

DPI: Elevating Unheard Voices for Better Consumer Outcomes: English Transcript

(note: generated through AI; may contain inconsistencies and condensed sentences)

00:15

Welcome to the second live session of Financial Inclusion Week 2024! I'm Jayshree Venkatesan, and I oversee consumer protection and strategic industry engagement at the Center for Financial Inclusion. Today, I'm excited to welcome our panelist, Nanjira Sambuli, a fellow in the Technology and International Affairs Program at the Carnegie Endowment for International Peace, and our guest, Deepti George, who's the Deputy Executive Director and Head of Strategy at Dwara Research. Also, a warm welcome to Sonja Kelly!

00:48

The global VP of research and advocacy at Women's World Banking, who used to be a fellow Accionista, recently learned that she was one of the founding members and key players in financial inclusion. We really appreciate that. And last but not least, we've got David Porteous, the founder and CEO of Integral Governance Solutions. Thanks for being here for this panel on a really important topic: digital public infrastructure, focusing on users, and the need to pay attention to the most vulnerable voices when creating that infrastructure. If there's one term that...

01:19

"About a decade ago, this didn't even exist, but now it's a big part of our lives in inclusive finance. We're talking about digital public infrastructure, or DPI. In the last panel, we heard about Brazil's PIC in relation to the fast payments layer of DPI. Basically, it's a bunch of interconnected elements that make up the foundation for providing digital financial services and a bunch of other services too. What exactly counts as DPI? We were chatting about it backstage, and it's definitely something that's still evolving and changing."

01:49

Today, we're chatting about inclusive finance, which basically means using digital payments, IDs, and data sharing as the backbone to provide digital financial services. David, I'd like you to jump in here and explain how user-centered design connects to infrastructure, which can often feel pretty abstract and distant from the actual users. Who exactly are we considering as the users when we talk about infrastructure?

02:22

There are more than 100 countries trying out some kind of DPI to boost inclusion, and that's a really important topic to discuss. So, David, thanks for that, and thanks for having me on this panel, especially with these panelists who are really at the forefront of tackling these big questions. I'm eager to hear more. But you're right; the conversation can get pretty abstract really fast, and I think that's part of the issue.

02:51

We're talking about this DPI approach and how it shapes our thinking on digital transformation. It includes things like interoperability and openness, but it's just one way to look at it. The tricky part is translating that into actual change, especially in the short to medium term. It's kind of like saying that focusing solely on savings is the key to financial inclusion—there are so many factors at play that make that claim a lot more complicated than it seems.

03:23

You could easily create these in a pretty short time, which is the timeframe we've looked at DPIs with some seriousness. So, I think it makes more sense to view DPIs as capabilities, like some of those digital systems you mentioned, where we're gathering evidence about the channels that actually bring benefits. I'd highlight three specific areas in this discussion that connect to financial inclusion, which is really where some of the impact lies.

03:59

The most interesting use cases have come from the idea that DPI can really cut costs, making things more accessible and affordable for users. A great example is in India, where using eKYC linked to the Aadhaar digital identity system has slashed the cost of KYC for opening accounts from about \$12 to \$6, according to one study. That's a huge drop, especially for anyone who knows about product costing.

04:39

For accounts with low value, it really shows how much of a difference that can make for a business case, which affects how willing companies are to take on those low-value customers. That's one way DPI (Data Processing Infrastructure) impacts things, and we've seen how infrastructure can play a role. Another point is that competition and innovation can also make a difference. Just to clarify, DPIs themselves aren't usually very innovative; they often end up copying each other. That's one of the risks—you can mess things up in one of those test cases.

05:12

It spreads throughout the system as people copy it in different places, but what they really need to do is boost innovation higher up the line at the application level. We can see this happening, and you just brought up Pix—Brazil is a great example. Pix, as an open payment system, has allowed new players in the Brazilian digital banking scene to step up and compete, giving the established banks a real challenge.

05:45

Money has played a big role in the success of this, and it's a give-and-take situation. The infrastructure has made things possible, and the new players have pushed for more use of that infrastructure. There's also another aspect to consider—using information in a more organized way to manage risk better. This is especially relevant in areas like insurance and credit, and when we talk about financial inclusion, we think about openness.

06:18

When it comes to finance, we need to be cautious because not every open finance program is actually a DPI program. Some of them don't have a managing body or a formal structure. However, the ones that are really taking off—like in the UK, Brazil, and India—are starting to gain traction through account aggregators. These programs have established protocols and standards, plus they have an operator in charge, which means they are true DPIs. We're already seeing some early signs of the benefits that come from this approach.

