



IN-COUNTRY IMPLEMENTATION REPORT 2026

A Selection of Member
Impact Stories



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INTRODUCTION

Progress in financial inclusion within the AFI network is no longer defined only by policy commitments. Increasingly, it is being evaluated by what changes on the ground. Through its In-Country Implementation (ICI) program, AFI is working closely with member institutions to turn policy ambition into practical action, by supporting efforts that strengthen financial systems, broaden access, and improve outcomes for underserved populations.

Over time, the ICI program has become an important enabler of implementation, building on years of collaboration across the network where trainings, technical exchanges in Working Groups and regional platforms, and peer learning create a steady pipeline of policy ideas. These are then tested and applied in real contexts. Whether through national strategies or more targeted interventions, ICIs enable members to experiment, refine regulatory approaches, and scale policy solutions that respond to local priorities. As of June 2026, AFI has supported over 120 in-country projects across 58 countries, spanning all of its core policy areas.

AFI's ICI program is supported through valuable financial support from the German Federal Ministry for Economic Cooperation and Development (BMZ), the International Development Research Centre (IDRC), the Swedish International Development Cooperation Agency (Sida), the Luxembourg Ministry of Foreign Affairs, the Mastercard Foundation, the European Commission, and the Ministry of Foreign and European Affairs, Directorate for Development Cooperation and Humanitarian Affairs, State of the Grand Duchy of Luxembourg.

The In-Country Implementation Report 2026 presents a selection of ICIs drawn from a group of projects completed between January and December 2025 that stand out for their impact, practical relevance, and potential for scaling across the AFI network. Rather than focusing only on design, it highlights what has worked in practice through projects that have supported policy or regulatory change, introduced innovative approaches to policymaking, and demonstrated strong national ownership, long-term sustainability, and potential for replication in other contexts. In identifying projects

to be featured in the Report, attention is also given to projects that address the needs of underserved and disadvantaged groups, such as women, youth, and forcibly displaced persons.

Across the ten selected projects featured in this report, several common themes emerge:

- > **Improved access and capabilities:** Expanding access to financial services while strengthening financial literacy frameworks, enabling individuals and businesses to make more informed decisions.
- > **Green and resilient growth:** Supporting the transition to greener and more resilient economies through inclusive financial policies.
- > **Inclusive reach:** Advancing financial inclusion for underserved groups, including micro, small and medium-sized enterprises, women, and internally displaced persons.
- > **Collaboration and knowledge exchange:** Strengthening partnerships across the AFI network through knowledge-sharing, technical exchanges, and peer learning.

The sections that follow present ten ICIs implemented in nine countries. Each brief details the specific context, approach, and results of the project, offering practical insights that can inform similar efforts elsewhere.

These efforts are closely linked to the broader AFI community, where members continue to learn from one another, adapt proven approaches, and build on earlier work. Consistent with findings from AFI's annual policy and regulatory change surveys, member institutions continue to highlight the value of AFI's engagement and support in helping advance financial inclusion reforms at the country level. Taken together, the ICIs demonstrate how innovative policymaking, strong local ownership, and sustained collaboration can deliver results that are both meaningful for the communities they are intended to serve and replicable across the AFI network. They also show how shared experiences within the AFI network continue to translate into real progress on financial inclusion.



National Electronic Know Your Customer (e-KYC) System



Emily Marie Wilson / Shutterstock Photo.



MEMBER INSTITUTION

Central Bank of Egypt (CBE)



TIMELINE

October 2023-February 2025

THEMATIC AREA

- Digital Financial Services
- Digital Onboarding
- e-KYC
- Regulatory Interoperability

POLICY CHALLENGE

Despite strong progress in financial inclusion, Egypt’s customer onboarding process remained constrained by physical Know Your Customer (KYC) requirements. Mandatory in-person verification continues to drive up costs for financial institutions and creates friction for individuals, notably those in remote or underserved areas.

