



adfi

Africa Digital Financial
Inclusion Facility

Investing in the expansion of digital financial services to include and empower all Africans

Sheila Okiro

ADFI Coordinator |African Development Bank Group



FINANCIAL INCLUSION STATUS (Africa in relative to the globe)

- ✓ Inclusion rate (43% vs 69%)
- ✓ Gender gap (11% vs 9%)
- ✓ Mobile money adoption (20% vs 4.4%)



WHY NOW?

- ✓ Advancement of technology adoption/4IR
 - Increased exclusion/digital divide

- ✓ Continents priorities
 - regional integration drive
 - Digital economy

- ✓ Reaching the last mile for sustainable development
 - AfDB High 5's
 - AfDB 10-year strategy
 - SDGs



ADFI OBJECTIVE

CORE AIM



Financially include **332 million Africans (Total Addressable Market), 60% of whom are women**, over a 10-year period



Extend access and usage

+



social and economic Inclusion



ADFI PARTNERSHIP & FINANCING MODEL

Current Partners



BILL & MELINDA
GATES foundation



Financing Model

←→
AfDB commitment of USD 300M

←→
Donor grant financing target envelope USD 100M (current commitment of USD 46M)

Instruments

Debt Financing

Grants and concessional loans



ADFI SPECIAL FUND FACTSHEET

LAUNCH DATE	JUNE 2019	
FUND TARGET SIZE	USD 100 MILLION	
INVESTMENT PERIOD	10 YEARS	
INVESTMENT FINAL TERM	15 YEARS	
FUND INSTRUMENTS	GRANTS AND CONCESSIONAL LOANS (75:25 SPLIT)	
MINIMUM GRANT AMOUNT	USD 50,000	
MAXIMUM GRANT AMOUNT	NATIONAL: USD 2.5M	REGIONAL: USD 5M
MINIMUM LOAN AMOUNT	NATIONAL: USD 1M	REGIONAL: USD 1M
MAXIMUM LOAN AMOUNT	NATIONAL: USD 2.5M	REGIONAL: USD 5M
MAXIMUM TENORS	NATIONAL: 3 YEARS	REGIONAL: 5 YEARS

ADFI AREAS OF INTERVENTION

60%
Digital
Infrastructure



Payment systems
upgrade/
development
interoperability

Market infrastructure
e.g. credit ref. bureaus,
e-commerce platforms

Digital Identity

Digital Registries in key
sectors e.g.
Agriculture/SME
Cybersecurity

10%
Policy
and Regulation



Diagnostics e.g. research,
feasibility studies

Strategy Development

Regulatory Reform

Regulatory Harmonisation

20%
Digital Products
and Innovation



Fintech Support

Digitisation of
Government
payments

Digital credit i.e.
micro retail,
MSMEs and SMEs

Digital micro insurance,
savings/ pension

Digitisation of key value
chains, e.g. agriculture

10%
Capacity
Building



Peer Learning

In-house and online
training

Site visits

Customer
awareness
creation
programs

Gender inclusive

ADFI mainstreams gender across its 4 Pillars - 60% of ADFI projects undertaken are gender-intentional and 15% are gender-transformative



ADFI ELIGIBLE BENEFICIARIES

Fintechs

Mobile Money
Operators

Remittances and
payment
companies

Regional bodies
and economic
communities

Government
Ministries and
Central Banks

Bank and Non-
Bank institutions



ADFI KEY CONSIDERATIONS FOR INVESTMENT

- ✓ Impact on the Total Addressable Market (TAM)
- ✓ Alignment to Level One Principles i.e. Interoperability, affordability, sustainability, enabling regulation
- ✓ Scale of proven high impact solutions
- ✓ Regional or multi-country initiatives
- ✓ Hybrid financing for sustainability i.e. technical assistance + debt financing
- ✓ Gender inclusion through intentional and transformative projects



ADFI OPERATIONALISATION

- ✓ Mainstreaming digital financial inclusion in our operations
- ✓ Building partnerships for increased synergy, collaboration and resource mobilization
- ✓ Increased advocacy of financial inclusion



TO LEARN MORE ABOUT ADFI

ADFI WEBSITE: www.adfi.org





Africa Digital Financial Inclusion Facility

THANK YOU!

Let's reach the last mile together.

www.adfi.org

