



MANILA MANIFESTO



Financial regulation has been significantly influenced by global standards for financial stability and financial integrity. Standards have contributed to a safer and sounder financial system, albeit with some challenges in their proportionate implementation, such as regarding capacity and resources, inter-agency coordination, and the collection and use of reliable data to inform standards implementation.

Such challenges can produce unintended consequences for financial inclusion and other developmental goals, particularly in the Global South.¹ Standard-setting bodies (SSBs)² recognize the implications of their work for financial inclusion, and in recent years have increased their engagement with the financial inclusion community.

Global SSBs are active across a broad range of policy topics, such as the impact of global economic development on financial system stability and integrity, supervision of non-bank financial institutions, cyber resilience, data protection and privacy, cross-border payments, digital assets and tokenization, artificial intelligence, central bank digital currencies, and climate and biodiversity risks for the financial sector. These topics are also highly relevant to the members of the Alliance for Financial Inclusion (AFI). At the same time, new standard-setting bodies are emerging whose work will have important implications for financial regulation and supervision, such as the International Sustainability Standards Board (ISSB).

There is scope for the SSBs and the AFI network to complement each other's goals and enhance the alignment between the policy objectives of financial stability, integrity, and inclusion, both globally and through country-level implementation. The Manila Manifesto sets out the AFI network's commitment to coordinate, collaborate, and engage with global SSBs, to pursue opportunities to advance systematic policy dialogue on areas where global standards or internationally accepted principles have yet to be defined, such as on digital innovations (for instance, artificial intelligence and digital platforms), climate risks and green finance.

1 <https://www.fatf-gafi.org/en/publications/Financialinclusionandnpoissues/Unintended-consequences-project.html>

2 Examples of SSBs that engage in work relevant to financial inclusion: Basel Committee for Banking Supervision (BCBS), Financial Action Task Force (FATF), International Association of Deposit Insurers (IADI), Committee on Payments and Market Infrastructures (CPMI), International Association of Insurance Supervisors (IAIS), and International Organization of Securities Commissions (IOSCO).

Therefore, at the 2023 AFI Global Policy Forum in Manila, Philippines, WE, the members of AFI, convened to:

RECOGNIZE that stability, integrity, inclusivity, and sustainability are mutually reinforcing goals to achieve shared prosperity that leaves no one behind.

EXPRESS the need for proportionate and risk-based implementation of global financial standards, utilizing the flexibilities permitted within the standards, and conducting peer learning on good practices to achieve proportionality, in order to mitigate the potential for unintended consequences for the inclusion of women and other disadvantaged groups.

WELCOME the progress made by global SSBs in recognizing the risk posed by financial exclusion to their goals, engaging with financial inclusion stakeholders, and integrating financial inclusion with their work in a manner that is consistent with their core mandates.

ACKNOWLEDGE that the COVID-19 pandemic as well as recent global developments have accelerated the adoption of digital innovations and altered the socio-economic, geopolitical, and environmental landscape. This rapidly evolving context creates risks and opportunities for policymakers and regulators, financial service providers, and financial consumers.

In signing this Manila Manifesto, AFI members commit to:

BRING the voice of developing and emerging countries into the continuing discussion on the application of global standards and their implications for financial inclusion of individuals and micro, small, and medium enterprises by:

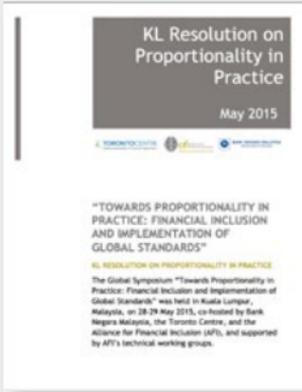
- > participating in AFI's engagement with global SSBs and their regional bodies to advance proportionate and risk-based implementation of the global standards;
- > advocating for a gender lens in the formulation and implementation of global standards.

GATHER evidence on the impact of global standards on promoting financial inclusion by:

- > adopting data-driven approaches and indicators, as espoused in the KL Resolution on Proportionality in Practice³ and Bali outcome statement on the linkages between financial inclusion and financial stability;⁴

3 https://www.afi-global.org/wp-content/uploads/publications/global_symposium_statement_2015.pdf

4 https://www.afi-global.org/wp-content/uploads/publications/2017-01/AFI_Bali_statement_Final.pdf



KL Resolution on Proportionality in Practice.

[> View here](#)



Bali Outcome Statement on the Linkages Between Financial Inclusion and Financial Stability.

[> View here](#)

- > deploying regulatory and supervisory technologies to enhance financial supervision, payment system oversight, financial consumer protection and market conduct supervision;
- > developing policy toolkits, guidelines, and case studies on the proportionate implementation of global standards to strengthen and align financial integrity, financial stability, and financial inclusion, through the AFI Global Standards Proportionality Working Group and with guidance from the Global Standards and Policy Committee.

ENGAGE the SSBs and other relevant international bodies on how financial inclusion considerations can be further factored into the implementation of global standards by:

- > engaging in regular dialogue and knowledge exchange with SSBs on global coordination of inclusive regulatory frameworks related to climate risks and emerging technologies; harnessing the power of innovation and data for inclusion, which may entail broader engagement with competition and data protection authorities as well as other regulators outside the financial system;
- > committing to capacity building, peer learning, and knowledge sharing on proportionate and risk-based approaches to implementing global standards.