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Bringing clearer info to the table in a safe and approved way could really help small businesses in accessing credit, like we've seen in the UK. This could also benefit consumers who struggle to get credit. So, I think it's fair to say we're seeing more and more proof that these channels are helping the end users. That said, when we think about Data Privacy Impact (DPI), we need to be cautious about the risks too. We can't just focus on the good stuff; we've got to keep an eye on the downsides as well.

07:26

There are a couple of issues going on here. First, there's the risk of misuse—like, data can be used in ways we didn't intend, or even worse, in ways that are actually harmful. Then there's the other side of the coin: the risk of it not being used at all. All that time and effort could go to waste if people don't trust it. So, making sure it's not misused and actually gets used is super important, but it's definitely a tough challenge when it comes to delivering what the end-users really need.

08:05

There are definitely some benefits we can see, but figuring out how to access them everywhere is still a work in progress, and I feel like most countries are just starting out with this. That was a great summary, thanks, David! I really appreciate how you laid out the risks of abuse and non-use as two sides of the same coin. I'll get back to you on the cost-saving side of things because I think there have been some improvements in efficiency, but we also need to talk about the big question of subsidies that have been pushed.

08:37

"how that affects long-term sustainability and, in our case, it would impact the budgets available for ongoing testing and user focus. Now, turning to you, Deepti, since you mentioned some of these risks, we see some of that reflected in your great research and mapping of the grievance redressal journey in the UPI app for customers in remote rural India. I'm just going to read a quote from your work because it really helps."

09:09

It's really important to consider the needs of the most vulnerable users. For example, one woman from Anan District in Gujarat mentioned, "I saw the contact page, which is the chatbot interface, but I didn't know how to proceed from there. So, I decided to go to the bank branch to file a complaint." This was about using the UPI app, which is the instant payments app in India, for those who aren't familiar with it.

09:41

In the last panel, we talked a lot about how important trust is and how easily it can be lost, especially for first-time users. Could you share some key takeaways from your research? It really highlights the moments in the consumer journey where trust tends to break down, and what lessons we should learn from that. Thanks! Thanks, Jayshree, and thanks to CFI for showing interest in our recent work. I'd like to start by saying that UPI...

10:10

Sure! Here's the translation: "Digital payments are booming, with around 15 billion transactions happening every month in the country. A lot of new users are just starting to get into digital payments, and the network effects are really becoming clear now. The big question is where the next 300 million users will come from, and I think that's where the work we've done is super important."

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So, just to clarify, I know a lot of people might not be familiar with what's been going on. We really wanted to figure out what people do when they have problems with a transaction

they've made or when they couldn't complete a transaction. Also, if they were expecting to get money and didn't, what steps did they take? These are just issues related to transactions and don't cover all the other problems consumers might be facing.

11:08

UPI is a really advanced system with a ton of features that were carefully designed to meet the different needs of various users. There's been a lot of thought put into how these features work. But then, when it comes to a straightforward transaction issue, what do you do? We looked into this by going out into the field to understand the constraints better.

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These are people who have low incomes and also have low to medium digital skills. We needed to figure out what they did when they faced issues. From all the insights we gathered, we ended up redesigning what the prototypes could look like. We reworked the in-app help support system, and then we took that back to the field.

12:09

To dig deeper into it, all those insights have been shared as public resources. They're accessible not just to product and tech folks, but also to UX researchers and other design people. Plus, the operator of the Digital Payment Infrastructure, which is the National Payments Council of India, has access to this, along with regulators like the Reserve Bank of India. So, just to circle back a bit...

12:42

I think the first question is whether there was even a challenge. So, what does the data show? Well, the data actually suggests that debit reversals and their success rates have been improving a lot. It's not that people are losing money; rather, when their money gets stuck, they don't really know what to do about it. This means that their usual methods aren't working, and an important point is that we looked at this from a social perspective.

13:13

We did some analysis using a subtech tool, and we discovered that issues like having the wrong address and transaction failures often happen together. These are the problems people are actually complaining about. It's not just low-income users who are taking to social media; what we found from those facing constraints is that most people actually look for solutions outside of the UPI app.

13:44

People felt vulnerable to losing money because they didn't fully understand how the app worked. They weren't sure if clicking on certain parts of the app could result in losing more money or if their funds were stuck and could disappear if they clicked the wrong thing. This confusion around the complicated processes created a lot of anxiety when they actually tried to use the app.