The lack of a centralized, interoperable KYC framework has added a further layer of inefficiency. Across Egypt’s 38 licensed banks, financial institutions must repeatedly conduct full onboarding processes, even for existing customers, resulting in costly and time-consuming duplication. This has slowed innovation, hindered the scale-up of digital financial services, and constrained progress toward Egypt’s ambition of reaching 70 percent financial inclusion and significantly expanding the reach of digital payment services.

ICI-SUPPORTED INTERVENTION

The Central Bank of Egypt (CBE) advanced a national electronic Know Your Customer (e-KYC) system to enable secure, digital onboarding, with a focus on establishing the regulatory and technical foundations for implementation. This included developing customer identification procedures, risk management frameworks, and data-sharing protocols to underpin a system built for scale and interoperability.

Key activities included the procurement of technical expertise, benchmarking international best practices, and conducting workshops and study visits to guide the framework design (relevant guidance includes AFI’s Policy Model for Digital Identity and Electronic Know Your Customer (e-KYC)). A structured peer review process within the AFI network further strengthened the approach, supporting interoperability across financial institutions and the transition from physical to digital onboarding in line with KYC and anti-money laundering requirements.

OUTCOME

The project delivered a scalable digital identity framework aligned with KYC and anti-money laundering requirements, strengthening the broader regulatory environment.

Remote onboarding capabilities reduce costs, improve efficiency, and enhance the customer experience, while expanded access to financial services is expected to benefit underserved groups including rural populations, women, youth, MSMEs, and forcibly displaced persons. At the system level, improved interoperability reduces duplication and opens the door to a new generation of digital financial products built on a shared, trusted identity infrastructure.

Egypt's e-KYC initiative offers a replicable blueprint for AFI members, demonstrating that sustainable financial inclusion at scale requires not only sound regulatory and digital infrastructure, but also a commitment to interoperability, data protection, and digital literacy to translate access into meaningful impact.

WHY E-KYC MATTERS:

From branch visits to digital access

BEFORE



Physical:
Mandatory in-person branch visits

AFTER



Digital:

- Remote onboarding
- Reduced duplication
- Lower onboarding costs
- Faster access to services
- Expanded reach for underserved populations



Emily Marie Wilson / Shutterstock Photo.



Development of the Eswatini National FinTech Strategy



MEMBER INSTITUTION
Central Bank of Eswatini



TIMELINE
December 2024-December 2025

THEMATIC AREA

- Digital Financial Services
- FinTech Policy

POLICY CHALLENGE

Eswatini has achieved relatively high levels of financial access, though usage remains limited and uneven. At the same time, the FinTech ecosystem is nascent, with gaps in innovation capacity, regulatory tools, and coordination across institutions.

Without a clear national framework, efforts to support FinTech development risked remaining fragmented, limiting the country’s ability to harness digital financial services for inclusion, diversification, and job creation.

ICI-SUPPORTED INTERVENTION

The project enabled the design, validation, and launch of Eswatini’s first National FinTech Strategy. Building on a prior FinTech landscape study, the initiative translated diagnostic findings into a structured policy and implementation roadmap. The process was highly consultative, bringing together government, regulators, industry, and academia to define priorities and establish shared ownership.

A peer learning exchange with the Central Bank of Egypt provided practical input on governance, coordination, and implementation sequencing. The final strategy introduced defined governance arrangements, a monitoring framework, and an initial set of priority actions, strengthening coordination across institutions and building readiness for responsible innovation.

OUTCOME

The project delivered Eswatini’s first nationally owned FinTech strategy, providing a coherent, actionable framework to scale digital financial services and expand access and usage across the population.

Key principles from implementation offer practical guidance for AFI members considering similar work:

- > **Start with a clear baseline:** Diagnostic work ensures that strategies are grounded in market realities and national priorities.
- > **Treat FinTech as a cross-sector issue:** Effective strategies require coordination across financial, digital, and economic policy domains.
- > **Design with implementation in mind:** Early definition of roles, priorities, and timelines supports faster execution.
- > **Use peer learning to guide decisions:** Exposure to practical experiences helps tailor approaches to local capacity.
- > **Maintain momentum beyond launch:** Early actions and continued coordination are critical to sustain progress and stakeholder confidence.

