

AFD Technical Assistance on capacity building to rural banks via RBAP under the Fintech for Inclusive Technology (FiT) Programme

RBAP 69th Annual National Convention and General Membership Meeting

**Dapitan, Zamboanga del Norte
May 26, 2022**

- **AFD and our operations**
- **Background**
- **AFD Technical Assistance**
- **Status and Next Steps**



- **French public entity that supports the transitions to a fairer and more sustainable world.**
- **Focus on climate, biodiversity, peace, education, urban development, health and governance**
- **More than 4,000 projects in France's overseas departments and territories and another 115 countries.**

AFD Financial Systems Strategy : 3 priority objectives

Transforming financial systems to transform development pathways



Access

Promote access to an adapted and diversified financial offer



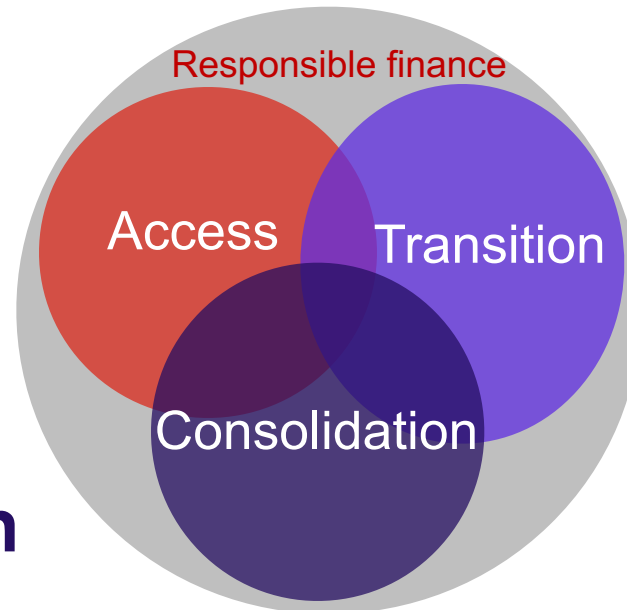
Consolidation

Strengthen the architecture of the financial system to ensure its stability



Transition

Support transformation in financial actors' practices to promote a sustainable finance model

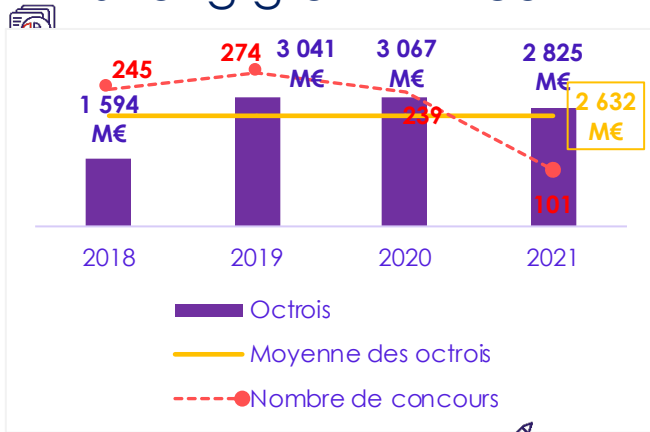




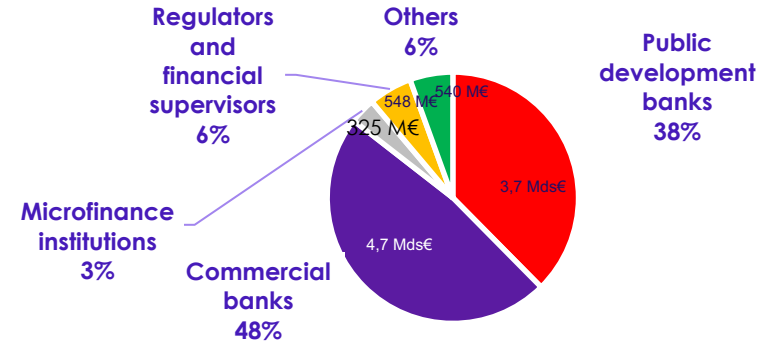
AFD Financial Systems Activities 2018-2021



