



## SMART POLICIES FOR GREEN FINANCIAL INCLUSION

26-27 NOVEMBER 2018, NADI, FIJI

#GreenFinclusion  
#NadiActionAgenda

### NADI ACTION AGENDA ON GREEN FINANCIAL INCLUSION

In alignment with the Sharm El Sheikh Accord on Financial Inclusion, Climate Change and Green Finance, member institutions from the Alliance for Financial Inclusion (AFI), international organizations, academia and the private sector convened on 26-27 November 2018, to discuss specific measures AFI members can take to address financial inclusion and climate change challenges. Participants deliberated how to best use AFI capacities for generating knowledge, information exchange and peer learning, as well as explored options for strategic alliances, and partnerships on regional and global level that can assist AFI members in policy implementation.

The meeting aimed to:

- Initiate the AFI green financial inclusion workstream by presenting and discussing emerging relevant policy practices in the AFI network
- Identify concrete country cases that will drive the direction of AFI's subsequent knowledge generation and analytical work
- Formulate recommendations on how to integrate the green financial inclusion workstream into AFI's work and activities
- Identify options on how to integrate the topic of green financial inclusion in the global leadership fora on both financial inclusion and climate change

The outcome of this meeting provides further guidance for the implementation of the Sharm El Sheikh Accord through the AFI green financial inclusion workstream by identifying policy areas and types of policy measures. The meeting identifies ways to best use AFI's capacities for further advancement of knowledge, peer learning, implementation support and awareness raising and advocacy.

Based on the conference topics, AFI members that attended the conference:



10 YEARS OF BRINGING SMART POLICIES TO LIFE



INTERNATIONAL  
CLIMATE INITIATIVE (IKI)

Supported by:



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**Agree** that priority areas for the AFI workstream on green financial inclusion should address climate resilience, and adaptation as well as climate mitigation and include but not be limited to:

- a. Financing for individuals and MSME's to adopt carbon neutral technologies. Policy approaches include:
  - i. Mandated lending quotas for renewable energy. Examples include the Reserve Bank of Fiji and Bangladesh Bank.
  - ii. Dedicated lending facilities. Examples include Bangladesh Bank, Central Bank of Armenia and Central Bank of Jordan.
  
- b. Climate-related insurance and risk management products:
  - i. Microinsurance. Examples include the Philippines and Reserve Bank of Fiji.
  - ii. Parametric agricultural insurance. Examples include Central Bank of Armenia.
  
- c. SME finance and climate change:
  - i. Credit guarantees for SMEs. Examples include Reserve Bank of Fiji and SUGEF, Costa Rica.
  - ii. Disaster risk insurance for MSMEs. Examples include the Philippines and Morocco.
  
- d. Digital financial services and climate change:
  - i. Post disaster payments through mobile money
  - ii. FinTech platforms to encourage low-carbon development
  - iii. FinTech for index insurance
  - iv. Blockchain for risk transfer
  - v. Financing PAYGO Solar models
  
- e. National financial inclusion strategies and climate change:
  - i. National financial inclusion strategies with green financial inclusion elements. Examples include Fiji, Bangladesh, Jordan.
  
- f. Environmental risk management that includes environmental factors into credit risk assessment methodologies for example, Bangladesh Bank.

- g. Awareness raising and capacity building measures on green financial products for national financial service providers.

**Recommend** that green financial inclusion is included in the agenda of the following events:

- AFI Thought Leaders High Level Conference (February 2019)
- AFI Digital Financial Services Working Group (Spring and Fall 2019)
- AFI SME Finance Working Group (Spring and Fall 2019)
- AFI Financial Inclusion Strategy Peer Learning Group (Spring and Fall 2019)
- AFI Data Working Group (Spring and Fall 2019)
- AFI Consumer Empowerment and Market Conduct Working Group (Fall 2019)
- Selected AFI Joint Learning Programs and AFI Member Trainings
- 2019 AFI Global Policy Forum in Kigali, Rwanda
- Annual AFI Conference on Green Financial Inclusion at COP 25

**Suggest** developing knowledge in measuring the impact of green financial inclusion, possibly involving the AFI Data Working Group, AFI Financial Inclusion Strategy Peer Learning Group and community of relevant global stakeholders. This may involve agreeing on the definition of important terms and concepts, identifying relevant indicators and practical methods for data collection.

**Recognize** that the topic of green financial inclusion requires the collaboration of a broad range of relevant stakeholders. The implementation of the Nadi Action Agenda will involve coordination with relevant private sector players and the international development community.

**Reiterate** the importance of the Maya Declaration in focusing, and catalysing the national efforts of AFI members in green financial inclusion.

**Propose** that the Action Agenda is disseminated to the relevant global leadership fora including G20/GPFI, COP process and V20 to increase global awareness on green financial inclusion, and experiences and knowledge of AFI member institutions therein.