

PROTECTING CONSUMERS

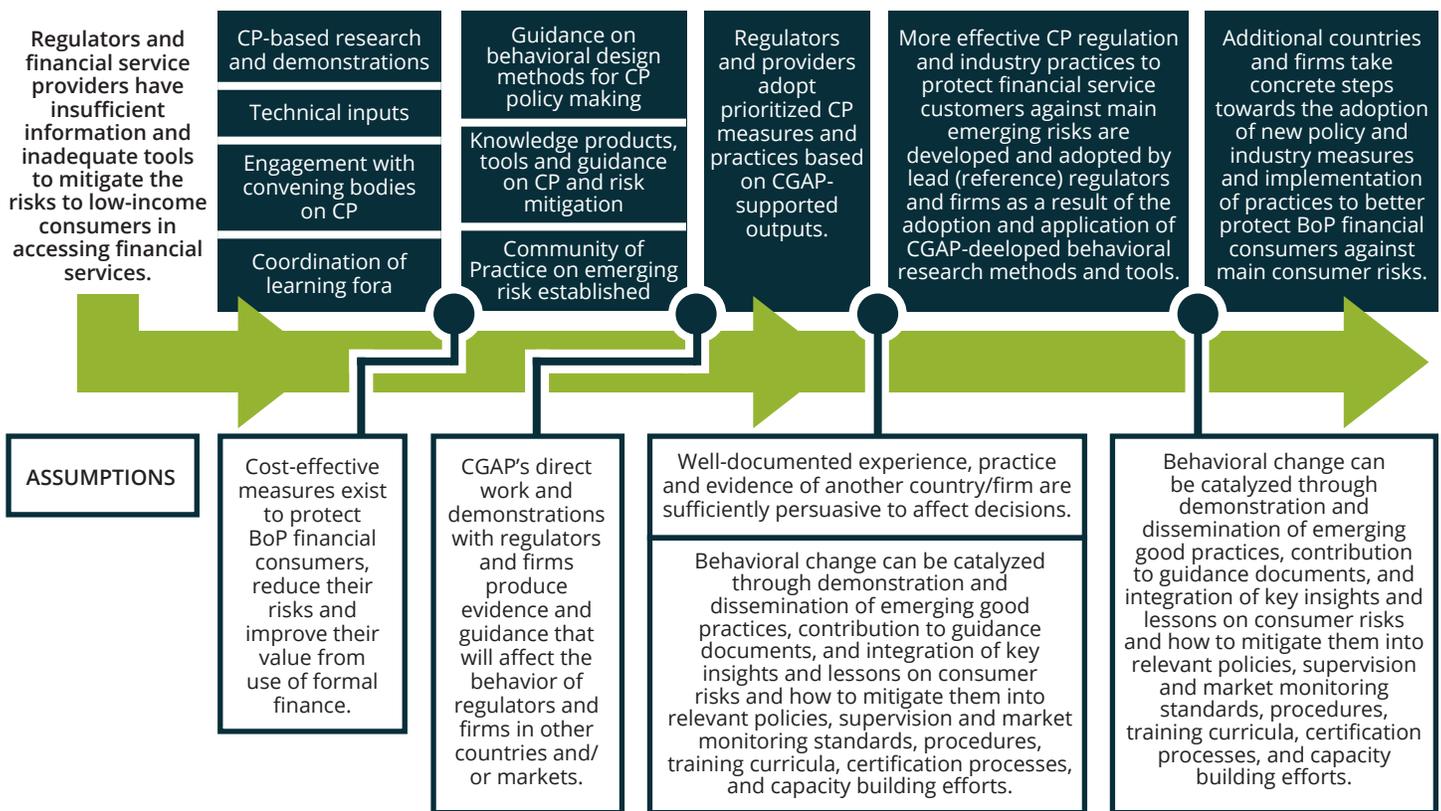
Consumer protection is an essential element of inclusive financial systems, both to ensure that current users of formal financial services get transparent and fair treatment in the market and to instill confidence among potential consumers. Consumer protection is particularly vital for base-of-the-pyramid (BoP) consumers given their precarious economic circumstances and limited literacy, numeracy, and familiarity with formal financial services. CGAP's Protecting Consumers Initiative seeks to address the most important barriers to BoP consumers' uptake of financial services: non-transparent pricing and terms, unsuitable product features and user interfaces, inability to transact, inadequate recourse, and other risks such as fraud or loss of privacy. The work aims to increase the value proposition of financial services for low-income customers and for providers, whether services are delivered digitally or through conventional channels. ✓

