



Advancing the Digital Payment & Financial Inclusion Agenda Across the Eastern Caribbean

A Technical Workshop Event Brought by the EU-UNCDF-OACP Partnership for Digital Financial Inclusion

JANUARY 17th, 18th & 19th

BACKGROUND

Financial inclusion, which can be defined as availability, access and usage of a range of appropriate services, delivered responsibly, to financially capable consumers, is a critical enabler for eradicating poverty and promoting inclusive growth.

There are many strong advances to support digital financial inclusion across the Eastern Caribbean. Access to an account can be considered high across many Caribbean islands and usage of electronic payments is also growing.

Despite notable progress, challenges remain. While many adults may own an account, most still pay bills or make payments in cash. Some consumers and businesses also face challenges adopting and using digital payment products.

ABOUT THE EVENT

To respond to regional requests, the UNCDF-EU-OACP is hosting **a regional financial inclusion technical workshop series targeted towards Eastern Caribbean financial sector regulators, policymakers and related stakeholders.**

This first Workshop intends to build capacity of participants by providing one platform for technical, deep dive presentations, peer-exchange, and closed-door discussions with experts around two central themes:

- **Regulating, Licensing and Supervising Virtual Assets** (January 17th & 18th 2023)
- **Cybersecurity for mobile and digital payment services** (January 19th 2023)

Hosted by the United Nations Development Programme, the UNCDF will launch the Workshop Series in Port of Spain, Trinidad and Tobago between January 17 -19 2023. Future workshops will take place across the region.

REGISTRATION

Remotely: Remote participation is open to all for technical sessions. To [attend remotely, register for the Technical Workshop using this link](#). For in-person attendance, please contact Eastern.Caribbean@uncdf.org



AGENDA DAY 1: TUESDAY, JANUARY 17th, 2023

Day 1: Theme: Regulating, Licensing and Supervising E-Money and FinTech			
#	Time	Title	Objectives
	8:30 – 9:00am	Registration & Coffee & Breakfast	Registration & Coffee
1	9:00 – 9:45 am	Digital Financial Inclusion in the Eastern Caribbean <i>Welcome Address</i>	<p>Description: The opening session will discuss the importance of digital financial inclusion from a global perspective, the current state of financial inclusion and access across the Eastern Caribbean and current constraints of the landscape. The session will introduce the planned activities and resources available via the newly established (launched in February 2022) EU-UNCDF-OACP Eastern Caribbean Financial Inclusion Program.</p> <p>Opening Remarks: Ambassador of the European Union Trinidad and Tobago Delegation, Mr. Peter Cavendish Resident Representative of the United Nations Development Fund Trinidad and Tobago, Mr. Gerardo Noto Director of Digital Finance for Resilience in ACP, United Nations Capital Development Fund, Mr. Bram Peters</p> <p>Keynote Address: The Honourable Minister of Finance of Trinidad and Tobago, Minister Colm Imbert</p> <p><i>Emcee: Ms. Helen Gradstein, Regional Head of Eastern Caribbean Office, UNCDF</i></p>
2	9:45 – 10:30am	A Blueprint for Financial Inclusion: Key Elements <i>Technical Presentation</i>	<p>Description: This session will set the stage and discuss key foundations and good practices that underpin transformations for digital financial inclusion, including conducting and collecting robust financial inclusion data as a first step. It will demonstrate key ingredients to develop a Financial Inclusion Roadmap.</p> <p><i>Speaker (in-person): Helen Gradstein, Regional Head of Eastern Caribbean Office, UNCDF</i> <i>Moderator (in-person): Annie Bertrand, Regional Harmonization Specialist, UNCDF</i></p>
	10:30am – 10:45	Quick Coffee Break	Stretch Break and Coffee
7	10:45 – 11:45pm	Licensing Approaches for New E-Money and Emerging Models	<p>Description As Fintech becomes mainstream in many markets, how are authorities' regulatory approaches to inclusion evolving? This 2-part deep-dive session will explore FinTech innovations that expand financial inclusion, how regulators have been responding to these developments, and concrete and practical approaches to regulating, licensing and</p>