Eswatini proved that a small economy with a nascent FinTech ecosystem can move quickly and decisively when the groundwork is laid properly. Getting the diagnosis right, bringing the right people to the table, and planning for implementation from day one made the difference. Other AFI members navigating similar terrain have a solid foundation to build on.





Transitioning the SME Sector into a Greener Economy



Neil Cooper / Alamy Stock Photo.



MEMBER INSTITUTION

Ministry of Finance
of Eswatini



TIMELINE

January 2024–November 2024

THEMATIC AREA

- Inclusive Green Finance
- SME Finance
- Innovation

POLICY CHALLENGE

Eswatini’s SME sector, which forms the backbone of the country’s economy, has been largely left out of the green transition. The 2018 MSME National Policy addressed economic challenges but included only limited environmental sustainability provisions, leaving SMEs exposed to climate-related risks and unable to tap into green growth opportunities. Compounding this, financial institutions acknowledged limited capacity to offer green funding solutions, while awareness of the green agenda among SMEs themselves remained low. Without a structured diagnostic or a clear roadmap, efforts to transition the sector towards more sustainable practices risked remaining scattered and ineffective.

ICI-SUPPORTED INTERVENTION

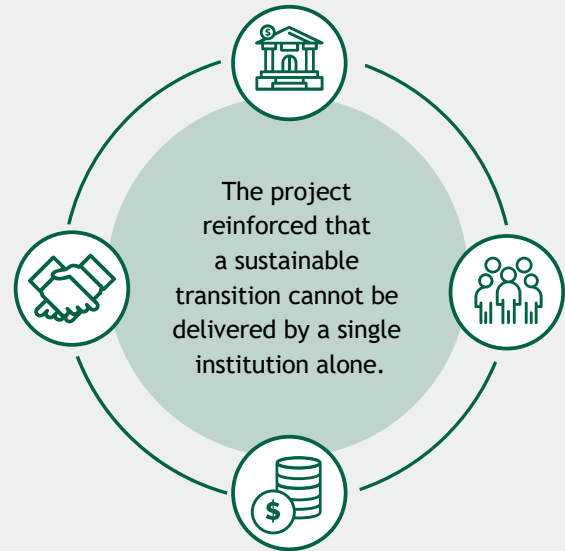
The Centre for Financial Inclusion (CFI) at the Ministry of Finance of Eswatini, commissioned a diagnostic study on greening the SME sector and developed a comprehensive roadmap with actionable recommendations. Sensitization workshops were held across all four regions of the country, drawing strong engagement from SMEs and confirming that demand for the green agenda runs deep at the grassroots level. The roadmap was validated through two national stakeholder workshops and four regional workshops, and presented at the Eswatini Trade Fair. A peer learning exchange in Cairo brought together eleven Eswatini representatives from commercial banks, development finance institutions, government ministries, and business development entities, drawing relevant lessons from Egypt’s experience in greening MSME finance, ESG policy development, and credit information infrastructure.

OUTCOME

The project delivered a diagnostic study and a nationally validated green SME roadmap, both of which represent Eswatini’s first structured framework for transitioning the sector. Key recommendations include mobilizing green finance through grants, low-interest loans, and tax incentives; building SME and institutional capacity on sustainability; promoting green certification schemes; and establishing a national monitoring and evaluation framework for SME green performance. An unintended but significant outcome was the active engagement of UNDP and the Federation of Businesses in Eswatini, whose additional support extended both the project’s reach and credibility.

Eswatini proved that no single institution can drive the green agenda alone. The project’s real distinction lay in the breadth of its stakeholder ownership, which is precisely what makes this model worth replicating across economies where the MSME sector is large, informal, and underserved by green finance.

GREENING MSMEs REQUIRES AN ECOSYSTEM



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 **HONDURAS**

National Strategy for Financial Inclusion of Honduras



Darryl Brooks / Shutterstock Photo.