1. Description of Initiative’s Theory of Change

The initiative’s five-year outcome is the adoption of new policy and industry practices that better protect financial consumers against the main risks they face in the use of financial services. The initiative seeks to build evidence on evolving consumer risks, and to develop and test behaviorally-informed consumer protection (CP) strategies and responsible delivery models that are practical and cost-effective to implement and respond to rapid innovations in financial products, channels, and business models. The initiative’s Theory of Change is depicted in the image below.

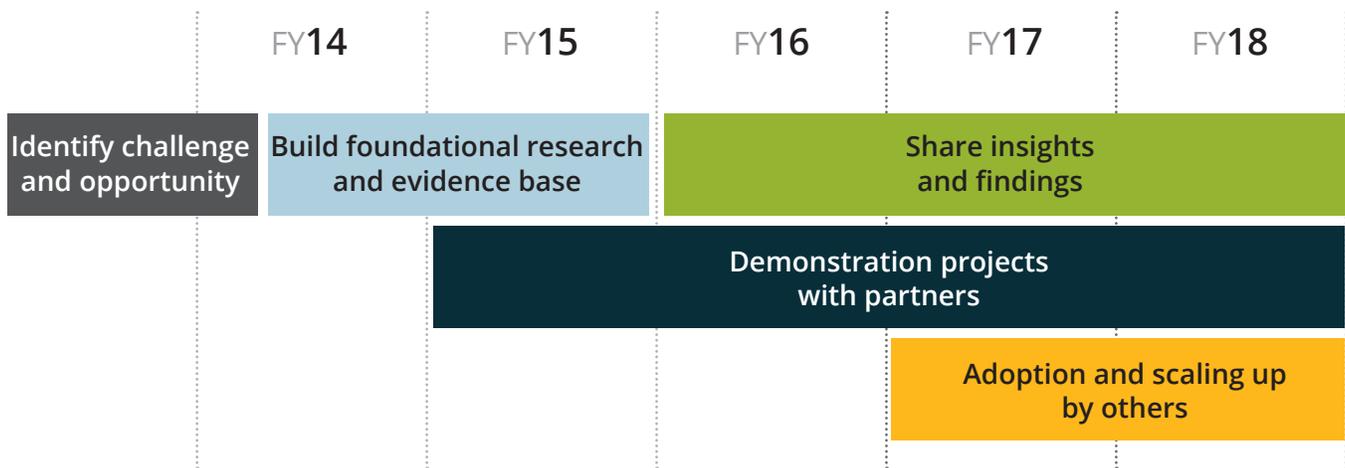
Through partnerships with development organizations and convening bodies and dissemination of findings at global fora, CGAP promotes broader adoption of consumer protection tools and strategies. The pathway towards these outcomes is based on the following key assumptions: 1) Experience, practices, and evidence of another country/firm are sufficiently persuasive to affect the decisions of other countries/firms; and 2) Cost-effective measures exist to protect BoP financial consumers, reduce their risks, and improve the value for them of using formal finance.

Theory of Change: Protecting Consumers Initiative



2. Evolution of the Initiative during CGAP V

During FY14-FY15 the initiative focused on building the evidence base for applying behavioral research in consumer protection policy making as well as for consumer risks emerging from digital delivery of financial services. In FY15-FY16 the focus shifted to building partnerships with regulators to identify key regulatory gaps and develop/test behaviorally-informed policy measures. CGAP leveraged its convening power to bring together a Community of Practice on responsible finance. In FY17, the focus was on testing our lessons learned in new contexts and on partnering with providers of digital financial services (DFS) to explore more responsible delivery models for basic and more complex DFS. In FY18, the initiative focused on disseminating insights and guidance and crowding-in others for scale-up. FY18 was also about exploring new topics to inform the consumer protection agenda for CGAP VI, especially in the area of data protection and privacy.



3. Achievements against the CGAP V Results Framework

Five-year Overall Outcome: Additional countries and firms take concrete steps towards the adoption of new policy and industry practices that better protect BoP financial consumers against main consumer risks.