Strong growth in commitments



Our beneficiaries and clients

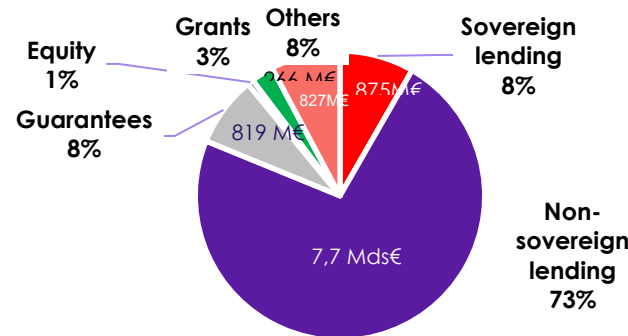


*associations professionnelles, sociétés de leasing, agences de

**Hors garanties ARIZ



Diverse financial instruments



*souscriptions obligataires, produits de leasing, tiers 2...

AFD in Philippines at a glance

Agency

AFD operates in
Philippines since **2008**



Finance

1 Billion euros
committed in 10 years,
mainly on sovereign policy-
based and project lending

Mandate

1. Reinforcing Natural Disaster Management & Adaptation to Climate Change
2. Supporting Decentralisation
3. Promoting Sustainable Urban Transport
4. Support to Financial Inclusion and Digital Transformation in the financial sector
5. Supporting civil society organizations

Context

Inclusive Finance Development Program Phase 1

- **In end of 2018, ADB committed to support the Government of the Philippines' efforts to:**
 - Strengthen the institutional and regulatory environment for financial inclusion;
 - Improve market infrastructures (payments, credit bureaus and guarantee mechanisms); and
 - Build the capacity of financial institutions (financial services providers and rural banks)
- **AFD and ADB had a strong tradition of working together in PH.**
- **AFD support for the reforms and TA to key stakeholders were sought.**
- **Policy-based lending program co-financed between ADB and AFD signed in September 2020**
- **Agreement signed between AFD and RBAP in July 2021 for a Technical Assistance project on digital transformation capacity building.**

SCOPE OF THE PROJECT

FiT Programme Objectives (AFD and ADB)

- To primarily support the digital transition of core-banking systems to the cloud
- To consider the development of other innovative digital products, services and use of new delivery channels, to expand the rural banks' market reach.

