

ANNUAL REPORT | 2021

MAKING FINANCIAL MARKETS WORK FOR THE POOR



20 years of making
financial markets
work for the poor



The background of the page features a light beige topographic map pattern with wavy, contour-like lines in a slightly darker shade of beige. A short, solid teal horizontal line is positioned above the section header.

FMTs Purpose

Making financial markets work for the poor by promoting financial inclusion and inclusive growth.

At FMT we constantly ask ourselves how we can better impact the lives of the poor in the region. In answering this question, it has become clear that financial inclusion is part of a larger development agenda that ultimately results in improved livelihoods. As such, while we continue to focus on inclusive development of financial markets, we will expand our strategies to include a more direct focus on real economy impacts. We have named this broader focus Financial Inclusion 2.0.

CHAIRMAN'S REPORT

The Southern African Development Community (SADC) states are starting to look at how to effectively return to a strong economic growth path as we emerge from the second year of living with the novel coronavirus. At FinMark Trust, we have been working hard with our government and regulatory partners, as well as the private sector, to ensure that financial services play their part in supporting a return to growth. Our particular focus is to ensure that we repurpose the economy to be inclusive and incorporate environmental sustainability.

Against this backdrop, we successfully commenced with the implementation of the Support to the Business and Investment Environment (SIBE) programme on behalf of the SADC Secretariat. Funded by the European Union, the programme seeks to harmonise and support the integration of the business, investment and financial inclusion regulatory and policy environments across SADC – allowing for more seamless commerce and economic integration and deepening.

Our ongoing collaboration with the Foreign and Commonwealth Development Office (FCDO) has allowed us to document and articulate the challenges faced by informal cross border traders – especially as they relate to financial services – as they move across the borders with our neighbours. This, in turn, has allowed us to create a programme that aims to leverage existing financial services infrastructure to serve cross border traders. The programme comes at a time when

momentum around the implementation of the African Continental Free Trade Agreement continues to build and seeks to contribute to a vision of an Africa that can trade freely, more substantially and easily with itself.

In South Africa, we have been working closely with the Southern African Social Security Agency (SASSA) to ensure a more effective digital payments service to beneficiaries. With the support of the Bill and Melinda Gates Foundation, this work will ensure grant recipients maximise the benefit of the grants they receive.

We concluded the year with a drive to focus directly on those still impacted by the ongoing economic turmoil left by COVID-19. Specifically, we launched a second round of our migrant relief fund to support those that used to remit regularly to family and friends but have not been able to during recent times. In all, we supported over 1,000 more families across Mozambique, Malawi, Eswatini and Zimbabwe.

As we look to 2022, a year that marks our 20th anniversary, we will be renewing our commitment to continuing the work we started in 2002, which focused on making financial markets work for the poor. We would not be able to do this without our government and regulatory partners, private sector, funders – and lastly, and specifically, our trustees and staff. I thank all of you for your contribution to our efforts in making markets work for the poor.

'As FMT we are proud of this initiative and the consideration shown by our staff to the plight of migrants in SADC. This kind of thinking sets us apart in how we approach our work and always remember the person behind the research and work that we do.'