In May 2018, CGAP commissioned an external consultant to assess how financial consumer protection has evolved over the past five years and whether CGAP's guidance has been adopted or replicated by policy makers and providers in partner and non-partner jurisdictions. This CGAP V end-line survey included (i) an assessment of consumer protection provisions in new and amended financial sector policies that were implemented between July 2013 and June 2018 in 16 selected countries;¹ and (ii) a survey of 18 representatives from 16 financial sector providers operating in over 25 countries around the world. According to this survey, over the past five years, CGAP has established a leadership position and reputation for evidence-based guidance and tools in both the consumer protection policy and responsible digital finance spaces. Substantial progress has been made, both in identifying measures that address the main consumer risks and pain points, and in changing industry practice and consumer protection policy measures consistent with emerging good practices and standards.

1. The reviewed countries include Bangladesh, Colombia, Ghana, India, Jordan, Kenya, Malaysia, Mexico, Myanmar, Peru, the Philippines, Rwanda, Tanzania, Uganda, and Zimbabwe.

Protecting Consumers Initiative Results Framework								
Outcomes	Indicator number and title	Baseline	Interim target June FY16	Interim actual June FY16	Comments on interim actual against target	Endline target June FY18	Endline actual June FY18	Comments on actual against target
Five-year Outcome 7.0 Additional countries and firms take concrete steps towards the adoption of new policy and industry practices that better protect BoP financial consumers against main consumer risks	7.0.1 # of additional countries or firms that have adopted new policies or implemented new measures and industry practices to better protect BoP financial consumers against the main consumer risks	0	4 (2 countries & 2 firms)	5	Exceeded	9	29	Exceeded
Supporting Outcome 7.1 More effective consumer protection regulation as a result of the adoption and application of CGAP-developed behavioral research methods/tools	7.1.1 # of markets where consumer and behavioral research methods and tools adopted by consumer protection policy makers and/or providers	2	3	3	Achieved	6	12	Exceeded
	7.1.2 # completed regulations and other policy interventions in reference countries that used behaviorally-informed findings	0	3	3	Achieved	6	11	Exceeded
Supporting Outcome 7.2 Good practices to protect digital finance customers against main emerging risks developed and adopted by lead (reference) firms and regulators	7.2.1 # of good practices and standards in each of the main risk areas related to new business models defined and shared between reference firms and regulators	0	1	5	Exceeded	9	17	Exceeded
	7.2.2 # of reference firms adopting emerging good practices and standards	0	2	3	Exceeded	9	9	Achieved
	7.2.3 # of EMDE governments taking concrete steps towards the adoption of relevant proportionate regulation, supervision, and other policy measures to protect DFS consumers against the main emerging risks	0	1	3	Exceeded	6	20	Exceeded

The FY18 target of nine was exceeded for the Results Framework indicator measuring the number of additional countries or firms that have adopted new policies or implemented new measures and industry practices to better protect BoP financial consumers against the main consumer risks during CGAP V. According to the CGAP V end-line survey, at least 12 additional countries and 17 additional providers (a total of 29 countries and firms) adopted new policies or implemented new measures and industry practices to better protect BoP financial consumers:

- Consumer protection rules are forming part of new DFS regulations in **Bangladesh, Jordan, Mexico, Myanmar, Pakistan, Rwanda, Yemen, and Zimbabwe**. New rules regarding specific financial consumer protection issues—e.g., disclosure, recourse, protection of customer funds, financial services fraud, or data privacy and protection—were issued by Central Bank of **Paraguay**, Congress of Mexico, State Bank of Pakistan, National Reserve Bank of **Rwanda**, Superintendence of **Colombia**, and Central Bank of Jordan. Banking laws and regulations have been introduced or amended to strengthen financial consumer protection in the markets of Colombia, Myanmar, and **Zambia**.
- Providers in Bangladesh (e.g., **bKash**), Ghana (e.g., **Interpay, MTN, Vodafone, AirtelTigo**), Kenya (e.g., **Co-op Bank, Equity Bank/Equitel, Safaricom, Airtel, Tigo, FarmDrive**), the Philippines (e.g., **Mynt**), Tanzania (e.g., **BIMA, MicroEnsure, Tigo**), and internationally (e.g. **Branch International, Zoon**) have adopted more responsible practices, voluntarily and in response to the mentioned regulations or industry standards.

