

Highlights of the 2nd day of

ANNUAL BANKING CONFERENCE 2017

*Accelerating Digital Financial Services (DFS)
to achieve financial inclusion by 2021*

27 November 2017



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This publication highlights the Day-2 of the 2017 Annual Banking Conference under the theme “Accelerating Digital Financial Services (DFS) to achieve financial inclusion by 2021” which was jointly organized by the Bangladesh Institute of Bank Management (BIBM) and the United Nations Capital Development Fund (UNCDF) Shaping Inclusive Finance Transformations (SHIFT) programme in Bangladesh. The conference took place on 26th and 27th November 2017 in Dhaka. Eight papers were presented during the day in two sessions. The conference started at 9.00 am with the registration of the guests followed by the Inaugural Session, three Plenary Sessions, a Concluding Session, a Cultural Programme and it ended with a Closing Dinner.

Programme Schedule

INAUGURAL SESSION

Introductory Speech on ABC 2017

- **Professor Dr. Shah Md. Ahsan Habib**, Chairman, ABC Organizing Committee
- Opening Remarks on Day Theme
- **Mr. Rajeev Kumar Gupta**, Programme Manager, SHIFT SAARC & ASEAN, UNCDF
- Presentation of the Key Note Paper
- **Mr. Khondkar Ibrahim Khaled**, A.K. Gangopadhaya Chair Professor, BIBM
- Speech by the Special Guest
- **Mr. Shitangshu Kumar Sur Chowdhury**, Deputy Governor, the Bangladesh Bank
- Speech by the Chief Guest
- **Dr. Qazi Kholiquzzaman Ahmad**, Chairman, Palli Karma Sohayak, Foundation and Dhaka School of Economics
- Speech by the Chair
- **Dr. Toufic Ahmad Choudhury**, Director General, BIBM

Session "Looking into the Future: Next Frontiers of DFS in Bangladesh"

Moderator: **Dr. Ananya Raihan**, Executive Chairman, dnet
Thematic Presentation by **Mr. Matteo Chiampo**, Consultative Group to Assist the Poorest (CGAP)

Moderated Discussion

- **Mr. Arijit Chowdhury**
Additional Secretary, Financial Institutions Division, Ministry of Finance, Government of the People's Republic of Bangladesh
- **Mr. Feisal Hussain**
Team Leader, Business Finance for the Poor in Bangladesh
- **Mr. Arfe Elahi**
IT Manager, Access to Information Programme, Prime Minister's Office, Government of the People's Republic of Bangladesh
- **Mr. Anirban Bhowmik**
Country Director, Swiss Contact, Bangladesh

Session “Digital Technologies for Driving Financial Inclusion for the Last Mile-Global Perspective and Best Practices”

Moderator: **Mr. Rajeev Kumar Gupta**, Programme Manager, SHIFT SAARC, UNCDF

Papers Presented

1. Financial Inclusion in the Era of Digitalization in Developing Countries: A Dynamic Panel Analysis
2. Financial Inclusion in India- Achievements and Constraints
3. Financial Inclusion in Bangladesh through Mobile Banking
4. An Analysis of Banking Behavior of Women in Formal Institutional Environment in Bangladesh

Moderated Discussion

- **Dr. Lila Rashid**, General Manager, Payment System Department, the Bangladesh Bank
 - **Mr. Syed Mohammad Kamal**, Country Manager, Master Card
 - **Mr. S. M. Mainuddin Chowdhury**, Additional Managing Director, Southeast Bank Ltd.
 - **Md. Mohiuddin Siddique**, Professor and Director (DSBM), Bangladesh Institute of Bank Management (BIBM)
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- Experts from South Asian Countries
 - Q & A and Closing Remarks

Session “Promoting Client Centric Approaches in DFS: Product Innovation for Low Income Groups and Small Businesses”

Moderator: **Md. Ashraful Alam**, Country Project Coordinator, UNCDF SHIFT in Bangladesh

Papers Presented

1. Digital Financial Services (DFS) as a Tool of Financial Inclusion to Build Consumer Demand
2. Interfacing Model for Superior Practices of Management Information Systems (MIS) in the Service Organization; a Case Based Approach
3. Role of IT in Promoting SME Banking: Indian Evidence
4. Potentials and Challenges of Agent Banking in Bangladesh

Moderated Discussion

- **Dr. Shahadat Khan**, Chief Executive Officer, SureCash
 - **Mr. Khondakar Shakhawat Ali**, Sociologist and Researcher
 - **Mr. Muklesur Rahman**, Managing Director & CEO, Shimanto Bank Ltd.
 - **Mr. Md. Nehal Ahmed**, Professor, Bangladesh Institute of Bank Management (BIBM)
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- Experts from South Asian Countries
 - Q & A and Closing Remarks



