1. What are the Investor Guidelines?

1. Promote responsible investment in digital finance
2. Manage risks comprehensively with growth of digital inclusion
3. Foster a proportionate legal and regulatory framework
4. Facilitate interoperability and infrastructures for DFS ecosystems
5. Establish customer identity, data privacy and security standards
6. Promote fair and transparent pricing
7. Improve disclosure of terms and conditions for customers
8. Enhance customer services for problem resolution and product innovation
9. Prevent over-indebtedness, strengthen digital literacy and financial awareness
10. Track progress to mitigate risks and expand DFS opportunities

Each statement is further explained in the Investor Guidelines for Signatories. The proposed actions underlying each Guideline require continued engagement across investors, investees and industry to refine actions with evolving digital financial services (DFS) risks and opportunities.

2. How were the Investor Guidelines developed?

The Investor Guidelines are anchored in the G20 High Level Principles for Digital Financial Inclusion (G20 HLPs) which were approved under China’s G20 Presidency in July 2016. The G20 HLPs are the most comprehensive standards in digital financial inclusion.

To operationalize the G20 HLPs, and given increased opportunities and risks in digital finance, the Investor Guidelines were conceptualized in Fall 2016, and subsequently presented during the 2017 Responsible Finance Forum (RFF) in Berlin.

By early 2018, an Investor Working Group of more than 30 members co-developed the Investor Guidelines through feedback and lessons culled from existing global industry principles and frameworks.

The Investor Guidelines are hosted on the Responsible Finance Forum (RFF) platform which represents public and private sector industry partners and leaders of the G20 Global Partnership for Financial Inclusion (GPFI).

3. Why does this matter for investors and investees?

Investors seek opportunities in digital innovation for inclusive growth: by 2025, emerging markets' GDP could increase by $3.7 trillion and create 95 million jobs across all sectors. Funding for financial inclusion recently reached a historic high of $37 billion, and another $31 billion globally are invested annually in fintechs. While the pace of opportunities has increased, so have the myriad of risks in digital financial services for investors, investees, customers and wider digital ecosystems across markets and regions: broad investor and investee awareness is critical to catalyze investing in responsible digital financial services.

For more info contact: responsiblefin@ifc.org
4. **What is the goal of the Investor Guidelines?**

As Signatories, our goal is to accelerate investments that create value-added benefits for digital finance customers and broader digital ecosystems. We strive to catalyze investments in responsible digital innovation. We collaborate with industry and technology leaders as partners to fine-tune evolving solutions, emerging evidence and business models for inclusive growth.

The Investor Guidelines are work-in-progress given today’s evolving regulations, risks and DFS business models and investment strategies. Potential Actions underlying the Investor Guidelines will be refined as DFS investments are assessed during due diligence, and based on more agile approaches with industry evidence and partner coordination.

5. **What are target outcomes of the Investor Guidelines?**

- To catalyze value-added investments and enhanced sustainability
- To manage new risks and opportunities with evolving evidence
- To foster customer trust and resiliency through digital inclusion

6. **What types of organizations can become Signatories to the Investor Guidelines?**

- Development and international finance institutions
- Funds and fund managers
- Private equity and venture capital funds
- Public equity and debt funds
- Family offices and foundations

Target signatories are not only active direct investors, but also indirect investors and asset owners such as pension funds, fund-of-fund managers, sovereign wealth funds and endowments.

In addition, target signatories further apply to investees (as “Endorsers” of the Guidelines) that are providers, innovators or operators of digital financial products and services.

7. **What are the benefits of becoming a Signatory?**

Benefits to Investors and Endorsers as Signatories include:

- Mitigate digital risks with investment opportunities and tools
- Network with strategic investors and business leaders
- Engage with global industry and policy makers
- Drive growth with digital resilience and customer trust

8. **Do I need to pay a member fee to become a Signatory?**

There are no fees or mandated member financial requirements.

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9. **How does my organization become a Signatory?**

   Please fill out this Signatory form, which includes a Survey to express interest and indicate your level of commitment as a member of the core investor group.

10. **What happens next after I become a Signatory?**

    Based on responses to the Signatory Survey, your organization will be contacted. Selected priorities or activities may include, though are not limited, to the following:
    - Refining investment due diligence and operational frameworks
    - Outreach and networking with other investors and/or industry leaders
    - Sharing case studies or performance benchmarking across investments or investees
    - Co-hosting and/or co-sponsoring regular investor meetings, workshops
    - Strategic rollout and implementation as co-investors or strategic partners

11. **When will the Investor Guidelines be launched, and can we become a Signatory after the launch?**

    The co-founding Signatories of the Investor Guidelines will be launched at the Connecting the Dots: Investing in Inclusive Digital Economies Conference in Amsterdam on June 20, 2018. This will be the first of a series of events to formally on-board Signatories. We encourage all Signatories to leverage their own networks and platforms to increase investor awareness beyond the initial launch.

12. **After I become a Signatory, how do I use the Guidelines?**

    The Guidelines are intended to serve as a tool to help Signatories identify, evaluate and manage risks and opportunities associated with investing in innovations for responsible digital financial services. Depending on the type of business model or investment stage, it may be used in line with Signatories’ investment requirements. The Guidelines should be used to focus immediate attention on customer risks (and potential mitigants or innovative solutions for them) as users of digital financial products and services. The Guidelines are not meant to be used as a compliance tool, but rather as a key resource for a more comprehensive risk-return assessment in DFS investments.

13. **Do I need to submit regular reports as a requirement after I become a Signatory?**

    Reporting is not mandatory as a Signatory, given that there are no robust standards yet – while indeed there are multiple principles and indicators across multiple business and investment models. As digital finance is rapidly evolving, relevant indicators or benchmarks are still being developed and are a work-in-progress for various business models. Moreover, in many markets regulations may be non-existent, fragmented, lagging or still evolving which contributes to the fluidity of robust standards in digital financial services.

    In lieu of reporting requirements, Signatories are encouraged to contribute to building benchmarks by sharing their due diligence tools, lessons from actual projects and experience on what works (or does not) when using existing industry standards (such as certification tools) proposed in the Guidelines. Signatories are ultimately encouraged to be agile collaborators to better refine how we invest and innovate for digital customers to drive longer term sustainability of inclusive digital economies.

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14. Are there communications and marketing materials for the Investor Guidelines that I can help to distribute?

Yes, an explanation of the Investor Guideline for Signatories and Brochure can be found on our website. Please visit the site periodically for updates, latest information, upcoming events and investor resources.