A number of factors contributed to this greater-than-expected impact. CGAP's work on behaviorally-informed consumer protection policy making has gained strong momentum, especially through engagement with global guidance bodies that have shown a growing interest in behaviorally-informed consumer protection policy and responsible digital finance. Close integration with the GPA Initiative helped being at the right place at the right time without spreading the team too thin. In addition, new policies and new industry standards have moved financial service providers to adjust their products and practices, which ultimately has resulted in stronger protection of financial consumers globally.

Supporting Outcome: More effective consumer protection regulation as a result of the adoption and application of CGAP-developed behavioral research methods/tools.

Behavioral research uses tools and methodologies that assess how humans behave and make decisions, as well as their needs, preferences, and desires. In policy making, behavioral insights and considerations have proven to be effective in addressing information asymmetries and agency problems in a market.

Over the past five years, there has been increasing adoption of CGAP-developed consumer protection and behavioral research methodologies by regulators, supervisors, global bodies, and policy advisors. The FY18 target of six was exceeded for the Results Framework indicator measuring the number of markets where consumer and behavioral research methods and tools were adopted by consumer protection policy makers and/or providers. Policy makers and providers in at least 12 markets² have adopted CGAP-developed consumer and behavioral research methods and tools to inform regulation and policy interventions that better protect financial consumers. These include:

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2. Bank of Ghana and the Peruvian Superintendent of Banks were already accounted for in the baseline of FY14. However, throughout the CGAP V period, both regulators have adopted new behavioral research tools to assess market behaviors regarding emerging business models and products.

- CGAP's methodology and technical guides for using mystery shopping for financial services and for DFS—a tool that involves sending consumers to businesses, government agencies, or other service providers to simulate a typical customer inquiry—has had great success and was adopted in several markets to assess providers' sales practices and consumer behaviors. Documented adoptions include 12 policy makers: the Central Bank of **Armenia**, **Bangladesh** Bank, Bank of **Ghana**, the Central Bank of **Kenya**, the Competition Authority of Kenya, the Reserve Bank of **Malawi**, Bank Negara **Malaysia**, the Central Bank of **Nigeria**, the **Peruvian** Superintendent of Banks, the Association of Microfinance Institutions in **Rwanda**, the **Tanzania** Insurance Regulatory Authority, and the Telco Authority of Zambia.
- Other tools developed and promoted by CGAP, including behavioral testing and design methods, were adopted by the Central Bank of Armenia, the Central Bank of Kenya, the Peruvian Superintendent of Banks, the Tanzania Insurance Regulatory Authority, and Bank of **Uganda**.

This greater-than-expected uptake of CGAP-developed behavioral research methods can be explained by our success in disseminating guidance through training programs, workshops and implementation partnerships, and crowding-in development partners and global advisory bodies. For example, the World Food Programme in Kenya, Fundación Capital in Honduras, and the World Bank's Social Protection Team in Côte d'Ivoire adopted CGAP's mystery shopping methodology and tools to monitor cash transfer recipients' use of payment services (including in WFP Kenya's refugee camps). MercyCorps and the Danish Church Aid integrated CGAP's guidance and tools in their e-transfer implementation guides. CGAP's three "Behavioral Research for Consumer Protection Policymaking" workshops, in collaboration with the Alliance for Financial Inclusion (AFI), Innovations for Poverty Action (IPA), and the Central Bank of Russia, were very well received and sparked interest and demand for technical assistance. With the launch of CGAP's online toolkit for behavioral consumer protection policy making, further adoption by policy makers and advisors is expected.

The adoption of consumer behavioral research methods has resulted in new regulations and policy interventions. The FY18 target of 6 was exceeded for the Results Framework indicator measuring the number of completed regulations and other policy interventions in reference countries that used behaviorally-informed findings. The above-mentioned CGAP V end-line survey identified at least 11 regulations and other policy interventions that used behaviorally-informed findings and were completed during the CGAP V period across eight countries:

- In 2018, the Central Bank of **Armenia** launched a Financial Literacy and Education Strategy that uses heuristics based on behavioral insights.
- In 2018, **Bangladesh** Bank introduced electronic KYC for remote account opening and money transfers, which was informed by a research study involving mystery shopping exercises.
- In 2017, Bank of **Ghana** enacted their Consumer Recourse Directives, including recourse process posters, and Credit Disclosure Directives, which were informed by market research involving behavioral and consumer research methods.
- In 2016, the Competition Authority of **Kenya** ordered all digital financial service providers to provide consumers with full information on the costs of the services on the same screen on which the consumer is transacting. This was informed by CGAP-supported research in FY16.
- In 2015, Bank Negara **Malaysia** issued a new Framework For Life Insurance Providers, informed by findings from CGAP-assisted research in FY14 that showed unsuitable sales practices by insurance providers and agents.