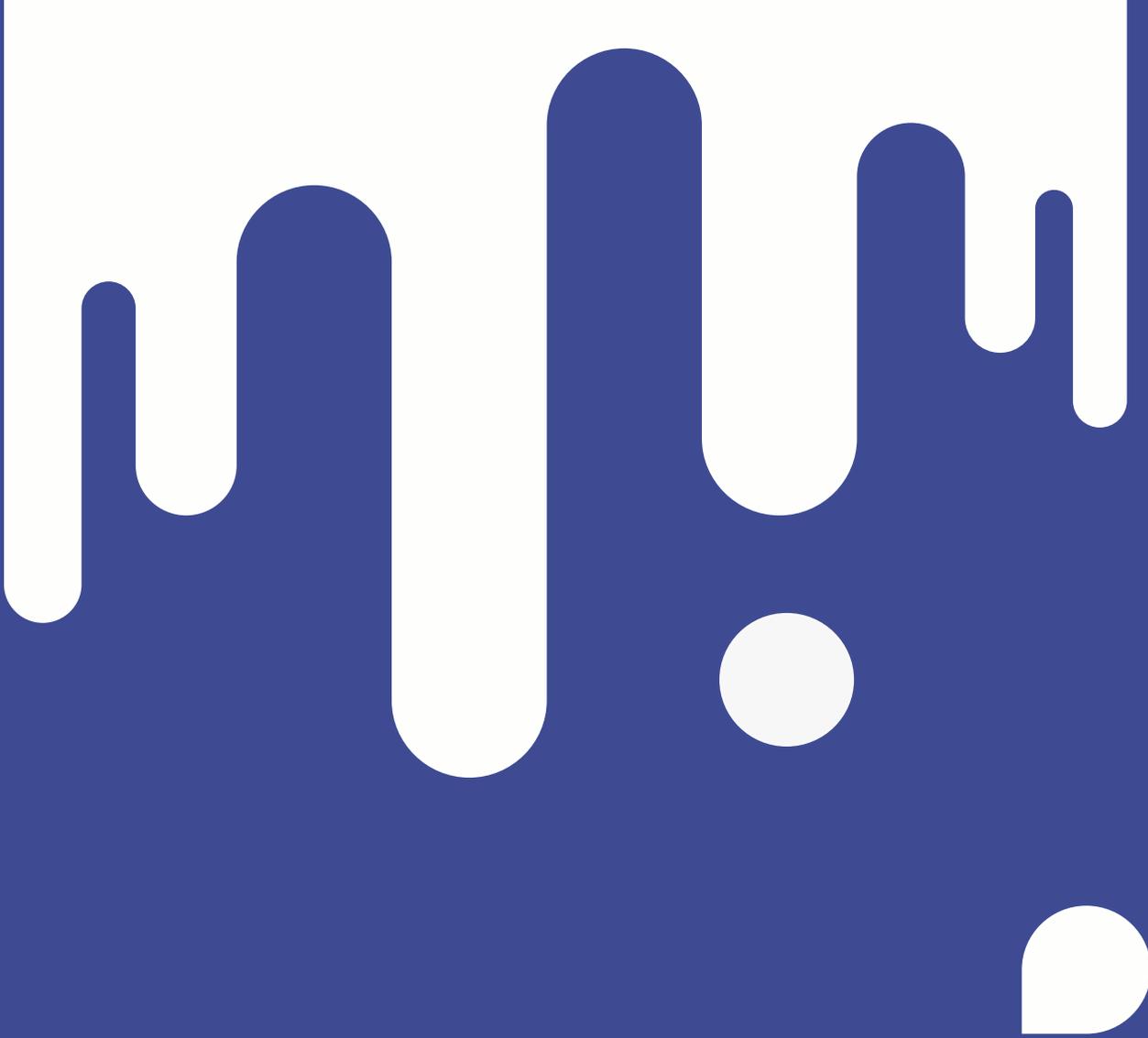
KEY RECOMMENDATIONS AND WAY FORWARDS FROM THE CONFERENCE

1. Create enabling environment through regulatory and policy improvements:
 - i. National Financial Inclusion Strategy is the key to the creation of a national consensus and a framework for medium to long term pathways for regulatory and policy improvement to foster financial inclusion through digital pathways.
 - ii. Regulators should build capacity around emerging issues, e.g. Fintech, regulatory sandboxes, block chain, artificial intelligence and use of data for policy and regulation design.
 - iii. A regulation that promotes innovation, cooperation and competition among providers and encourages private investment would accelerate the infrastructure building for the last mile.
 - iv. Government should play a facilitating role to deploy interoperability, eKYC and other supporting innovations for DFS growth by providing a level playing field, ensuring customer protection issues and financial system stability
2. Work together with all market stakeholders towards diversifying DFS product offerings by bringing innovative products for merchant payments, micro savings, loan, and insurance.
3. Give priority to financial inclusion of women.
4. Identify high volume drivers for DFS in various economic sectors as a way of developing targeted interventions.



KEY RECOMMENDATIONS AND WAY FORWARDS FROM THE CONFERENCE (Cont..)

5. Provide incentives to microfinance institutions (MFIs) to promote digitization and mainstream DFS in their operations.
6. Build rural infrastructure for DFS through public and private interventions.
7. Improve understanding among regulators and policy makers about the implications of disruptive technologies.
8. Enhance knowledge and capabilities among FSPs, regulators and policy makers to advance financial inclusion through digital pathways.
9. Provide financial literacy to the Bottom of the Pyramid (BoP) clients as financial literacy is critical to improve DFS access and use.
10. Drive uptake and usage of DFS by providing targeted market incentives.
11. Follow technological developments, at regulatory levels, that have a potential to disrupt and change the future of the financial services landscape (such as Big data, Block chain and Artificial Intelligence).
12. Integrate human centric design principles in FSP product design so that client centricity influences product offerings combining both clients' needs and consumer protection.
13. Offer adorable and techno – centric services to the BoP.
14. Integrate client centricity and consumer protection in policy design.
15. Integrate affordable access, user-friendliness, trustworthiness, and user-friendly feedback mechanisms in DFS products and services to accelerate DFS adoption.
16. Accelerate adoption of DFS among merchants and merchant networks to accelerate DFS in Bangladesh.



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