MEMBER INSTITUTION

Comisión Nacional de Bancos y Seguros de Honduras (CNBS)



TIMELINE

April 2024-April 2025

THEMATIC AREA

- NFIS
- Financial Education
- Gender Inclusive Finance
- Digital Financial Services

POLICY CHALLENGE

Despite Honduras’s Maya Declaration commitments, the country lacked a unified framework for financial inclusion. Gaps in access, usage, and quality of formal financial services were most acute for women, youth, rural communities, MSMEs, and indigenous and Afro-descendant peoples. Without systematized data or a clear governance model, efforts remained fragmented and unable to drive systemic change.

ICI-SUPPORTED INTERVENTION

The National Financial Inclusion Strategy (Estrategia Nacional de Inclusión-ENIF) 2025-2030 was developed by the CNBS based four foundational documents - a diagnostic of inclusion gaps; a conceptual note linking those gaps to the regulatory framework; a governance architecture for multi-stakeholder collaboration; and a theory of change for systemic reform, all developed with AFI support throughout.

Stakeholder interviews in January 2025 and validation workshops in March 2025 shaped the final strategy, which is structured around six pillars: regulatory strengthening, digital transformation, green and sustainable finance, financial education for underserved populations, gender equity, and consumer protection. Priority segments include women, youth, rural and agricultural communities, MSMEs, and crosscutting groups such as older persons, indigenous peoples, Afro-descendant communities, and persons with disabilities.

OUTCOME

Honduras now has its first comprehensive, multi-stakeholder National Financial Inclusion Strategy, with a clear mission to coordinate public and private sectors in dismantling barriers to formal financial access. By 2030, the strategy envisions a more inclusive, resilient, and innovative financial system. CNBS will convene biannual review meetings and publish annual results reports, with an official public launch planned to secure stakeholder commitment across sectors.

Honduras demonstrated that building a credible national strategy takes more effort and revision than initial timelines allow for. Multiple rounds of technical review, early onboarding of the consulting team, and consistent AFI involvement at each draft stage transformed what could have been a technical document into a genuinely transformative policy instrument.

The development of Honduras' strategy underscored the value of strong institutional ownership and structured stakeholder engagement in moving from policy design to implementation. It further showed how sustained coordination and broad-based participation can help translate policy ambition into lasting outcomes for the people these strategies are meant to serve.



By 2030

Honduras is building a financial system where no one is left out



 **KAZAKHSTAN**

Framework of Protecting the Rights of Consumers of Financial Services



Vladimir Tretyakov / Shutterstock Photo.



MEMBER INSTITUTION

Agency of the Republic of Kazakhstan for Regulation and Development of Financial Market (ARDFM)



TIMELINE

June 2024-December 2025

THEMATIC AREA

- Consumer Empowerment and Market Conduct
- Financial Literacy
- Inclusion of Vulnerable Groups
- Consumer Protection

POLICY CHALLENGE

Kazakhstan’s rapidly expanding financial market, driven by digital channels and remote service delivery, has outpaced the consumer protection frameworks designed to govern it. Between 2020 and 2025, ARDFM received more than 134,000 complaints, with 72 percent related to debt restructuring and 18 percent linked to the microfinance sector. Underlying this surge are three compounding problems: growth in consumer lending; a financial literacy index of just 40.2 percent (in 2022); and insufficient financial products for women, youth, persons with disabilities, and other vulnerable groups. Financial fraud and pyramid schemes have proliferated, with 252 dubious entities now listed on ARDFM’s official watchlist.

ICI-SUPPORTED INTERVENTION

ARDFM built an integrated, risk-based approach to consumer protection grounded in behavioral supervision principles. The project produced two key outputs: a report with specific recommendations for implementing a risk-based supervisory approach, developed through legislative and operational assessment, expert consultancy, and a validation workshop; and a capacity-building stream in which 60 ARDFM staff were trained on financial inclusion for persons with disabilities, financial education for vulnerable groups, and combating fraud and financial pyramids. A peer learning exchange with an AFI member country and a virtual training with AFI member representatives rounded off the intervention.

OUTCOME

The project directly strengthened ARDFM’s technical capacity to develop and implement consumer protection policies and financial literacy programs.