Cas Coovadia

CHAIRMAN: FINMARK TRUST



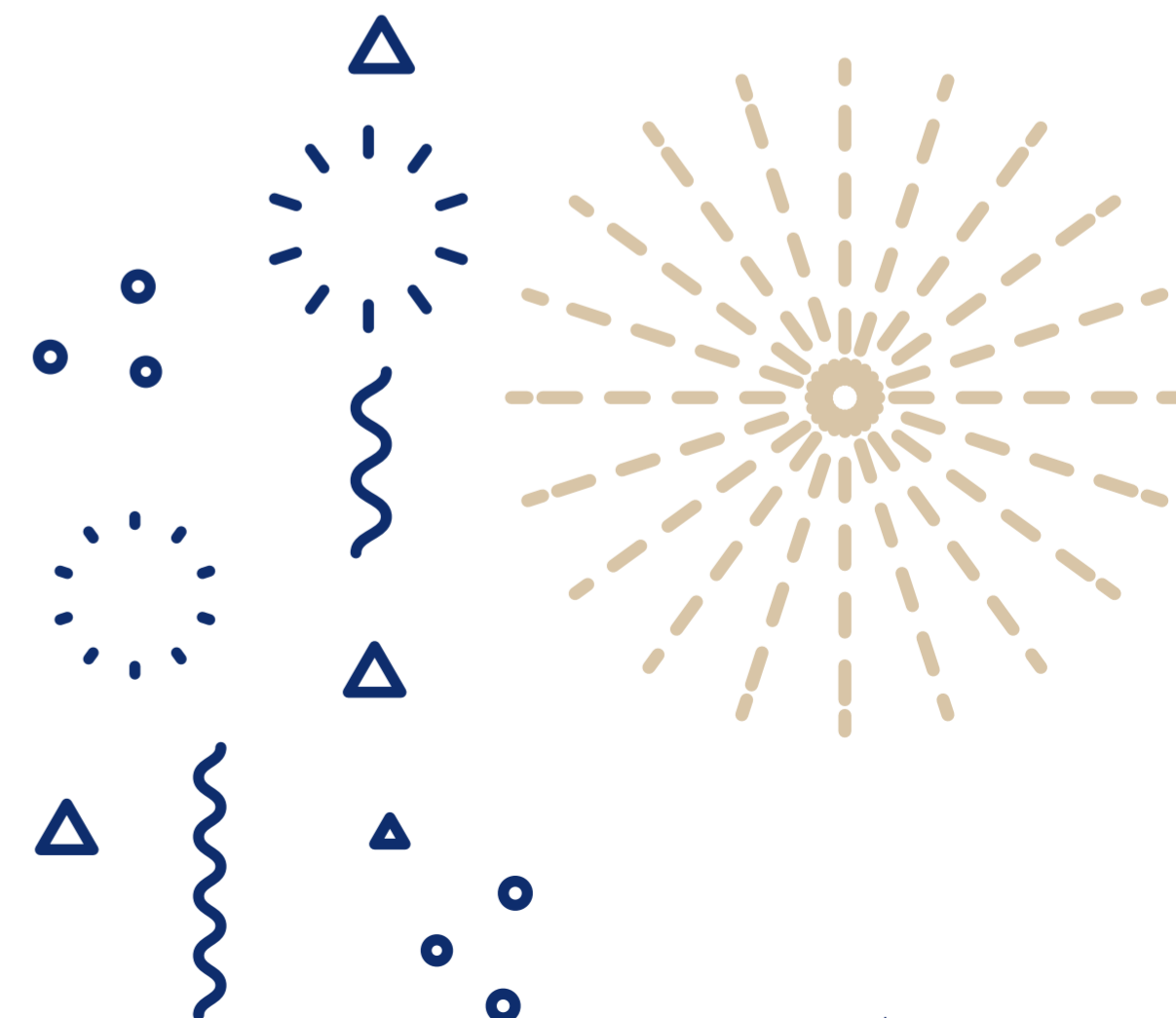
We look forward to

2022

A year that marks our

20th Anniversary

As we renew our commitment to making financial markets work for the poor.



CEO'S REPORT

Brendan Pearce

CEO: FINMARK TRUST



2021 kicked off with the news that FCDO, one of our core donors, would be reducing our budget by 80% for the current year and discontinuing funding for subsequent years because of the impact of COVID on the UK economy. This required us to change our plans drastically and prioritise our sustainability in the short to medium term. Although our resilience as an institution was severely tested, I am happy to report that we have survived the year, and we are on solid footing to continue our work in SADC and South Africa. Our sustainability strategy adopted by our Board of Trustees four years ago has proved to be our saving grace where other non-profit institutions have not been as fortunate.

In SADC, we continued with our work supporting regional and national stakeholders to continue building the region's financial sector and improving quality financial inclusion. This year saw us implementing what we call Financial Inclusion 2.0 to ensure better real sector outcomes for the poor and women in the region. In this regard, we successfully kicked off the implementation of the Support to Improving the Investment and Business Environment programme (SIBE) on behalf of the SADC Secretariat.

We also commenced a project to support informal cross-border traders in SADC, particularly in the corridors between South Africa its neighbours. This work is being piloted with regulators and financial service providers to contribute to the African Free Trade Agreement objectives. Another programme in line with our FI 2.0 agenda is the SADC Supplier Development programme to provide markets and financial access for MSMEs and small farmers in several countries. The programme has regional and country-level components – with pilots in Eswatini, Botswana and Lesotho. We believe this initiative will be a game-changer for MSMEs and small farmers in the region. These and other projects region are all carried out in partnership with key regional structures, including the SADC Secretariat and the Committee for Central Bank Governors.

In South Africa, our projects continue to support key institutions that promote and further the agenda of financial inclusion that supports the livelihoods of the poor. Our project is funded by the Bill and Melinda Gates Foundation to support the capacity of SASSA to renew its digital payment system to improve the user experience of recipients and reduce cost.

‘This year saw us implementing what we call Financial Inclusion 2.0 to ensure better real sector outcomes for the poor and women in the region. In this regard, we successfully kicked off the implementation of the Support to Improving the Investment and Business Environment programme (SIBE) on behalf of the SADC Secretariat.’

Financial Inclusion 2.0 (FI2.0)



CEO'S REPORT CONT.