AFD Technical Assistance to RBAP Objectives

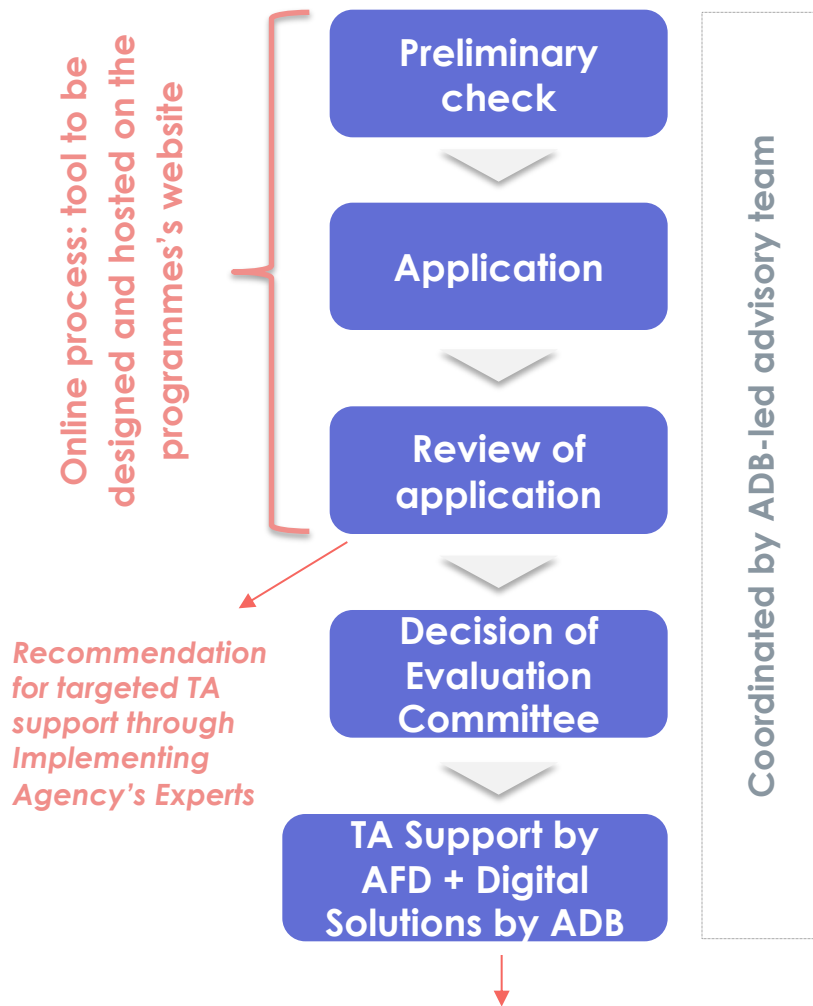
- Support the digital transformation of inclusive financial institutions, starting with rural banks
- General awareness for all RBs
- Support for a specific selection of RBs in their digital transition
- Predefined criteria by a competitively selected IA

Scope of AFD-Funded Activities

1	Awareness-raising and collective training <ul style="list-style-type: none">- General information sessions on the Project- Collective trainings on digital transition- Training curriculum development and regular adjustments
2	Communication <ul style="list-style-type: none">- Project website development and maintenance- Communications strategy and tools development, with regular adjustments- Preparation of impact stories/briefs
3	Project Implementation, Operations & Training/Capacity Building services to selected financial institutions <ul style="list-style-type: none">- Administrative tasks, mobilization of experts, procurement, reporting, follow-ups)- Customized TA to selected rural banks on-site
4	Monitoring & Evaluation (ex-post assessment), Audit

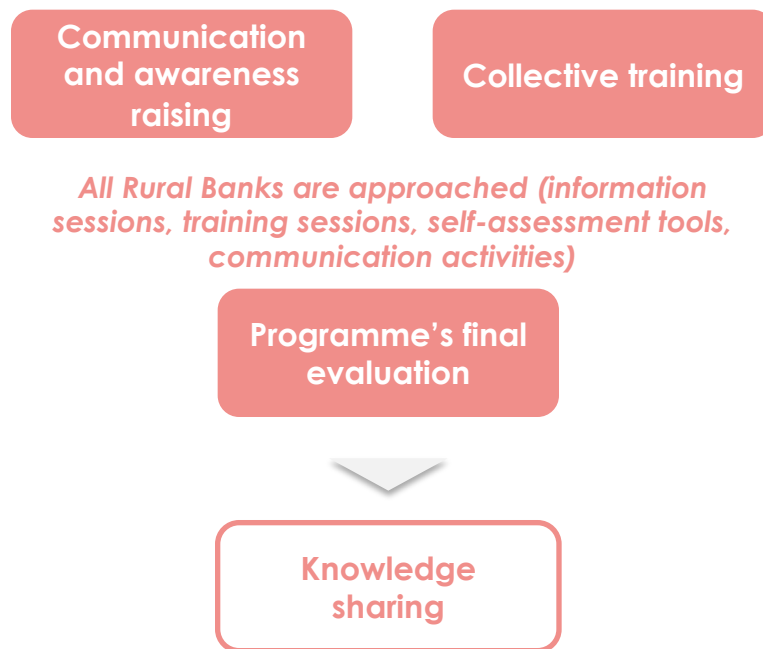
FiT Programme – AFD and ADB Component Interlinkages