14:12

So, you know, it's about keeping up with the whole process of finding a solution until the end. Because of that, there's been a trust issue with the platform due to poor resolutions. Then there's this letter to dropouts from UPI payments, no matter how good your bank or app provider was. But that doesn't mean people will stop using UPI; the network effects are already in play.

14:42

The bottom line is that this anxiety really doesn't help. People are literally turning to YouTube, at least that's what we noticed in India. Friends and family who are better off are going to the bank to figure out if their money is going to come back or if it's stuck. It's pretty challenging. So we started thinking about how we could completely rethink the process to find a solution.

15:12

Let's have the whole journey integrated into the app itself. That was our approach. We put out a lot of material, and I'm happy to dive into any of those topics. Thanks, DTI. I'll share the link to Deepti's research at Dwara. Now, moving on to you, Nanjira. You've done a lot of work in Kenya and across Africa, and more recently with us on some of the...

15:53

There are some trust issues with using digital IDs in Kenya. I'm curious about the challenges you see from the user's point of view, especially since the African Union has signed the global digital compact. There's a strong push to adopt digital public infrastructure like we've seen in India or Brazil. So, what safeguards do you think we should have in place?

16:29

"Alright, so how do we actually make sure that some of this gets done properly? Thanks, Jayshree. To kick things off, I think we need to look at how the DPI language is becoming part of our digital development discussions. We're in a spot where existing systems, like digital ID systems and financial inclusion tools—like mobile money—are being evaluated to

see if they align with the DPI guidelines. What does that mean? Well, take Kenya, for instance, with their ID systems..."

17:03

There's been a lot of talk about turning a national ID, which already covers about 97% of people, into a digital ID. One big question from our recent research published with CFI is what extra problems the digital ID is supposed to solve. A part of the issue is that the way the government has rolled out the digital process has unintentionally created trust issues and negative experiences for citizens. So usually, what happens is that if the government...

17:33

They decide to roll out strict measures, like setting deadlines for adopting a new system, but they don't really explain it well. So people end up scrambling to get in line, and with all these confusing fiat instructions to get everything up and running, it creates a lot of mistrust. If the platform turns out to be unreliable, we've already seen issues with switching to our digital ID system.

18:04

The system, for instance, isn't showing up in the current database, and there are a bunch of other issues like that. This creates a situation where people feel lost. A lot of Kenya's digital systems right now aren't really DPI but perform similar functions. The push to digitalize them more has actually made them less reliable, leaving many people shut out. So, one big question has come up, especially as this agenda is picking up steam and being presented as a key factor for Africa.

18:33

Recently, some influential policymakers have been talking about how important DPI is for Africa, and it raises some basic questions. What exactly are we trying to solve? That's going to be different for each situation, so we really need a clear understanding that should be guided by the experts in each area. In the development world, there's often this one-size-fits-all idea that if something works in India, it'll automatically work in Africa just because we're both in the global South. But that's not the case.

18:59

For instance, in Kenya, things really took off, but not so much next door because there were some factors to consider. Right now, we really need to rethink what we're trying to solve. If we look at the financial sector, for example, if you want to launch yet another system to

connect people, you might run into issues, especially for those who have already been left behind in Africa. There's a real challenge with those who are stuck.

19:24

"We've been stuck at the crossroads of so many inequalities. It's not just about the app, the phone, or the specific way we talk about inclusion that's going to make a real difference. There are way more factors that need to be considered. Sometimes, this gets mixed up, and different interests clash over how the systems are set up, which ends up taking us away from really achieving what we discuss when we talk about safeguards."

19:51

We're talking about principles here because, honestly, for all the technical stuff we focus on—like cutting costs or whatever—there are these underlying policy and political motivations that we tend to ignore. This is super important, especially now as we're trying to shift our thinking about what DPI could mean in relation to each country's situation. We need to map out where a country stands, whether it's in terms of their tech stack, ID systems, financial systems, data exchange, and so on.

20:20

You know, we need to figure out what that specific diagnosis or starting point for making systems more aligned with DPI would look like, both on the political side—which means doing a proper political economy assessment—and on the technical side. And I have to say, for Africa, we can't ignore some basic things like connectivity. I'm talking about internet access and even energy to power the systems we're discussing. This whole conversation about DPI really needs to consider all of that.

20:49

If we don't take an ecosystem approach, we run the risk of governments just budgeting for technical solutions without actually figuring out how they'll be implemented, which puts us right back where we started. Unfortunately, for many people, it feels like we're still stuck in the basics. But I believe DPI gives us a chance to examine policy and how tech policy is created, taking into real account the social, cultural, and political realities.