- The **Peruvian** Superintendent of Banks passed a Market Conduct Management Regulation (2017) and a Transparency and Client Services Regulation (2015), made amendments to their Transparency Rules (2016), and launched a National Financial Inclusion Strategy. These were informed by consumer and behavioral research studies.
- In 2017, the Central Bank of **Russia** formed a special working group to develop recommendations for financial service providers to adjust their products and practices for the needs of the elderly (this activity is also part of the NFIS). This measure was the result of a CGAP-supported behavioral research study.
- In 2017, the **Tanzania** Insurance Regulatory Authority convened mobile insurance providers to negotiate adjustments in their product and service designs to address misleading sales practices and product quality, which they had identified through mystery shopping and consumer research.

Supporting Outcome: Good practices to protect digital finance customers against main emerging risks developed and adopted by lead (reference) firms and regulators

Based on deep dives in four countries in FY14 and FY15, CGAP identified seven major risk areas arising with rapid innovation in DFS delivery: (i) inability to transact due to network/service downtime; (ii) insufficient agent liquidity or float; (iii) complex and confusing user interfaces; (iv) poor customer recourse; (v) nontransparent fees and other terms; (vi) fraud that targets customers; and (vii) inadequate data privacy and protection. Over the course of CGAP V, CGAP tested and promoted cost-effective measures by policy bodies and industry actors to mitigate these risks.

The FY18 target of nine was achieved for the Results Framework indicator measuring the number of good practices and standards in each of the major risk areas related to new business models that were defined and shared between reference firms and regulators. The target of this indicator was to identify and share at least nine good practices in each of the seven major risk areas listed above. This target was far exceeded in six major risk areas and achieved in the area of data privacy and protection. CGAP's work in this risk area has been focused on understanding the risks, mapping existing industry practices, and gathering policy perspectives. CGAP will continue to explore this relatively new topic in CGAP VI.

Through desk and consumer research as well as R&D partnerships with DFS providers, CGAP identified 12 good practices (11 for providers + 1 for policy makers) for reliable network/service downtime; 11 (9+2) for agent liquidity and float management; 14 (14+0) for improved user interfaces; 22 (20+2) for adequate customer recourse; 18 (13+5) for transparent disclosure of fees and other terms; 30 (25+5) for mitigating fraud that targets customers; and 9 (4+5) for stronger data privacy and protection (see table below). CGAP also shaped the recommendations and standards for responsible digital finance developed by global policy and industry bodies, which have been shared through publications, events, and industry and policy dialogues, such as GSMA Mobile Money Unit's Code of Conduct, the Better Than Cash Alliance's Responsible Digital Payments Principles, ITU's Recommendations for Responsible Delivery of DFS, FinCoNet's Report and Guidance to Supervisors on Sales Incentives and Responsible Lending, the SmartCampaign's revised Client Protection Standards, and the AFI Consumer Empowerment and Market Conduct Working Group's Policy Notes on regulatory responses to digital lending and approaches to regulating digital credit.

Table 1. Overview of good practices identified and shared by CGAP over the past five years

KEY CGAP DOCUMENTS	GOOD PRACTICES FOR DFS PROVIDERS (+ POLICY MAKERS)						
	Network and service uptime	Agent liquidity and float	User interfaces	Consumer recourse	Transparency of fees and terms	Fraud targeting customers	Data privacy and protection
<u>Doing Digital Finance Right</u>	9	8 (+1)	9	8 (+1)	9 (+2)	12 (+2)	(+2)
<u>Consumer Protection in Digital Credit</u>			4		4 (+2)	(+2)	2 (+1)
<u>Recourse in DFS</u>				7			
<u>Fraud in DFS</u>						10	
<u>Consumer Risks in Digital Social Payments</u>	2	1	1	5		3	1
<u>Mystery Shopping for Digital Financial Services, incl. Zambia findings</u>	(+1)	(+1)		(+1)	(+1)	(+1)	(+1)
<u>Time to Take Data Privacy Seriously</u>							1 (+1)
TOTAL Providers	11	9	14	20	13	25	4
TOTAL Policy	(+1)	(+2)		(+2)	(+5)	(+5)	(+5)
TOTAL Good Practices	12	11	14	22	18	30	9