		<p><i>Technical Presentation (Part 1)</i></p>	<p>supervising these developments. It will include presentations from key experts to focus on how to analyse EMI applications as well as license and supervise other emerging business models including electronic payment intermediaries, such as payment facilitators, bill aggregators, and payment gateways, and the different policy approaches to mitigate risks</p> <p><i>Speaker (in-person): Mehmet Kerse, Licensing and Supervision of Digital Finance Expert, UNCDF / CGAP</i> <i>Moderator: Helen Gradstein, Regional Head of Eastern Caribbean Office, UNCDF</i></p>
8	11:45 – 12:30pm	<p>Supervisory Approaches, Technologies & Tools for Digital Finance <i>Technical Presentation (Part 1)</i></p>	<p>This session aims to explore different technology tools to that are being employed by regulators and supervisors to enhance supervision of digital financial services. It will explore recent innovations and applications of SupTech, including its application within consumer protection, market conduct, complaints handling, market monitoring among other areas, and aims to explore concrete county examples of policy and technology solutions being leveraged by regulators and supervisors to build trust in digital finance and increase the efficiency and effectiveness of supervision.</p> <p><i>Speaker (virtual): Juan Carlos Izaguirre, Senior Financial Sector Specialist, World Bank – CGAP</i> <i>Moderator: Annie Bertrand, Regional Harmonization Specialist, UNCDF</i></p>
<p>LUNCH & NETWORKING <i>End of Remote Participation & Viewing</i></p>			
	2:30pm – 5:00pm	<p>Office Hours Applications of Innovation on Existing Legal / Regulatory Frameworks <i>(Invitation Only)</i></p>	<p>This session is intends to provide opportunities for closed door, in person discussion and “office hours” with experts to allow policymakers to discuss in more detail and gain insights on approaches, regulatory implications, licensing considerations, no-objection considerations and other policy considerations related to the entrance and application of new FinTechs aiming to come to market. The “Teaser” Activity will help policymakers consider regulatory implications of emerging trends and innovations</p> <p><i>Office-hours (in-person) Mehmet Kerse, Licensing and Supervision of Digital Finance Expert, UNCDF / CGAP</i> <i>Office-hours (virtual): Juan Carlos Izaguirre, Senior Financial Sector Specialist, World Bank – CGAP</i> <i>Office-hours (virtual): Ivo Jenik, Senior Financial Sector Specialist, World Bank – CGAP</i> <i>Activity Coordinator: Helen Gradstein, Regional Head of Eastern Caribbean Office, UNCDF</i> <i>Activity Coordinator: Annie Bertrand, Regional Harmonization Specialist, UNCDF</i></p>



AGENDA DAY 2: WEDNESDAY, JANUARY 18th, 2023

Day 2 Theme: Regulating, Licensing and Supervising E-Money and FinTech			
#	Time	Title	Objectives
	8:30 – 9:00am	Registration & Coffee	Registration & Coffee
1	9:00 – 9:15 am	Day 2 Recap	Recap & Introduction of the Day's Sessions
2	9:15 – 10:15am	Licensing Approaches for New E-Money and Emerging Models <i>Technical Presentation (Part 2)</i>	Description During the second session of this 2-part deep-dive discussion on licensing, we will explore how regulators have been responding to Fintech developments and share concrete and practical approaches to regulating, collaboration and risk mitigation. <i>Speaker: Mehmet Kerse, Licensing and Supervision of Digital Finance Expert, UNCDF/CGAP</i> <i>Moderator: Helen Gradstein, Regional Head of Eastern Caribbean Office, UNCDF</i>
	10:15 – 11:00am	Supervisory Approaches, Technologies & Tools for Digital Finance <i>Technical Presentation (Part 2)</i>	This session aims to explore different technology tools to that are being employed by regulators and supervisors to enhance supervision of digital financial services. It will explore recent innovations and applications of SupTech, including its application within consumer protection, market conduct, complaints handling, market monitoring among other areas, and aims to explore concrete county examples of policy and technology solutions being leveraged by regulators and supervisors to build trust in digital finance and increase the efficiency and effectiveness of supervision. <i>Virtual Presenter: Simone di Castri, Head of Cambridge SupTech Lab, Cambridge</i> <i>Moderator: Annie Bertrand, Regional Harmonization Specialist, UNCDF</i>
	11:00 – 11:15am	Quick Coffee Break	Stretch Break and Coffee
3	11:15 – 12:45pm	Innovation Facilitators: Offices, Hubs & Sandboxes <i>Technical Presentation</i>	Innovation hubs, sandboxes, test-and-learn initiatives, among other policy approaches play an important role in fostering innovation needed for overcoming the barriers to financial inclusion. However, no two hubs or sandboxes look the same. There is wide variation across these different policy initiatives ranging from discreet regulatory navigation to broader Calls for solutions and experiments to foster innovation. In frontier cases, these initiatives can both help stimulate a healthy and strong FinTech economy while also help regulators make faster and better informed decisions on how to appropriately regulate (and supervise) new services and providers reaching the marketplace. The suitability of each approach also depends on policy objectives, flexibility of the existing regulatory regime, resources and capacity of the regulator, and types of innovations emerging in the market. This session will