21:17

I'm really excited to talk about Sonja because I want to help make sure everyone has access to the systems that can make things more gender-focused and usable for women. Sonia, I want to bring you in because of all the amazing work Women's World Banking has

done to close the gender gap. So, what does gender intentionality mean in this context? And let's remember what Njira just mentioned.

21:50

"Like, we really need to consider the local context and think about any unintended consequences that women might experience that we haven't really thought about as we adjust different policies around digital public infrastructure. Thanks, Jayshree, and big thanks to CFI for hosting this awesome global event! It feels like a full circle moment for me since I was part of the discussion at the very first one 10 years ago. Congrats to everyone! It's amazing to be talking about digital public infrastructure!"

22:27

"We weren't really talking about this stuff 10 years ago. It feels like there are certain topics in financial inclusion that we keep going in circles on, but I just want to take a moment to celebrate how far we've come with digital public infrastructure in just the last few years. It's become part of our common language, and I think that's definitely something to celebrate. The fact that we can actually have a conversation about it is pretty amazing."

22:59

It's great that you invited me to discuss gender issues and give a voice to those who often go unheard. It's pretty amazing that we're at a point where we can have these conversations. They definitely should happen more often, even if they don't usually get the attention they deserve. To put it simply, we've been figuring things out as we go along as a global community, hoping that when one of us succeeds, it helps everyone else.

23:32

That DPI will really push for broad financial inclusion and connectivity, making active use easier. But at its core, Women's World Banking is asking whether digital public infrastructure actually benefits women. It's a straightforward question, but it's an important point we bring up in our talks with the G20, in one-on-one meetings with policymakers and regulators, and during discussions with other organizations that are focused on the fundamentals of DPI. As I mentioned, I think we've made significant progress.

24:04

Looking back, it's clear we can learn from the things we've experienced. I've noticed several unintended consequences from how digital public infrastructure is designed. David, you brought up some great points about the risks of misuse and underuse. At Women's World Banking, we're looking at this through a gender lens. Let me share a couple of examples.

For instance, India has this amazing digital public infrastructure that's been around for years now.

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It was created really fast, and sometimes when we're trying to figure things out as we go, we make choices that seem right at the time but could cause issues later. One example of this is the huge push for account openings in India over the last few years, aiming to get an account in every household, which is a great goal. One of the things you need to open an account is a phone number, which is pretty straightforward.

25:13

In India, if your biometric data is linked to your Aadhar ID and your SIM card, it makes sense to connect that to your bank account or any financial services you use. However, we've seen a lot of women opening accounts through agents or business correspondents, and when they get to the part of the application that asks for their phone number, many either can't remember their number, don't have a phone, or are using someone else's phone.

25:44

In their family, they don't know the phone number, so a lot of BC agents are just putting their own numbers on the forms. A few years back, we were working with a bank that was trying to follow the rule that bank accounts need to be linked to the person's phone number who's on the account. They discovered that a ton of their accounts had BC agents' numbers listed instead.

26:18

They were talking about a solution for an account at an organization that really cares about women's financial inclusion. The idea they came up with was to turn the accounts into household accounts and let another person from the household join in, making it a joint account. This way, they could meet the compliance requirements since one of the phone numbers would be linked to the account holder. But honestly, this whole idea is really problematic for women.

26:46

A lot of women worldwide prefer to handle their own financial services because it helps them keep their money private. They want to keep their financial info to themselves. So, letting another household member, like their husband or another guy in the house, access their accounts can really compromise that privacy. We noticed this trend a few years back, and it's still relevant today. Recently, as J and DT mentioned, the UPI (Unified Payments

Interface) introduced this delegated payments feature, which lets you give someone else permission to manage payments for you.

27:22

"Someone else can make payments for you, and as someone with aging parents, I really get why that feature is useful. It's a smart idea for some, but for women, it could open them up to financial pressure or abuse, which might reduce their independence. At Women's World Banking, we've been celebrating all the social protection funds that have been coming into women's accounts."

28:03

It's pretty empowering and changes the game for gender roles in a household when a woman is in charge of the money. It gives her more say in things. But if there's a feature that lets someone else easily manage payments from her account, it could actually take away some of that power. That's one of the unexpected consequences we think about when discussing gender equality. I also want to touch on a couple more points that I've heard come up in the panel; maybe we can dive into those.

28:33

As we move ahead, one thing that comes up is digital financial capability. DT's research suggests this could lead to issues with handling complaints and problem-solving. So, the question is, do women even know how to use digital public infrastructure? This ties into trust, but it also involves knowledge, skills, and attitudes. If they don't know how to use it, what's the way to get them on board? At Women's World Banking, we focus on women-centered design.