The FY18 target of nine was achieved for the Results Framework indicator measuring the number of reference firms adopting emerging good practices and standards. CGAP's advocacy of more responsible practices in the DFS sector has had positive impact on industry practices. According to the CGAP V end-line survey, at least nine reference firms have adopted good practices and standards in their operations, based on direct engagement with CGAP. Through dissemination of these demonstration cases and best practice examples by CGAP, research partners, and the firms themselves, we are seeing multiplication effects in other markets and among other DFS providers:

- **FirstAccess Tanzania**, a firm offering alternative data analytics and credit scoring, adopted messages for seeking customers' authorization to share their digital data.
- **Jumo Kenya** adopted their USSD menu interfaces for better disclosure of terms and conditions; JUMO World improved their credit terms and fees disclosure practices, fraud mitigation measures and improved data protection mechanisms for their operations in Tanzania, Kenya, Uganda, Zambia, Ghana, and Rwanda.
- **Commercial Bank of Africa** and **Vodacom Tanzania** adopted a SMS-based learning platform that encourages increased savings and responsible borrowing.
- **MFS Africa** improved price disclosure practices and fraud screening mechanisms in their money transfer service in all 17 Sub-Saharan African countries where they operate.
- **Branch International** adopted internal policies and measures for increased data privacy and protection.

- **Equity Bank Kenya** adopted better disclosure practices for their Eazzy Loan product.
- Transunion and **M-Kopa Solar** adopted a tool that allows borrowers to check and request correction of their credit history.
- **Fundación Capital** and WFP Kenya adopted mystery shopping methodology and materials to identify consumer experiences in their cash transfer programs. WFP Kenya also implemented a free-of-charge consumer helpline for cash transfer recipients.

Growing advocacy and guidance for consumer protection in DFS have driven policy makers' action towards relevant proportionate regulation, supervision, and other policy measures. The FY18 target of six was exceeded for the Results Framework indicator measuring the number of emerging markets and developing economies (EMDE) governments taking concrete steps towards the adoption of relevant proportionate regulation, supervision, and other policy measures to protect DFS consumers against the main emerging risks. According to findings from the CGAP V end-line survey, at least 20 governments have taken concrete steps towards the adoption of proportionate regulation, supervision, and other policy measures to protect DFS consumers against the main emerging risks. These include **Armenia, Bangladesh, Ghana, India, Jordan, Kenya, Malaysia, Mexico, Myanmar, Pakistan, Paraguay, Peru, The Philippines, Russia, Rwanda, Tanzania, Uganda, Yemen, Zambia, and Zimbabwe.**

The success of this indicator is largely driven by increased awareness of consumer risks emerging from the digitization of financial service delivery and their potential to negatively affect the integrity and stability of the financial sector as well as financial inclusion objectives. The above-mentioned advocacy, dissemination of research and good practices, as well as policy and industry standards by CGAP, CGAP members, global bodies, and development partners have all contributed to this success.

4. Overall Assessment of Achievement on Deliverables during CGAP V

During CGAP V, the guidance and tools developed by CGAP have been adopted by both partner and non-partner firms, policy makers and development agencies. This has resulted in provider practices and policy measures that better protect BoP financial consumers globally. The most important achievements of CGAP V include:

- ✔ **Global bodies advocate for financial consumer protection:** The need for greater protection of low-income financial consumers has been integrated into international standards and industry codes of conduct, including the Basel Committee on Banking Supervision, GSMA's Code of Conduct and Mobile Money Certification, and ITU's DFS policy recommendations. These standards promote adherence to strict consumer protection principles, which have been adopted by leading DFS providers across EMDEs.
- ✔ **Policy bodies beyond financial authorities (e.g., telecommunications and competition regulators) are taking interest in DFS consumer protection:** CGAP's partnership with the Competition Authority of Kenya to assess DFS pricing transparency and consumer price awareness resulted in new requirements for disclosure of price to consumers on Lipa na M-Pesa in August 2016, and a DFS Transparency Order in October 2016. These led to improved DFS price transparency. A CGAP-supported policy impact analysis in late 2017 revealed that the new rules had triggered greater price transparency, comparison shopping, and consumer switching.