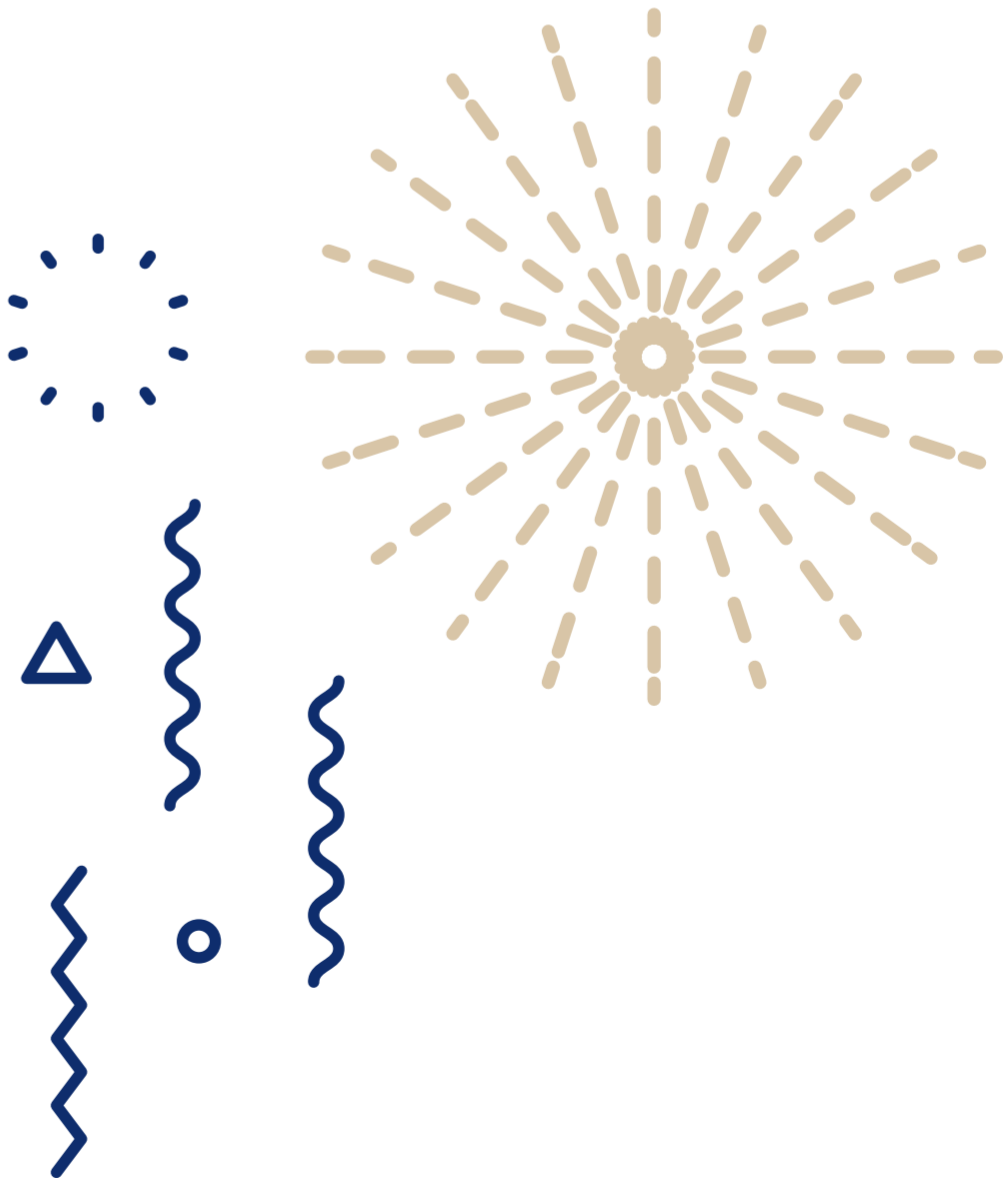
Our support for National Treasury to develop a financial inclusion policy and strategy has made progress this year and should be ready for implementation in 2022. Our community digitisation project designed to create digital ecosystems in township areas has made good progress, and the World Bank has now come on board to support the rollout in two pilot sites, Hamanskraal and Tembisa. This work will provide valuable insights into the challenges and needs at community level for any digitisation strategy that leaves no one behind in South Africa and the region.

Our data team continued to churn out 5 FinScope surveys across SADC and the African continent. The team also implemented COVID trackers that supported countries to better understand the pandemic's impact on their citizens and MSMEs. These trackers utilised innovative mixed-method modes of data collection given the restrictions on face-to-face engagements in most countries. These innovations allowed us to continue producing reliable data for policy decision making despite the constraints.