Longer-term targets are ambitious: a 20 percent reduction in the annual growth rate of complaints by 2026, a 15 percent decrease in fraud-related complaints, a 50 percent reduction in pyramid scheme watchlist growth, and the development of 10-12 new financial products for underserved groups. The project also lays the groundwork for a new National Financial Literacy Strategy and signals ARDFM’s readiness to move from analytical groundwork to practical institutionalization, embedding risk-based and

conduct-based supervision into everyday regulatory practice across consumer protection, fraud prevention, and inclusive product development.

Kazakhstan’s experience shows what is possible when consumer protection and financial literacy are pursued together rather than in isolation. For AFI members facing similar pressures, the lesson is simple. Complaints data already in hand can be the sharpest tool in the policy toolkit.



By 2025

Digital protection is policy, not an afterthought



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 **MEXICO**

Using a Behavioral Approach to Expand Financial Inclusion



Viry Arenas / Shutterstock Photo



MEMBER INSTITUTION

Comisión Nacional Bancaria y de Valores (CNBV) Mexico



TIMELINE

August 2021-April 2025

THEMATIC AREA

- Gender Inclusive Finance
- Youth Financial Inclusion
- Behavioral Science
- Financial Literacy

POLICY CHALLENGE

Young people aged 18 to 29 in rural and suburban Mexico face compounding barriers to financial access that go beyond product availability, with structural exclusion, informality, lack of credit history, cognitive biases, and entrenched gender norms collectively suppressing demand for and trust in formal financial services.

Without a systematic, behavioral understanding of these bottlenecks, financial sector stakeholders lacked the design tools to reach this population effectively.

ICI-SUPPORTED INTERVENTION

In 2024, the CNBV, in partnership with Caja Apaseo el Alto (a savings and credit cooperative) and Tecnológico de Roque (an agricultural technology institute in Guanajuato), implemented a behaviorally informed financial education intervention targeting rural and suburban youth, combining surveys, focus groups, co-

creation workshops, and financial education sessions to identify barriers and test practical solutions. The intervention, framed as a contest called CRAC Financiero (Know, Reflect, Act), structured participation around four challenges:

- > **Paying attention to my financial life**
Tracking income, expenses, and financial habits through practical actions and reinforcing behavioral messaging.
- > **Setting a financial goal and strategy**
Tackling impulsive spending and short-term thinking, and building positive habits to reach a defined financial objective.
- > **Trusting the financial system and understanding gender norms**
Building confidence in formal financial institutions while confronting the social expectations that shape who accesses money and how.

> **Sharing my experience**

Presenting lessons learned to peers and judges, turning personal financial progress into a moment of public recognition.

Three workshops, a gender norms roundtable, behavioral messaging, and a monitoring dashboard supported the pilot, culminating in an award ceremony in February 2025.

OUTCOME

The intervention was one component of a broader structured policy and research exercise.

Beginning with a diagnostic study that mapped behavioral and structural barriers to financial inclusion among rural and suburban youth, the project moved through intervention design, pilot implementation, and evaluation, culminating in a final report and a synthesis paper, *Lessons from Mexico's Case*, intended to inform future policy design across the sector.

The intervention produced meaningful behavioral shifts, including increased income and expense tracking, stronger goal-setting, greater uptake of formal financial products, reduced impulsive spending, and an improved understanding of interest, risk, and diversification. Trust in financial institutions was reinforced - an essential step toward long-term inclusion, and the contest format generated an unintended but valuable peer-to-peer learning effect.

Mexico's experience makes a strong case for behavioral science as a policy design tool in its own right, demonstrating that when signals are grounded in lived realities, when gender is treated as a lens rather than a footnote, and when flexibility is built into the design from the outset, meaningful financial inclusion among youth is well within reach.



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Advancing Gender Inclusive Finance and Digital Financial Services in Palestine



Anas-Mohammed / Shutterstock Photo.