29:13

This challenge of designing for people who are least likely to use something is really important. When you create solutions for women—especially around financial literacy—you end up helping a lot of disadvantaged groups who might struggle with basic tech concepts, like how the three little lines in the top corner of an app mean "menu." I was explaining this to a family member the other day, and they had no clue what I meant by clicking the menu.

29:45

"Okay, so how can we help people learn by actually doing things? How can we make their first transaction easier so they're more likely to do it again? I also wanted to touch on something Nira mentioned about reliability. This ties into user-friendliness. If someone

goes to their agent to make a payment and the agent says, 'Sorry, the system's down,' what often happens is that people find a workaround."

30:19

It's a tight-knit community where everyone knows one another and there's a sense of trust among people. An agent might say, "Sorry, the system's down, but just leave your money here and give me your phone number. I'll deposit it into your account once everything's back up and running." This works in places where people have that kind of trust in each other. It's not a foolproof solution, but it makes sense in some neighborhoods. However, in many other areas, that trust just isn't there, and an agent could easily betray that trust.

30:51

That's where we run into a lot of challenges. Women's World Banking teamed up with a South African company called PayCode, which actually won our fintech challenge last year. PayCode works offline using Bluetooth, so you can send money to someone close by even when there's no internet. The payment gets cleared and settled once the internet is back up, which really helps with those times when the network is down without having to rely on it.

31:23

So, one thing I really hope we can dive into during our chat is social trust in the system and the whole budget situation. Nira brought up budgets, and Jer, you touched on that in your intro. It feels like there's a bit of a mismatch there, and I'm not sure how we're going to tackle it as a community. A lot of digital public infrastructure relies on funding, which seems to make sense for how it's set up, and that's a positive thing.

31:55

There's a ton of investment in DPI right now, but stuff like continuous user testing, addressing unintended consequences, and improving grievance redressal are going to be ongoing costs. I really doubt that multilateral development institutions are going to want to jump in and tackle these smaller issues as they come up. So, maybe I can throw this question to the panel: what's a sustainable solution for this that involves the private sector? I know you've got some thoughts on that.

32:31

"Looks like you might have some points to cover, so go ahead and weave that into the questions you're planning to ask. There's a lot to unpack in what you just said, Sonia, and I'm glad you brought it up—especially about costs. Being user-centric sounds great, but it

really comes down to making sure we keep improving and address any unintended issues along the way."

32:56

"People who are vulnerable need support, and there's a big question about where the funding for that comes from. Are states really ready to handle it? Besides the UK, which has an innovation unit and now we see that PIX has the PX Forum for ongoing development, not many other countries are investing in this kind of user-focused innovation and design improvement. I'd like to leave that open for the panelists to share their thoughts because I think it's important."

33:32

That's a super important question and definitely something we need to address. Sonia, you brought up three key factors that build trust: digital financial capability, reliability, and agency. I want to circle back to something someone mentioned in the chat, Deepti. When you talked about your research in India, you pointed out that people don't completely stop using UPI, which shows they still have some level of trust in it.

34:04

The level of trust you mentioned might come from network effects, like everyone else is using it, so I feel like I should too. But what else do you think might be influencing that? And can you go over that Dropout part again? Who's really dropping out, if anyone? Honestly, we don't have the data to figure out the level of drop-offs. There are two types: one is during the GRM process, and the other is just general drop-offs.

34:39

From UPI, I think a lot of the issues are due to server failures during transactions. Server failures are pretty complicated because there are usually four or five parties involved in a single transaction, depending on whether you're dealing with someone from the same bank or not. There are many reasons why these failures occur and how long they might last, so it's a bit of a mess.

35:08

"Keep an eye on the downtime incidents, which I think are over 300,000 transaction failures that last more than 30 minutes. But I'm sure there are some that last less than that. We don't really know what the data looks like for those shorter failures. If a transaction fails, you just try again. But sometimes you might have to try three or four times, and that can lead to money getting stuck. When money doesn't get stuck, it's pretty straightforward

because you know the money is going to come back; it never actually left your account in the first place."

35:35

So, I just wanted to mention that there's a unified way to resolve disputes and issues set up by the NPCI. Any payment service provider that's bringing on app providers, who then onboard consumers, needs to be fully aware of this and have everything set up. They need to have the right codes in place so that users can access it in real-time. This way, every user can check the system to see where their transaction is stuck and what the status is. But I think that check happens...