- ✔ **Policy makers and sector support organizations adopted consumer and behavioral research methods for consumer protection policy making:** CGAP's guidance on applying consumer and behavioral research for identifying and mitigating consumer risks has been adopted and scaled. For example, IPA has funded two behavioral consumer protection projects with regulators in Tanzania and Brazil as a direct result of the CGAP-IPA joint training in May 2017, and is now looking to raise funds for a full program in this space.
- ✔ **Providers adopted more responsible practices based on R&D partnerships:** CGAP's experimentation partnerships helped DFS providers develop innovative and replicable responsible finance practices. For example, Jumo Kenya updated its disclosure of key product terms and changed its lending process and client communications, and Commercial Bank of Africa set up an interactive learning platform (developed in partnership with CGAP in FY16) in Tanzania (with Vodacom) and Kenya (with Safaricom). Both Jumo and MFS Africa adopted these practices in other countries where they operate.
- ✔ **Financial consumer protection has become priority for Ghanaian regulators and supervisors:** CGAP has worked with Ghanaian financial authorities to develop a comprehensive view of consumer protection issues in the traditional and digital financial services sector and to develop well-informed consumer protection regulation.
- ✔ **Governments, humanitarian aid agencies, and donors are taking consumer risks and needs in digital bulk payments seriously:** CGAP's guidance and tools for identifying and mitigating consumer risks in digital bulk payments have been adopted and shared by donors and humanitarian agencies. In FY18, CGAP produced three case studies and a framework for government payments that enable recipient choice of provider and access point. CGAP's technical inputs have shaped government payments design in Bangladesh, Tanzania, and Zambia.

5. Issues

Key issues encountered during CGAP V included the following:

- Identifying and documenting customer risks in a balanced and nuanced way that motivates action by regulators or market actors, without risking over-reaction, e.g. premature or excessively prescriptive measures taken by regulators.
- Willingness of firms and other industry actors to participate in demonstration projects, allow the data and findings to be shared widely, and take identified measures for improvements. For example, we had hoped that GSMA would make public the standards developed to implement its Mobile Money Code of Conduct, as the basis for industry dialogue for strengthening practices, but the standards remain proprietary.
- Limited ability of CGAP to affect the timing of uptake of guidance and tools by our target audiences, especially the approval and implementation of regulations by policy bodies, where the pace of reforms is largely driven by political economy factors and capacity constraints. For example, it took the Bank of Ghana three years to enact the directives for consumer recourse and credit disclosure, which CGAP helped to draft based on consumer and market research implemented together with GIZ in FY14.

6. Insights and Lessons Learned from Implementation

Key lessons learned during CGAP V include:

- **Examples from peers are key for the adoption of good practices:** Evidence from firm and policy actions, even before they are final, can raise awareness of emerging good practices and motivate behavior change on the part of key reference players. In fact, the partnerships with DFS providers to test more responsible practices for DFS delivery had more and broader impact than expected. We learned that partnerships with start-ups and FinTechs seem easier than with conventional banks because these players are often more experimental and open to testing and learning together. However, it is important to set up clear and binding confidentiality and data-sharing agreements from the start.
- **Policy work requires perseverance and patience:** Direct engagements with policy makers provided great learning and influencing opportunities for stronger protection and inclusion of the most vulnerable populations. However, these partnerships require significantly more time and investment than engagements with industry players. Often it takes several months of preparation before a project can be launched. Also, changes in management or governance can lead to significant setbacks. This has been a key challenge in CGAP's consumer protection policy work and has limited our ability to gather insights from a variety of jurisdictions.
- **Donors and development agencies need to coordinate:** We are observing increasing donor fatigue among policy makers and governments, as well as lack of coordination among development partners (for example, development partners working with the same local authority on similar or complementary projects without any awareness of each other). Upon request from regulators, members, and sector support organizations, CGAP has increasingly taken on the role of a coordinator to avoid duplication of technical assistance and to help policy makers and agencies identify the most pressing priorities. Taking on this role came with its own challenges (time consuming, non-cooperative partners, etc.), but overall it is perceived very positively and has helped policy makers better manage their limited resources and capacity.
- **Include insider knowledge and perspectives in your work:** Secondments of staff from consumer protection agencies have been an invaluable way of fostering knowledge sharing between CGAP and policy makers, better targeting our messages to this key audience, and promoting and integrating CGAP approaches to consumer protection policy making within a financial sector authority in an emerging market.

