

# Cybersecurity and Trust:

Technology Innovations and  
Data Privacy Implications for  
DFS

**FIGI Symposium**

**June 3<sup>rd</sup> 2021**

CENTER *for*  
FINANCIAL  
INCLUSION

**ACCION**



# CENTER FOR FINANCIAL INCLUSION (CFI)

Our vision is a world where all people are able to use financial services and participate in the economy to improve their lives and prosper.



## HOW WE WORK



### Learn

Conduct quantitative and qualitative research on both the demand- and supply-side to identify the most pressing issues affecting the financial inclusion of vulnerable people around the world



### Test

Pilot concepts that arise from quantitative and qualitative analysis to identify best practices and effective solutions



### Share

Advocate for change by sharing insights and recommendations with key stakeholders through publications, convenings, events, and campaigns to influence their decision-making

# Plumes of Data Fumes in Emerging Markets

**9.5**  
hours/day  
online in Brazil

**x2**  
Doubling of  
P2P users in  
Rwanda in a  
week

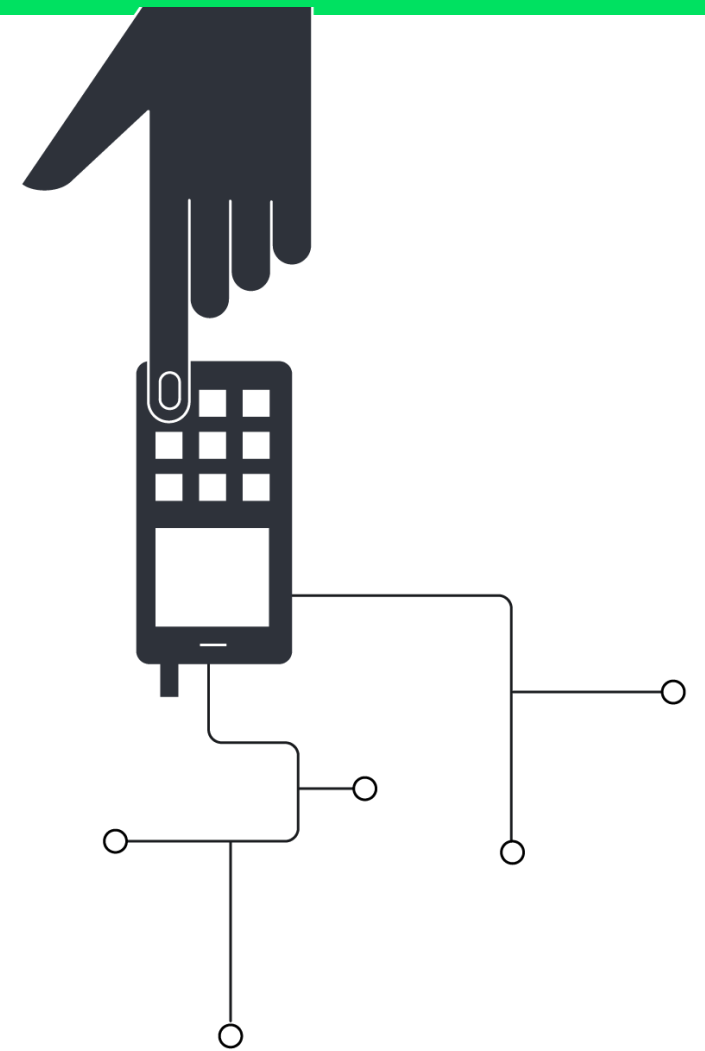
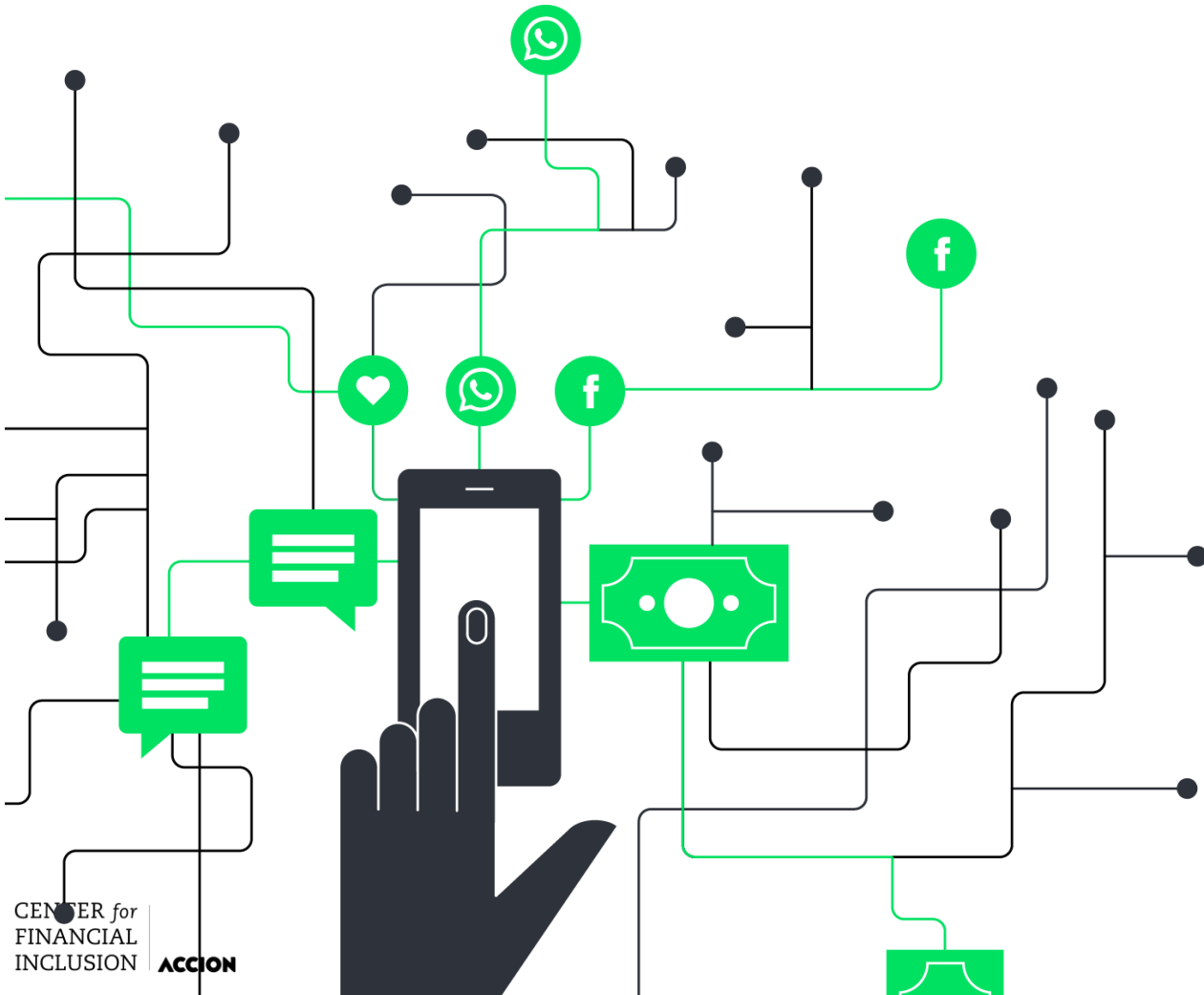
**6.5**  
hours/day  
online in India

**9.75**  
hours/day  
online in  
Philippines

**3500**  
new users  
online whilst  
you read the  
paper

# Data Trails in a Digital Economy

Data trails reflect socioeconomic dynamics such as affordability, digital capability, social norms, and other context-specific issues.



Those left out today face increasing risks of further financial exclusion.

