

Mapping UNSW Impact Global Development

Primary SDG	9: INDUSTRY, INNOVATION AND INFRASTRUCTURE
Broad theme	Financial services regulation
Research	Helping developing country regulators to advance financial inclusion by promoting the delivery of financial services over mobile devices
Impact region	The Pacific and Africa
Faculty	Law
School/Institute	Law
Academic	Professor Ross Buckley
Project partners	UN Capital Development Fund and Australian Research Council - \$1 million over three years, ending mid 2019
Related SDGs	10: Reduced Inequalities

Elevator pitch

Ross is helping developing countries to regulate and support the delivery of financial services by mobile device, helping citizens to save significant amounts of time and money in making their financial transactions, while also minimising corruption and theft.

The Challenge: Poor people in developing countries cannot easily make payments or transfer money

The poor in developing countries need to make payments and transfer money regularly, but lack of infrastructure means making a payment can cost far more than it should in terms of money and time. Corruption and theft are other costs. In some countries up to 45% of government welfare payments are going missing due to corruption.

Financial transactions are being done over mobile devices in many countries. Vodafone's M-PESA service is so popular in Kenya that around 25% of the country's GDP flows through it. Similar services are popular in Tanzania, Uganda and Philippines, but there are some countries where it has not been a success because of different regulations and markets. The central bank of a country can play a pivotal role in helping financial services by mobile phone become a success, but how can they do this?

UNSW's solution: Help regulators to encourage the development of a financial mobile device service

Since 2013 Ross has been helping central banks in low income countries to regulate for the delivery of financial services over mobile devices. With the support of the UN Capital Development Fund, he and his team have done this in Malawi, Nepal, Solomon Islands and Timor Leste. In April 2018 they will head to the Ivory Coast to deliver training to regulators from the West African Monetary and Economic Union.

Ross and his team undertake extensive desk-based research into a country's existing regulatory regime and its digital financial ecosystem. This is followed by field work in country over a four to six month period (with typically three in-country visits of two weeks each). On the first visit they meet with regulators as well as industry

representatives, and civil society and consumer groups. The team then helps central banks to develop the appropriate regulation for their specific country to promote the wide-scale use of mobile phone financial transactions.

With further funding, Ross can expand his assistance to central banks throughout the Pacific. He is also interested in further assisting the central bank of Timor Leste on a broad range of regulatory challenges.

The Impact: The creation of a mobile phone financial service, saving people time and money

Ross' efforts are helping to change the culture of financial payments and transfers in developing countries where cash remains king. The benefits of mobile phone financial services are significant. Electronic transactions are safer than physical ones, they help to minimise corruption and theft, and most importantly, they significantly minimise the time and cost involved for people to pay their bills, transfer money and save.

Researcher

Ross Buckley is the King & Wood Mallesons Professor of International Finance Law, and a Scientia Professor at UNSW Sydney. He co-edits two book series for Wolters Kluwer of The Hague on international banking law and global trade law. He has consulted to the Asian Development Bank and to government departments in Australia, Indonesia, Vietnam and the US; and has twice been a Fulbright Scholar, at Yale and Duke.

Ben Falkenmire 19.03.18