36:06

"Up to three times a day, so if you already messaged, like, two hours ago and you message again, you'll get the same response, right? So, the idea is that, yeah, this is awesome because it gives people an idea of when their money's going to come back. For the most part, money usually does come back within a few hours. There is a small percentage—well, not tiny, but still significant—where it takes more than three days. And then there are..."

36:34

There are times when it takes over a month for things to get sorted out. We need to think about how this affects smaller transactions. But the key point is that for low-income people, when their money gets tied up, it really messes with their ability to handle everyday expenses. They usually don't have savings to fall back on, so they can't just say, "Oh, I know I have money coming in."

37:01

"I'm coming back, but I really need to handle this transaction urgently since there's no buffer. So, it's super important to go the extra mile and figure out how to help the consumer understand what's going on. The NPCI system focuses on speed, like getting your money back quickly, but if it takes more than three days, just telling me it'll take three days isn't enough. Because, honestly, 99% of..."

37:31

All transactions were actually settled in three days, so you don't need to worry—it's a good sign, right? It tells users they have nothing to stress about. We also have different ideas we've been working on, like self-resolution. Can I find my own transaction and handle the issue myself instead of waiting through a bunch of videos and links that take me away from what I'm looking for?

38:02

"I'm not really familiar with all that stuff. If I can skip it and just say we should create a simple process that works across UPI apps, that would be perfect. This way, users can stick to one method without having to relearn or unlearn things when switching to a different app. The truth is, because of server issues, a lot of people end up using two or more UPI apps."

38:32

"People can switch between apps on their phones, right? I didn't have a transaction to complete, so I'm just going to try a different app. It's possible to imagine a future where everyone just uses one app, but that's a whole journey we have to go through. You want to make sure that if something goes wrong, it's not such a big deal that people stop using all the other apps and just stick to one."

38:59

That's a bit down the road, but can I ask a follow-up? So, you're talking about apps, but what about people who don't have them? Like, we know women in India are less likely than men to own smartphones. What about those with just basic phones or those using someone else's phone with their SIM card? I'm curious about how those people experience things. Well, in those situations, you can't use UPI because you need a mobile number that's already registered.

39:33

If your bank account isn't linked properly, then you can't really prove that you own the account and the phone. It's not as simple as just switching a SIM card into any phone and using UPI accounts. They've got that system down pretty well. I'm not even going to get into the whole SIM card duplication and fraud stuff.

40:03

I'm just saying, if you check it out, yeah, feature phones, right? So, I think NPCI has rolled out UPI for feature phones, but our study hasn't really explored how smooth that experience is. I feel like that's a spot where more research would be super useful, you know? Like, are women actually using UPI on their feature phones? There are different methods, like UPI 123 Pay and IVR—lots of options. I won't get into all the details, but you get the idea.

40:34

There are a lot of ways to use UPI, and I'm really curious to see how much it's being adopted because of these features designed for users with limitations. Thanks! Also, you both brought up a really important point that I want to address to all the panelists: where do we get the funding for this ongoing research, testing, and improvement? And what kind of data should we be publishing more of?

41:08

We need to be more open about what's working and what's not. David, can you share some lessons from other countries? I'm really interested in Brazil because it seems like things are going well there. There's a lot to discuss, and when you mention Brazil, Sonia, I assume you have some specific insights in mind.

41:43

Specifically talking about payment interfaces, Brazil has recently experienced a significant shift in various capabilities. What's really interesting about payment interfaces is that a central bank has decided to get involved and create a digital public infrastructure. This offers an alternative to the usual funding methods we see in finance, like the club goods model we see with NPCI in India.

42:18

"Take a look at the club goods model in Kenya and South Africa—many countries have noticed that banks and other providers team up to cover the capital costs and handle any shortfalls. Brazil, however, took a different route. What Brazil highlights is that they've done an impressive job with a lean, publicly funded approach. A question that popped up in some talks with them earlier this year was just how lean can you really go? For instance, when we talk about being user-centric, they've started to make some interesting moves."

42:51

The Central Bank of Brazil team started doing a great job of surveying consumers, examining cases, and really trying to understand things clearly. They aimed to repeat this every two years, so instead of just relying on what banks and other participants say about end users, they wanted to ask the consumers directly. However, they ran into budget issues, which delayed the process, and they've only just finished it recently.

43:21

I get it, and we're eager to hear more. So, here's a case where being tight on budget meant making some sacrifices, and the sacrifice was that some types of customer research got pushed down the priority list. It wasn't that they didn't want to do it; they just couldn't

afford it. Still, I'd say that given those limitations, Brazil has done a fantastic job. One of the things they've done is create the Pix Forum, which brings together a variety of voices, including a civil society organization recently.