Individualized support to Rural Banks (Digital solutions-ADB – and capbuilding – AFD)

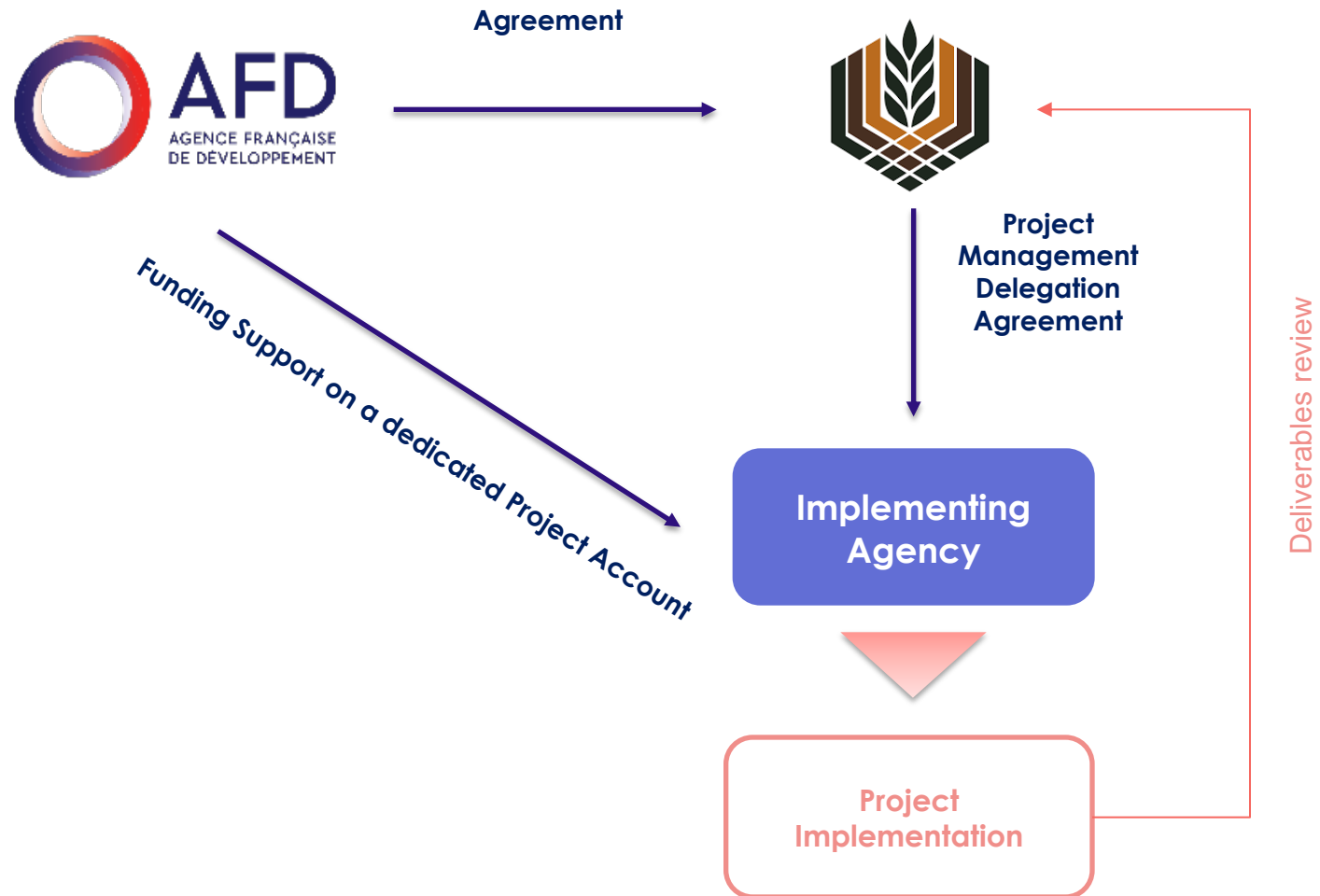


Target TA support post-implementation wherever needed, through Implementing Agency's Experts