# Data Trails in a Digital Economy

## YOUR DATA TRAIL SAYS...

Your relatively small number monthly mobile money transactions show a low level of business activity and you are a poor risk for an MSME loan

The small contact list on your phone and/or your small number of social media connections shows you don't have a robust social network that could support you if you are behind on your payments.....

You have infrequent mobile money receipts on your SMS log on your phone, and therefore insufficient evidence of cash flows to qualify for a loan

Your identity is associated with too many SIM cards, so the telecom operator has flagged your account for fraud

## BUT THE REAL STORY IS...

The majority of your transactions are conducted in cash, offline and, despite COVID, your business is thriving

Females like you in your peri-urban town are strongly discouraged from adding contacts to their phone for fear of harassment and/or reputational damage

You share your phone with your multigenerational household, and you or another family member frequently needs to delete old SMS messages because your phone storage is limited

You are a refugee with no national ID card, which is required to register a SIM in the country where you live. As a workaround, you've paid a local to register a SIM for you using their ID. That person has been flagged for registering too many SIMs and all accounts associated with that name have been frozen, barring you from using your mobile money account or building a transaction history.

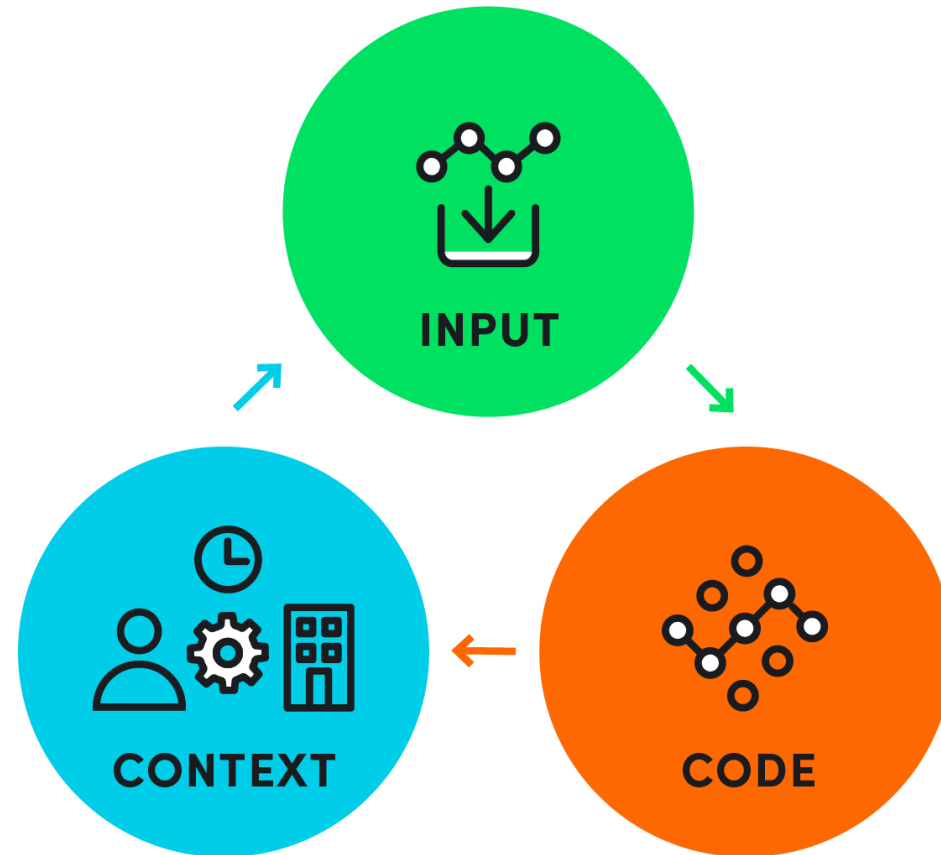


## WHY IT MATTERS FOR INCLUSIVE FINANCE

- Potential for denial of economic opportunities for consumers at the data margins
- Massive scale enabled by digital financial services increases potential for harm to clients if not monitored and managed



# The Stories Algorithms Tell: Bias and Financial Inclusion at the Data Margins



# Thank You