43:52

IDC really focuses on what consumers want and their opinions, and tries to make that known. There are definitely things we can do, but I think we can't ignore the fact that while we want to streamline things, cutting too much from the customer-centered parts of DPI might go too far and hurt long-term sustainability. It's definitely worth discussing what the essential features are and how much customer research we really need.

44:26

We need to address user complaints, especially since we've seen how effectively NPCI has handled this in India. Brazil is still figuring this out. We should determine the minimum level of support needed instead of treating it as just a nice-to-have. This will help define the basic financing package, whether it's just good financing or something better, like good plus financing. It's important to keep the club from becoming too focused on itself and its own issues.

44:59

There are some issues, but there's also an outside party involved that's providing funding and influencing what happens. And David, I want to highlight your upcoming paper where you share insights from participant-focused approaches in Brazil and India, which will be available on the CFI website in November. We should also think about how this can apply to broader participation, since there's definitely a lot we can learn from the private sector and the role they've played in ongoing testing.

45:37

We haven't really talked much about reducing risks in this panel, like fraud detection and other emerging risks. There's been a lot going on in that area that we can learn from. So, is there a role for public-private partnerships here? The problem is just so huge. I think public-private partnerships could help, and I bet standard-setting organizations are really considering fraud detection policies as well.

46:17

Let's work towards a world with better digital public infrastructure. What does that mean for following Know Your Customer rules, money laundering, and terrorism financing? What new financial crimes might come up? Just because it's digital doesn't mean we'll know

everything that's going on. I think it can actually lead to new and creative challenges, given the current incentives and risks involved.

46:58

We're talking about the security and stability of the financial system, and I believe we really have no choice but to rely on public-private and international partnerships to tackle these issues. Before I ask my final question for everyone to chime in on, does Nira or anyone else have anything else to add? I was just thinking that we might need to clarify what we usually mean by PPPs, as it's also about how everything comes together in the end.

47:43

"The day our citizens' voices, especially those who benefit from these programs, are included in these models is crucial. We need to pay attention to the insights from people working in the community, as they often get overlooked when we discuss public-private partnerships (PPPs). I guess we're moving towards a more multi-stakeholder approach, and it's going to be fascinating to see what that looks like. This journey will really shed light on what PPPs mean, especially for developing countries that might not have the state resources available."

48:13

"We need to remove all this, but how do we deal with the idea that profits are for private companies while losses and risks are shouldered by the public? That's a major issue with the PPP model, and we're seeing it play out in various countries when it comes to funding both digital and traditional infrastructure. So, we really need to be careful about what we mean when we talk about PPPs and not just assume a one-size-fits-all approach. I think it's great that profits are privatized, but..."

48:48

"Risks are shared, and yeah, that's pretty scary. Thena, there's a question for you in the audience chat. I think you might have a bit more insight on the political and economic capacity analysis that should be done before launching or exporting DPI to a new market. This ties into the work you mentioned earlier about how things are being replicated in different markets. Sorry, was that for me, Jrey? Oh, okay. Yeah, so we mapped out a..."

49:31

It sounds straightforward, but it's actually a solid starting point. We need to consider two things simultaneously: the state capacity in each country and context, and the effectiveness of the accountability systems in place. We can visualize this using a quadrant

when we're evaluating what we're bringing into a country. Too often, with technology, we jump in with a "tech will solve everything" mindset, thinking that this one thing will fix issues X, Y, and Z, without considering the potential unintended consequences that could have been anticipated.

49:59

The political and policy scene often feels like an afterthought. For example, in some countries, the motivation for the government to adopt new technology isn't really about helping people; it's more about surveillance and control. So we need to think about whether it's data privacy or solutions driven by the private sector—there's a real risk involved. How do we handle that? What can we do before these technologies are put into action?

50:25

It often leads to problems, and then we end up treating things like an afterthought. So, we really need to be honest, both morally and intellectually, about this kind of analysis. We tend to focus too much on the idea that there will be a net positive outcome, but the reality is complicated, and politics are a big part of it. Technology is political too. That's why it's crucial to assess the situation, and it's best done by local people who really understand what's going on.

50:53

We're talking about how public-driven or international development investments in technology should be prioritized. Once we figure that out, we can start looking at the best ways to set up advocacy initiatives that might help reduce potential harms before handing a system over to a government, which could lead to those harms. That's the worst-case scenario. On the flip side, you have examples like what David mentioned with pigs, but not every country is going to have that same situation.