7. Partnerships

CGAP partnered with members, sector support organizations, and global convening bodies for research and experimentation, development of guidance, and dissemination and crowding-in.

CGAP had the opportunity to partner with **CGAP members** in developing and testing guidance for consumer protection policy making and responsible industry practices. For example, CGAP contributed to the Interagency Social Protection Assessments (ISPA) payments tool, involving the **World Bank Group (WBG)** Global Practices on Social Protection and Jobs and Finance and Markets (now Finance, Competitiveness

and Innovation), and helped them document their collaboration with the Zambian Ministry of Community Development and Social Services to implement a multi-service-provider government payments system. In Ghana, CGAP collaborated with the WBG's Responsible Financial Access team. CGAP partnered with GIZ's Programme for Sustainable Economic Development in Ghana to provide consumer protection research and policy advice to Bank of Ghana and the National Insurance Commission, and supported GIZ and the BMZ with the organization and content development for the Responsible Finance Fora. CGAP partnered with the Bill & Melinda Gates Foundation (BMGF) to promote more responsible and customer-centric products and services in Tanzania's DFS market and in the delivery of digital bulk payments. CGAP was actively involved in a BMGF-led Community of Practice for promoting financial inclusion through digital bulk payments.

Research and experimentation partners like Dvara Research in India or Busara Research Center in Kenya have been valuable thought partners and contributed to the development of consumer research methodologies. For example, CGAP partnered with Dvara Research in India to better understand consumers' perceptions of data protection and privacy through a qualitative survey. The findings and policy recommendations were presented through Dvara to a Committee of Experts on a Data Protection Framework for India.

Sector support organizations have played an important role in shaping our thinking and in adopting and disseminating our good practices and guidance. For example, CGAP has maintained a close working relationship with the SmartCampaign, an independent advocacy and industry certification body for client protection in the microfinance industry, for scaling our guidance and promoting adoption of good practices. CGAP helped shape the SmartCampaign's Consumer Protection Principles for DFS Providers and advised them on project strategies and implementation.

Partnerships with **global bodies for policy influence** were critical for the successful dissemination of guidance. Examples include CGAP's partnership with AFI on behaviorally-informed policy work and with the ITU on responsible practices for DFS. The CGAP V end-line survey and feedback from policy makers showed that regulatory and supervisory approaches had been adopted based on AFI's Policy Guidance Notes (which were developed in collaboration with CGAP), AFI's Global Forum, and ITU's DFS recommendations.

8. Next Phase for CGAP VI

CGAP's Protecting Consumers Initiative under CGAP V has made an important contribution to the awareness of financial consumer risks and practical ways of mitigating these risks with more effective policy interventions and more responsible industry practices. CGAP has achieved and exceeded most of its CGAP V Results Framework targets under this Initiative. We have successfully built capacity and crowded-in other development partners, global bodies, researchers, and policy makers to apply, replicate, and build upon our learnings, guidance and tools.

The Initiative's work on behaviorally-informed consumer protection policy making will largely be completed by the end of CGAP V. CGAP's learnings from and tools for applying behavioral research for consumer protection policy making will inform CGAP's policy work moving forward. For example, CGAP VI's Customer Protection and Value and Data Protection and Privacy projects will benefit from behavioral and consumer insights for developing guidance on practices and policies that are more responsible and create customer value and trust.

The relatively new workstream on data protection and privacy will continue under CGAP VI due to its importance for the increasingly digitized financial inclusion and development sectors and the lack of adequate and effective guidance on this topic. CGAP's exploratory work on data protection and privacy in FY17 and FY18—including demand- and supply-side research on consumer data protection and privacy—has already helped inform policy in India and will be built upon for the development of initial policy and industry guidance in CGAP VI.

Depending on the availability of resources and demand from CGAP members, CGAP may further build on the insights and guidance on new approaches to digitizing G2P payments. The CGAP VI Digital Rails Project will also draw on the learnings gathered in CGAP V as it explores use cases and avenues for building more inclusive, ubiquitous, and open payment systems.