			<p>share lessons learned from a global perspective, as well as invite Eastern Caribbean colleagues to share on their policy initiatives related to FinTech.</p> <p><i>Virtual Presenter: Ivo Jenik, Senior Financial Sector Specialist, World Bank - CGAP</i> <i>Virtual Presenter: Philip Rowan, Head of Regulatory Innovation Hub, Cambridge & former Head of FCA Innovation Hub</i> <i>Virtual Presenter: Moza Alzarraee, Regulatory Innovation Hub, Cambridge & former Head of Dubai Innovation Hub</i> <i>Moderator: Helen Gradstein, Regional Head of Eastern Caribbean Office, UNCDF</i></p>
<p>LUNCH & NETWORKING</p> <p><i>End of Remote Participation & Viewing</i></p>			
	<p>2:30pm – 5:00pm</p>	<p>Office Hours</p> <p>Applications of Innovation on Existing Legal / Regulatory Frameworks</p> <p><i>(Invitation Only)</i></p>	<p>This session is intended to provide opportunities for closed door, in person discussion and “office hours” with experts to allow policymakers to discuss in more detail and gain insights on approaches, regulatory implications, licensing considerations, no-objection considerations and other policy considerations related to the entrance and application of new FinTechs aiming to come to market. The “Teaser” Activity will help policymakers consider regulatory implications of emerging trends and innovations.</p> <p><i>Office-hours (in-person): Mehmet Kerse, Licensing and Supervision of Digital Finance Expert, UNCDF / CGAP</i> <i>Office-hours (virtual): Philip Rowan, Head of Regulatory Innovation Hub, Cambridge & former Head of FCA Innovation Hub</i> <i>Office-hours (virtual): Ivo Jenik, Senior Financial Sector Specialist, World Bank – CGAP</i> <i>Office-hours (virtual): Simone di Castri, Head of Cambridge SupTech Lab, Cambridge</i> <i>Activity Coordinator: Helen Gradstein, Regional Head of Eastern Caribbean Office, UNCDF</i> <i>Activity Coordinator: Annie Bertrand, Regional Harmonization Specialist, UNCDF</i></p>



AGENDA DAY 3: THURSDAY, JANUARY 19th, 2023

Day 3 Theme: Security for Mobile Money & Digital Finance			
#	Time	Title	Objectives
	8:30 – 9:00am	Registration & Coffee	Registration & Coffee & Breakfast
1	9:00 – 9:05 am	Opening Remarks	Introduction of the Cybersecurity for
	9:05 - 10:50am	Addressing Security Risks for Digital Finance <i>Technical Presentation – Part 1</i>	<p>Technological advances are creating an entirely new risk ecosystem in which the risks are interconnected and continuously evolving. When unmanaged, risks can easily spread across multiple aspects of the ecosystem, compromising the business reputation along with customer trust. This session will discuss the digital finance security assurance framework that digital finance regulators and providers can implement for managing the threats and vulnerabilities to the digital finance ecosystem as well as the security audit guidelines to assess whether the security controls implemented are providing adequate protection. A mobile payment app security guideline will also be shared which can be adopted as a technical guideline or regulation to establish minimum security baselines for developers and digital finance providers to adopt security best practices and international security standards.</p> <p>Technical Topics & Presentations:</p> <ul style="list-style-type: none"> - EU: Introduction to EU-LAC Digital Alliance and the EU Cybernet which offer partnership and dialogue around Cybersecurity. - Swedbank: Cybersecurity risks ecosystem and approach to public-private partnerships in digital finance - ITU: Introduction to DFS Security Lab - ITU: Implementing the DFS security assurance framework and security audit for DFS <p>Speakers (in-person): Venkatesen Mauree, Programme Coordinator, Standardization Bureau, ITU Speakers (in-person): Arnold Kibuuka, Project Officer, Standardization Bureau, ITU Speakers (in-person): Liina Areng, Regional Program Lead at EU Cybernet Speakers (remotely): Johan Rosén, Head of Risk Control in Digital Banking & IT Department at Swedbank Emcee: Annie Bertrand, Regional Harmonization Specialist, UNCDF</p> <p>Related Reports:</p> <ul style="list-style-type: none"> • Mobile Application Security Best practices • DFS Security Assurance Framework