MEMBER INSTITUTION

Palestine Monetary Authority (PMA)



TIMELINE

November 2023-July 2025

THEMATIC AREA

- Gender Inclusive Finance
- Digital Financial Services
- Supervisory Technology

POLICY CHALLENGE

Despite progress since Palestine’s 2018 National Financial Inclusion Strategy, significant gaps persist. A 2022 demand-side survey showed overall financial inclusion at 50.9 percent, but the gender gap remained stark. Structural barriers, social norms, limited labor force participation, and the absence of products designed for women and youth compounded the challenge. The conflict in Gaza added acute fragility, severely restricting fieldwork and mobility throughout the project period.

ICI-SUPPORTED INTERVENTION

The PMA implemented a wide-ranging program spanning four outcome areas. Under institutional readiness, the PMA conducted peer learning visits to the State Bank of Pakistan on gender inclusive policies and to Luxembourg’s House of Financial Technology (LHOFT)

ecosystem on digital financial innovation. Gender-sensitive train-the-trainer sessions were delivered in two phases, first reaching 30 PMA staff and then expanding to 50 participants from banks, microfinance institutions, and payment service providers. A separate two-day training on village savings and loan groups (VSLA) digitization reached 60 women participants. On the data side, a hybrid training on sex-disaggregated data collection was delivered to 62 participants, and a financial inclusion dashboard was developed and tested. Awareness activities included workshops for 40 women small-business owners and 60 university students, financial inclusion videos, social media campaigns, radio broadcasts, and a promotional campaign encouraging account opening and electronic payments.

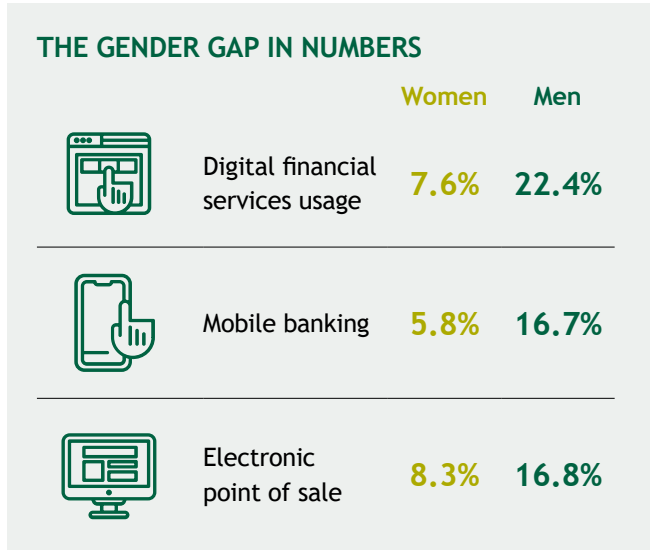
OUTCOME

The project delivered action plans for both the Gender Inclusive Finance and Digital Awareness roadmaps, a case study on women's financial inclusion in Palestine, annual communications plans for 2024 and 2025, and a sex-disaggregated data framework integrated with PMA's SupTech systems.

Pre and post-training surveys documented shifts in understanding of gender considerations among PMA staff and financial service providers, confirming that the capacity built through the project had taken root across the institutions that matter most for women's financial inclusion in Palestine.

Palestine's experience is a testament to what determined institutional ownership can achieve even under the most difficult conditions. When the ground shifts beneath a project, it is clarity of purpose and

the willingness to adapt that keep it moving forward. Integrating gender and digital inclusion into a single, well-sequenced intervention proved not only possible but powerful, and this is a lesson worth carrying across the AFI network.



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Rwanda’s MSMEs Financial Literacy and Savings & Credits Groups Digitalization Strategy Project



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MEMBER INSTITUTION

National Bank of Rwanda (NBR)



TIMELINE

November 2021-March 2023

THEMATIC AREA

- MSMEs
- Financial Literacy
- Digital Financial Services

POLICY CHALLENGE

Rwanda’s MSMEs, particularly at the micro enterprise level, face persistent barriers in accessing and using formal financial services. Limited financial literacy and weak financial management skills leave this segment underserved and perceived as a high risk by financial institutions. At the same time, savings and credit groups, which play a vital role in community-level finance, lacked a coherent national framework to guide their digitization. Without targeted capacity building or a digitization roadmap, both MSMEs and savings groups risked being left behind as Rwanda’s financial sector continued to evolve.

