THE QUEST TO FIGHT POVERTY
THROUGH THE USE OF DIGITAL FINANCE

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Vice President and Treasurer, IFC

IFC
Creating Markets, Creating Opportunities
About IFC

- Member of the World Bank Group
- 60 years experience providing loans, equity and capital market solutions to private sector companies in emerging markets
- Global presence in more than 100 countries and working with over 2,000 private sector clients

$1 trillion +

$250 billion +

$2.6 billion

IFC Capital from Shareholders since 1956

Financing generated by IFC for private sector development

Catalyzed Investment in Client Countries
Global Poverty

- Poverty: 2 billion people (< $3.20 a day)
- Extreme Poverty: 800 million people (< $1.90 a day)

Countries with high poverty:
- India: 218 million
- Bangladesh: 86 million
- Nigeria: 86 million
- Haiti: 6 million
- Brazil: 10 million
- Venezuela: 2 million
- Sierra Leone: 6 million
- Ethiopia: 20 million
- Mozambique: 16 million
- Madagascar: 18 million
Two billion people in the world are unbanked, which is roughly the number of people living under $3.20 per day in the developing world.

**Fighting Poverty Needs Financial Inclusion**
- Power of disruptive technology + big data + power of finance = endless possibilities

- Enormous potential to overcome development challenges & contribute to World Bank goal of universal access to financial services

- AI can be used to make better liquidity investment decisions → yield more income for poorer people

- Adding a new customer on BKash, on Amazon, on Ant Financial = zero cost because platform already established
Case Study 1: Haiti - Cellphones, Buses, Big data

“Using AI + mobile technology to connect poor with jobs.”

Marie from Haiti

- Every morning Marie leaves home at 4am and walks the hilly streets of Port-au-Prince to get to a bus stop to get to work.
- She travels 1 hour to the city center. If she changes bus lines she has to pay for a new fare.
- By the end of each month, Marie will have paid more her entire income just getting to work.
Haiti - Cellphones, Buses, Big data

**Difficulty of acquiring data in developing countries**

- Digicel - Track cell phone location & infer how people move
- Track night time calls – determine where they live
- Track pattern of day time calls – determine where they work
- Plan infrastructure, transport eg buses to meet needs of poor

**Result**

Using data to give opportunity & access to jobs for millions of poor

### New Infrastructure Prioritization

<table>
<thead>
<tr>
<th>Public Transport Improvement Corridors</th>
<th>Change in Accessibility to opportunities</th>
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<tbody>
<tr>
<td>1. City Centre</td>
<td>51.6%</td>
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<tr>
<td>2. Carrefour</td>
<td>29.3%</td>
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<tr>
<td>3. Petion-Ville</td>
<td>21.6%</td>
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<td>4. Croix des Bouquets</td>
<td>4.5%</td>
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Case Study 2: bKash - Bangladesh

- When Bkash started only 40% of adults in Bangladesh held a bank account
- No choice but to use informal options to send money home
- Financial exclusion a major problem for working poor who migrate from villages to towns, cities overseas
- 35.2 million people today rely on Bkash allowing people to safely send money over their phones
bKash - Bangladesh

- Today IFC partner serves 22% of Bangladesh adults
- Some use to save money and to pay for products and services
- bKash transactions secure + simple
- Company started by 2 Bangladeshi-American tech entrepreneurs + a local bank.
- Wanted to leverage mobile phones - ubiquitous in Bangladesh - to provide broad array of financial services to millions of unbanked Bangladeshis, including in rural areas
- 2010 - Bill & Melinda Gates Foundation granted $10 million
- IFC took a stake through $10 million equity injection
Digital Finance, Game Changer for Development

- Transforming the way to reach every citizen in the world
- Generating massive data to improve service efficiency and cost
- Accelerating realization of SDGs and World Bank twin goals

Let’s work together to achieve a world without poverty!
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<tr>
<th>Website</th>
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THANK YOU