



More Good Jobs and Economic Growth through **DIGITAL FINANCIAL INCLUSION**

**470 million new jobs are needed by 2030
to overcome growing population and unemployment challenges.¹**

THE OPPORTUNITY

Digital financial services fuel low-cost business models with the potential to create 95 million new jobs and add 6% to global GDP by 2025.²



CHALLENGES*

230 million unbanked adults still receive private sector wages and salaries in cash, excluding them from the many benefits of digital financial services.³



SOLUTIONS*

By digitizing salary and trade payments, businesses can offer their employees and business partners a **direct channel to financial inclusion** – increasing economic opportunities and resilience.

Micro, small & medium enterprises (MSMEs) **cannot scale without access to credit.**

Despite their growth potential, there was over \$5 trillion worth of unmet demand for credit in 2015, partly due to lack of a credit history or collateral.⁴

More than half of the payments made and accepted by retail MSMEs in 2015 were in cash or check,⁶ which **increased costs** for MSMEs.

When MSMEs digitize payments, they start generating data that can be used for credit scoring, which can then be used to make decisions on access to financing.⁵

Digital financial services enable MSMEs to **reduce the cost of handling cash and increase access to consumer financing.⁷**



“Promote sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all.”

AFGHANISTAN Workers at one firm increased their savings after choosing to have a portion of their salaries automatically deposited into mobile phone savings accounts. During the first six months, **the average worker saved approximately 37% of their salary.**⁸

CHINA Ant Financial and MYbank have used digital payment transaction data to underwrite **more than \$70 billion in cumulative loans to 5 million small businesses, microenterprises, and entrepreneurs since 2015.**¹⁰

BANGLADESH Digitizing wages of factory workers in the garment sector **could save up to 85% of transaction costs** of the factory within two years.¹¹

INDONESIA Go-Jek adopted digital payments to improve logistics and payments, building an entire suite of services in its mobile app. The company distributes over \$700 million in earnings to its drivers and partner MSMEs annually.⁹



*These represent only a few of the many important challenges and solutions. They should not be read as an exhaustive list.



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BETTER THAN CASH
ALLIANCE



THE WORLD BANK