			<ul style="list-style-type: none"> • DFS Security Audit Guidelines • DFS Consumer Competency Framework • Security recommendations to protect against DFS SIM risks and SIM swap fraud • Model MOU between a Telecommunications Regulator and Central Bank on Digital Financial Services Security
	10:50am – 11:00	Quick Coffee Break	Stretch Break and Coffee
	11:00pm – 1:00pm	<p>Addressing Security Risks for Digital Finance <i>Technical Presentation – Part 2</i></p>	<p>This session will highlight the vulnerabilities to USSD and STK and Android based mobile payment applications. Threats like Man in the middle attacks that could impact digital financial services and the SIM jacker vulnerability in SIM Cards would be discussed. The session will also provide and an overview of the security tests that can be undertaken in the DFS Security Lab at ITU. It also intends to focus on the recommendations for DFS regulators and providers to adopt to mitigate vulnerabilities in the telecom network such as SS7, SIM related fraud like SIM swaps, SIM recycling, and attacks on SIMs like binary over the air attacks. The session will also provide insights on how the Central Bank and Telecom regulator could collaborate and work together to address security risks to the DFS ecosystem.</p> <p>Technical Topics & Presentations:</p> <ul style="list-style-type: none"> - Using the DFS security assurance framework - App Security Framework - ITU DFS Security Recommendations on DFS Security (SIM Swap and SS7 security recommendations & DFs consumer competence framework, MOU) - ITU: DFS Security Collaboration Platform <p>Related Reports:</p> <ul style="list-style-type: none"> • Model MOU between a Telecommunications Regulator and Central Bank on Digital Financial Services Security • Security testing for USSD and STK based DFS applications • Security audit of various DFS applications <p>Speakers (in-person): Venkatesen Mauree, Programme Coordinator, Standardization Bureau, ITU Speakers (in-person): Arnold Kibuuka, Project Officer, Standardization Bureau, ITU Emcee: Annie Bertrand, Regional Harmonization Specialist, UNCDF</p>
	1:00 – 1:05pm	Closing Remarks	Closing Remarks
<p>LUNCH & NETWORKING <i>End of Remote Participation & Viewing</i></p>			
	2:30pm – 3:00pm	ITU Application of Standards Exercise	This session led by ITU will support policymakers to apply global standards for cybersecurity for mobile money and digital finance as part of an interactive, in-person activity.



		(by invitation only)	Mr. Venkatesen Mauree , Programme Coordinator, Standardization Bureau, ITU Mr. Arnold Kibuuka , Project Officer, Standardization Bureau, ITU
	3:00pm – 5:00pm	Cybersecurity Simulation Exercise (by invitation only)	Building on the previous exercise, this session is intended to provide a Cybersecurity for financial services simulation exercise for policymakers, to consider breaches, actions and communication plans in the event of cyber threats across the financial sector. Participants from both the financial sector and telecommunication sectors are welcome to join in this simulation activity. <i>Activity Organizer:</i> Sem Ponnambalam , President of Xahive <i>Activity Support:</i> Helen Gradstein , Regional Head of Eastern Caribbean Office, UNCDF <i>Activity Support:</i> Annie Bertrand , Regional Harmonization Specialist, UNCDF <i>Activity Support:</i> Venkatesen Mauree , Programme Coordinator, Standardization Bureau, ITU <i>Activity Support:</i> Arnold Kibuuka , Project Officer, Standardization Bureau, ITU <i>Activity Support:</i> Liina Areng , Regional Program Lead at EU Cybernet



ABOUT UNCDF – EU – OACPS Financial Inclusion Programme

The [EU-UNCDF-OACP partnership for Digital Financial Inclusion launched in the Eastern Caribbean in February, 2022](#). The programme operates in the region through three strategic pillars:

- **Policy Acceleration:** Based on pressing requests of policymakers, the programme develops technical assistance engagements that provide a combination of training, technical workshops, expert dialogue, peer-to-peer exchange and hands on assistance to support policymakers for digital financial inclusion.
- **Financing Sprints for Financial Inclusion:** Deployment of blended finance to digitize payments and scale innovations which solve specific digital financial inclusion problems in the market.
- **Direct Assistance for Digital Finance Policymakers:** An agile window for direct technical assistance to policymakers to advance digital financial inclusion.
 - o Examples: Establish Digital Economy strategies, financial inclusion roadmaps, digital payment surveys, regulatory sandbox initiatives, e-payment hubs, FinTech Innovation Hubs, digital ID, piloting of new supervisory technology, consumer protection, among other areas.

To implement the program, the [United Nations Capital Development Fund](#) (UNCDF) is graciously hosted by the [United Nations Development Program](#) (UNDP) for on-the-ground activities across the region.