ICI-SUPPORTED INTERVENTION

Drawing on AFI technical and financial backing, the NBR tackled both challenges simultaneously through a two-component project. A diagnostic study first mapped financial literacy gaps and needs across women and men-led MSMEs, informing the development of a practical financial literacy and financial management program. Ten NBR staff were trained to deliver the program, which was piloted with 60 MSMEs across three districts in Kigali, with more than 70 percent of participants from women-led enterprises. In parallel, a savings and credit groups digitization roadmap was developed, shaped through active engagement with financial service providers, NGOs, and UN agencies. The roadmap has since prompted the NBR to develop a regulatory directive for FinTechs operating in the savings and credit groups space, currently at final stage.

OUTCOME

The project delivered a tested financial literacy program, a trained NBR delivery team, and a nationally owned digitization roadmap for savings and credit groups.

The pilot confirmed that content resonates most strongly with micro enterprises, informing plans to develop tailored materials for different MSME segments while expanding delivery through a training-of-trainers model across all districts. The digitization roadmap is set for implementation in the coming financial year.

Rwanda’s experience offers a straightforward but important reminder that tackling financial literacy and digital infrastructure together, rather than sequentially, creates the necessary momentum across the entire MSME ecosystem at once, and that is a far more efficient use of limited resources than addressing each in isolation.



9 in 10
businesses in Rwanda
are micro enterprises



Sarine Arslanian / Shutterstock Photo.

SÃO TOMÉ AND PRÍNCIPE

Financial Inclusion Demand Side Survey in São Tomé and Príncipe



Priscila Emidio / Shutterstock Photo.



MEMBER INSTITUTION

Banco Central de São Tomé and Príncipe (CBSTP)



TIMELINE

October 2024-September 2025

THEMATIC AREA

- Financial Inclusion Data
- Gender Inclusive Finance
- Financial Literacy, Consumer Protection

POLICY CHALLENGE

São Tomé and Príncipe’s demand side financial inclusion surveys, including the first conducted in 2017, revealed a deeply exclusionary financial landscape. The 2017 survey found that 76 percent of adults were excluded from the formal financial system, yielding an inclusion rate of just 24 percent, one of the lowest in the AFI network. Women fared worse still, at 18 percent. Only 39 percent of respondents held a bank account, and the financial literacy index stood at a mere 39 percent. With no equivalent national survey since, policymakers lacked the updated, internationally comparable data needed to evaluate the first National Financial Inclusion Strategy or design a credible successor.

ICI-SUPPORTED INTERVENTION

The CBSTP, supported by AFI, set out to conduct a comprehensive second demand side survey in partnership with the National Statistical Institute (INE), whose fieldwork expertise was critical to the project’s reach and credibility. The survey covers the adult population and SMEs across all six districts of São Tomé and the Autonomous Region of Príncipe. Two questionnaires targeting individuals and MSMEs were developed, reviewed by AFI’s Financial Inclusion Data Working Group, translated, and piloted across 90 households before full fieldwork commenced. Gender-disaggregated data was built into the design from the outset, enabling a direct comparison with the 2018 findings and systematic tracking of progress on closing the gender gap.

OUTCOME

The project delivered São Tomé and Príncipe’s first updated, internationally aligned financial inclusion data in over six years.

The results will directly inform the second NFIS (2026 to 2030), refresh indicators on access, usage, quality, and financial capability across gender and MSME segments, and establish a new baseline for measuring future progress.

For a small island economy working with constrained resources, this project quietly makes the case that good data, gathered well and shared widely, is the most cost-effective policy investment a country can make.

Pairing an institutional mandate with statistical expertise, while incorporating gender disaggregation from the start rather than adding it later, is a practice simple enough to transfer and valuable enough to last.

FROM EXCLUSION TO INCLUSION

2017 Financial Inclusion Index 0.24

2025 Financial Inclusion Index 0.41



Matthias Graben / Alamy Stock Photo.

 **TANZANIA**

Advancing Financial Inclusion of Internally Displaced Persons (IDPs)



Elen Marlen / Shutterstock Photo.



