
In response to the FSB's 31 May call for feedback on its proposals for quantitative targets to be established under the *Roadmap for Enhancing Cross-border Payments*, we are pleased to provide comments, I am submitting comments on behalf of CGAP.

From a financial inclusion perspective (CGAP's mandate being financial inclusion), we reviewed the questions of cost and access, for retail payments and remittances. As the cost target lines up with the SDG and GPMI goal, we have focused in our review on the access target. Our comment, as follows, go in the sense of the need to clarify targets and acknowledge issues :

Targets on areas such as speed and cost seem rational / quantifiable as supply-side indicators. However, **end-user access presents unique measurement challenges as a demand-side indicator**. The wholesale and retail targets seem to work around this challenge effectively by taking supply side measures of end-user access (minimum number of 'options available'). **The access target for remittances -- 'allow the vast majority of adults globally who send or receive remittances' – may be more problematic.**

The target setting for end-user access to remittances focuses on current access to transaction accounts. However, the target itself refers to 'the vast majority of adults globally who send or receive remittances (including those that do not have a bank account) to make cross-border payments for legal purposes via services that conduct proper AML/CFT checks'.

First, the target language may need to be clarified, as it was unclear to us whether including 'those that do not have a bank account' refers to those with other forms of transaction account (e.g., mobile money), or also to those with appropriate ID documentation but no transaction account (users of OTC services).

Second, measurement challenges may exist in either scenario. If the target focuses on access to transaction accounts writ-large, there are likely dependencies on market maturity overall. A target around uptake of account services seems to get into a much larger financial access/inclusion question that may not be resolved over the timeline suggested. Conversely, if the target is intended to include OTC services, the measurement of the baseline is unclear (i.e., it would not be the percent of those with transaction account). In the case of including OTC, is this fundamentally a measure of those with proper ID documentation? If so, similar measurement and scoping challenges may exist as those for account uptake.

We look forward to the release of the final version of the document and remain available to provide further input or to discuss any of the issues at any time.

With kind regards,
Stefan Staschen



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