier Requirements

In order to be considered for this project, all prospective suppliers should have the following:

1. Strong knowledge of financial landscape and applicable regulations and current and emerging DFS (including mobile money) policy and regulatory issues and trends in Asia.
2. Prior Experience in market analysis or landscaping or creating country financial sector profiles, preferably in Asia,
3. Well-developed research skills, including extracting and analysing relevant data to make sound judgements.
4. Experience in writing clear and concise publications.

Please submit proof of relevant previous experience (points 1-4 above), provide copies of or links to previous publications, and a quote (that includes a project workplan, budget (in GBP), and outlines the rough sketch of the report covering supplier's planned approach and methodology for conducting this research) to the relevant GSMA point of contact, Tarunpreet Singh, tsingh@gsma.com, by 5th February 2025.