MEMBER INSTITUTION
Bank of Tanzania (BOT)



TIMELINE
April 2024-June 2024

THEMATIC AREA

- Forcibly Displaced Persons
- Digital Financial Services
- Financial Literacy

POLICY CHALLENGE

Climate change is reshaping displacement in Tanzania. Between 2008 and 2022, 245,000 people were internally displaced, with droughts, floods, coastal erosion, and erratic rainfall driving communities from their homes with increasing frequency (with 46,000 new displacements occurring in 2023 alone).

Yet despite Tanzania’s broader financial inclusion progress, climate-change-induced internally displaced persons (IDPs) remained largely outside the formal financial system, facing compounding barriers including lack of identification, geographic isolation, high service costs, low financial literacy, and the near-total absence of products designed for their circumstances. For many, informal savings groups and family borrowing were the only financial tools available.

ICI-SUPPORTED INTERVENTION

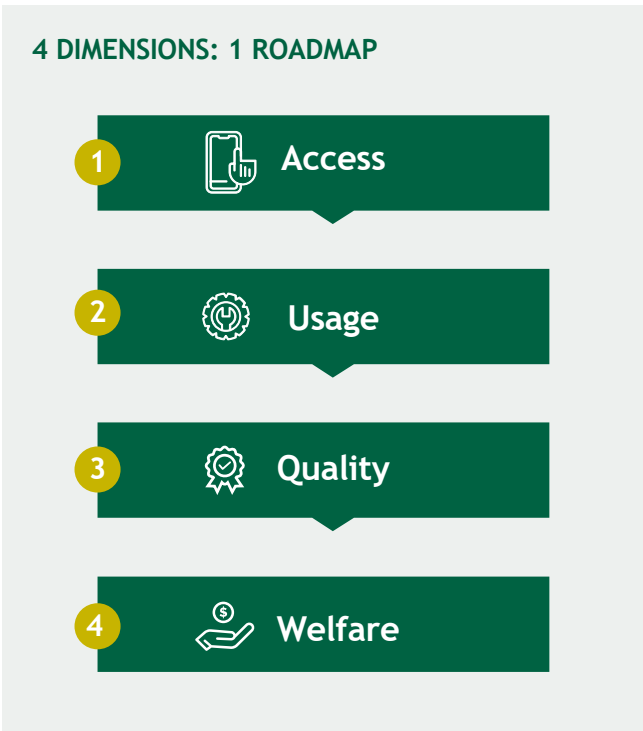
With the support of AFI, the BOT conducted a diagnostic study and develop a financial inclusion roadmap specifically for climate change-induced IDPs. Fieldwork was conducted across three regions (Dar es Salaam, Pwani, and Arusha), combining demand-side interviews with IDPs, focus group discussions, supply-side surveys, and a policy and regulatory review. The study was then validated at a multi-stakeholder workshop in June 2024, attended by more than 40 participants from government ministries, commercial banks, microfinance institutions, mobile network operators, humanitarian agencies including the International Labour Organization, World Food Programme, and International Organization for Migration, and insurance providers. The resulting roadmap, aligned with Tanzania’s third National Financial Inclusion Framework (NFIF) (2023-2028), sets out strategic objectives and implementation timelines across four dimensions spanning access, usage, quality, and welfare.

OUTCOME

The project delivered two landmark policy outputs through a comprehensive diagnostic study on IDP financial inclusion in Tanzania and a nationally validated roadmap for integrating IDPs into the formal financial system.

Key recommendations include simplified KYC requirements, digital identity solutions, subsidized or fee-free accounts, targeted financial literacy programs, and multi-sectoral coordination through a proposed National Technical Working Group on IDPs. The BOT will table both deliverables to the National Council for Financial Inclusion under the third NFIF, with resource mobilization from development partners planned to drive implementation.

This project matters beyond Tanzania’s borders. As climate-induced displacement accelerates globally, this evidence-based, multi-stakeholder framework gives any central bank navigating the intersection of climate resilience and financial inclusion a credible and replicable place to start.



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