Collective support to Rural Banks (AFD)

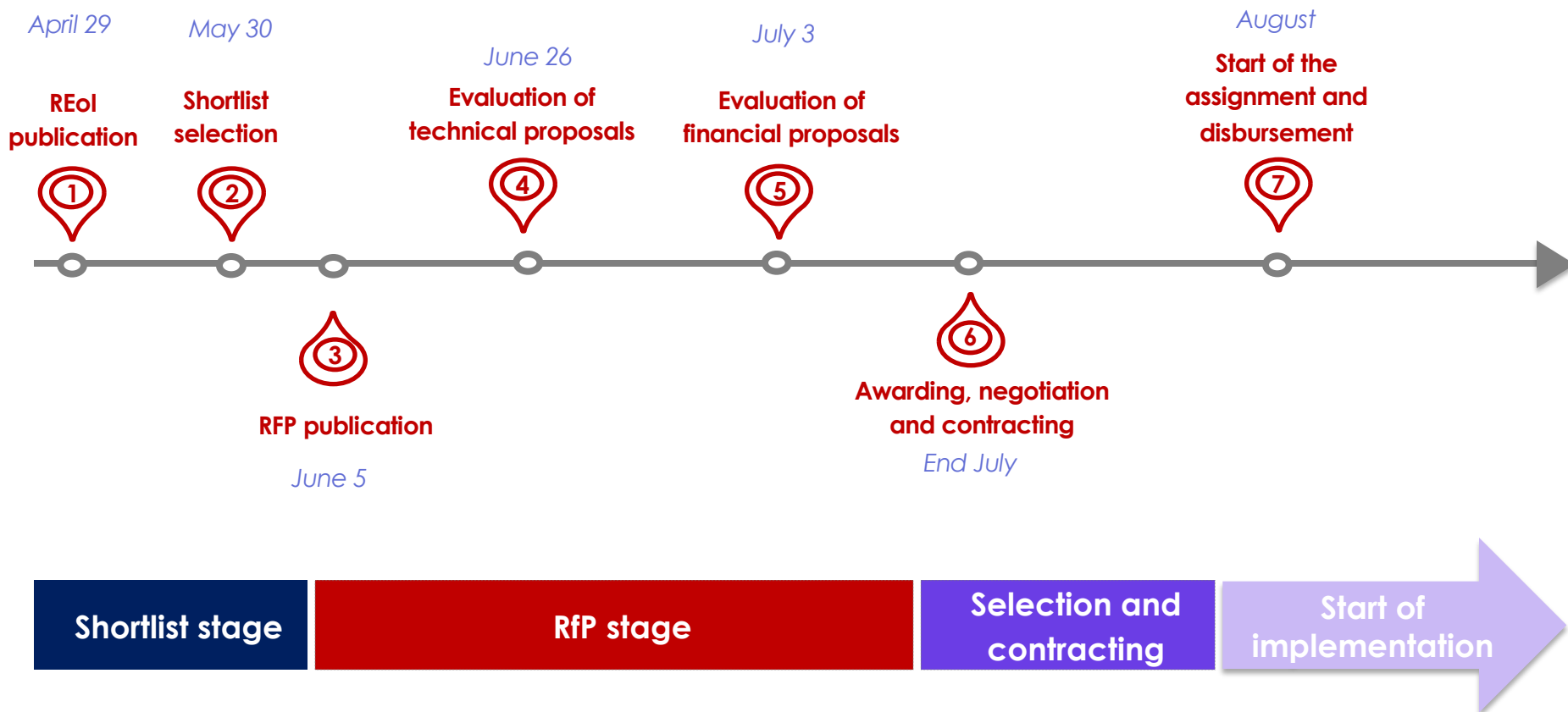


Overall Organization



PROCUREMENT PROCESS and NEXT STEPS

Tentative Timeline of Procurement Process





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