51:19

Brazil's motivation to let PXS work and thrive is impressive, but unfortunately, what we're starting to see from many African countries is that we can't ignore the political side of how technology gets politicized and brought into real-world politics. We can't keep brushing off the harm done to people as just unintended consequences in the push for digital development. Absolutely, we should be more mindful of that, and we definitely shouldn't overlook it.

51:51

"We shouldn't overlook the unintended consequences—it's a quote we should keep in mind. We're nearing the end of the session, and we could definitely keep talking, but I want to hear from all of you. Do you have any quick calls to action? It's really important that we focus on the most vulnerable and ensure that DPI works for them, as that's a big part of what we do in this field. So, what should we do? What are two or three things we can focus on?"

52:20

Here's a thought to leave everyone with at the end of this panel: building on our earlier chat about costs and figuring out how lean we can go with DPI, we want to strike a balance. I heard a good metaphor recently in a podcast about AI. They were discussing how there's a huge amount of money spent on developing AI, but not nearly enough on making sure it's safe. They compared it to biology, which really hit home.

52:53

So, about 15 to 20% of our energy goes to our immune system at any given time. Now, here's a thought: what if we said that 15 to 20% of any DPI budget should focus on user-centric stuff, not just on adoption costs and other factors? Let's take that percentage as a starting point to make sure we're doing proper customer research and addressing user needs.

53:27

"Make sure it's set up right and that we can share and learn from the data as we go because no Data Protection Initiative just pops up fully formed and on a large scale—there's always a process. That's my two cents! And you heard it here first during Financial Inclusion Week, which is all about consumer research—I'm totally on board with that. It's tough to follow Professor Porus, but here goes! Like I mentioned in the chat, I've got a policy brief to share."

54:07

"That women's role in banking covers some really straightforward questions, and I'll bring those up as action points. So, if there are any governments or key players tuning in now or later who want to figure out how to create a gender-responsive digital public infrastructure, there are some important questions to consider. One key question is: in your digital identity system, are women just as likely as men to have a digital identity? Because we know that, globally, women are actually less likely than men to have one."

54:40

Having a digital identity is important. Second, are women just as likely to access and use the integrated payment system we discussed today? If not, that's a serious issue. Third, does the country have a national strategy for women's financial inclusion or specific targets for women in their financial inclusion plan? And do the goals for digital public infrastructure align with that? Lastly, have you considered women's digital financial skills?

55:19

Almost every country has a Ministry of Education, and we're chatting with them about boosting digital financial skills—not just for students, but for adults too. We're looking at how to enhance people's knowledge, skills, and attitudes toward using digital public services. That's awesome, thanks Sonia! And as for David's point, I'd take it a step further and say, of course, we need to think about the budget, but why not set our sights higher?

55:56

So basically, when we talk about DPI and how it works, especially from my experience with UPI, I think we should make sure that the digital interfaces are designed for average users. Like, at the very least, they should be user-friendly enough for people with a medium level of skill. The app designers and providers should really show that their apps are actually usable for these kinds of users.

56:31

If you're working with users who have a medium level of skills, you need to set a clear goal. Then, you have to show that you've really put in the effort to see if it's working. You need to provide proof of that. Also, when it comes to grievance redress mechanisms, they really help support IR in terms of what DPI is. But if there are several private sector players involved...

57:01

"Providers are offering access to the DPI and related services, but there's a lot of variation out there. Competition needs to develop, and it might be worth considering a user-centric approach to make the navigation interfaces more consistent. That said, it's a pretty broad suggestion, and we need to figure out if it actually works for the specific DPI we're looking at. Still, there could be some value in pursuing that."

57:32

"makes it way easier for users to get how to navigate, especially if they're switching between different tech interfaces. Thanks, D andira, just a quick note—going back to inclusion, which seems to be the big theme here, we really need to think about what we're

including people in. A good system in the wrong hands won't guarantee good results. We have to keep that in mind. There are already a lot of stories coming out about real harm, and we need to pay attention to that."

58:05

Being aware of that and having the honesty to admit that rushing into things with a tech-focused solution can actually cause harm is really important. Sometimes, you just need to take a step back, think things over, and sit with the discomfort of certain actions, even if they come from a good place. Thank you, this has been a fantastic discussion. I appreciate all of your time and insights today. For those listening in now or later...

58:36

"Hey everyone, just wanted to recap. We're just starting to work on DPI, so I really encourage you to keep an eye on it. User centricity is just one part of making DPI more relevant. If you want to collaborate with us on this, definitely get in touch—we'd love to team up! Thanks a lot, and enjoy the rest of Financial Inclusion Week. Don't forget to share your feedback on this session and the week overall. Have fun, and see you all later! Thanks!"