FMT turns 20 in 2022. This is an important milestone for our organisation, and we will be hosting several events to share our experience with stakeholders and celebrate this significant achievement. We are currently gearing up for our work in 2022, where we intend to continue our impactful work and deepen our FI 2.0 agenda.

I want to thank the Board of Trustees for their guidance and confidence in leading the organisation through another turbulent year. Our team remained committed to the work of FMT through uncertain and challenging times. They continued giving their all to ensure the momentum of our work to impact the poor in the region positively. I take this moment to recognise their immense contribution. A big thanks to our donor partners who remained committed to the work of FMT through difficult times.

'FMT turns 20 in 2022. This is an important milestone for our organisation, and we will be hosting several events to share our experience with stakeholders and celebrate this significant achievement. We are currently gearing up for our work in 2022, where we intend to continue our impactful work and deepen our FI 2.0 agenda.'



PROGRAMME OVERVIEW

Nikki Kettles
EXECUTIVE MANAGER PROGRAMMES



The Programmes Team is evolving to ensure impact-driven outputs in support of financial and economic inclusion to alleviate poverty in the region. Our financial inclusion specialists in research, regulation and implementation ensure that we effectively support advocacy, regulatory and policy reviews and conduct technical and capacity-building in our key thematic

areas – such as Gender, Inclusive Digital Finance, Digital Payments and Integrity. The team had a challenging 2021, focusing on solidifying our work and role in the region, implementing projects in countries under COVID and delivering impact to our constituents under difficult funding conditions.

FMT's Capability Statement confirms our impact approach was supported regionally and domestically through evidence-based interventions. A high-level overview of the Programmes Team success stories are highlighted below:

| Focus Area | Ultimate Impact Measures | Main Areas of Intervention | Success in 2021 |
|--|---|---|---|
| Catalytic Interventions in MSME and Agriculture | Job creation for women and youth | Supplier development to support MSMEs and farmers - to support access to finance by enabling access to markets through Supplier Development Programmes | Formation of partnerships with the UNDP in Lesotho, Botswana and Eswatini to support Agriculture |
| Enabling regional trade through informal and small cross-border traders, especially women | Job creation | Assessing alternative finance options to support the sector to increase digitisation of access to finance | <ul style="list-style-type: none"> • Diagnostics were completed in 3 corridors to assess the value, nature and blockages to trade in the corridors. • Creation of a SADC FSD Cross-Border Trader working group • A pilot to assess utilising alternative payment mechanisms between SA and Lesotho |
| Inclusive Digital Finance to promote inclusivity for informal low-income workers and consumers to stimulate economic growth | Inclusive digital economic inclusion in the region and domestically | Increase usage of digital financial services and frictionless onboarding and management of customers for KYC | <ul style="list-style-type: none"> • Community digitisation project in SA • Assessment of the implementation of RBA in SA with specific reference to low-value accounts and cross border remittances |
| Strengthening Social Protection Systems | Efficient delivery of a digitised social security system to support those most vulnerable | | SASSA Community Digitisation Project funded by the Bill & Melinda Gates Foundation |
| Cross-Border Remittances to benefit low-value remitters and woman beneficiaries | Reduced cost below 5% - in line with G20 and BIS and increase in access, speed and transparency of the remittance | <ul style="list-style-type: none"> • Review of the landscape and the provision of data and assessing first and last-mile challenges • Technical support for digital financial identity in the region • Review of the implementation of Risk-Based KYC in South Africa for low-value bank accounts and cross border remittances | Pricing review for the region for 2021 and a remittance portal for the CCBG |

PROGRAMME OVERVIEW CONT.

The Programme Team, supported by the country coordinators, continue to leverage the data provided by the data teams (mainly FinScope), supply-side data supplied by the regulator, research and scoping on specific areas of intervention to ensure evidence-based interventions.

FMT (leading a Consortium of SAT and GFA) was appointed as the implementing partner to SADC for the EU funded Support for Business and Investment Programme (SIBE). With a focus on three deliverables; Investment, Financial Markets and Financial Inclusion

and SMME Access to Finance, the programme will support regional integration through policy and regulatory interventions, markets assessments, and implementation.

FMT continues to provide support to the CCBG, providing the financial inclusivity lens to their work. We also support the delivery of a Measurement and Evaluation Framework and the implementation of the framework to support appropriate measurement of Financial Inclusion in the region.

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FMT Programmes Themes



SADC FI



SA FI



INNOVATION

Programmatic support through project management and gender

SADC FINANCIAL INCLUSION

Damola Owolade

HEAD: SADC FI PROGRAMME



We have continued to address real economic outcomes, both regionally and domestically, in four countries, as part of our transition to financial inclusion 2.0. The work we do is guided and implemented by our country representatives or coordinators, which allow FMT to engage with different players in various SADC countries at a local and regional level. As part of the MAP programme, we completed financial inclusion strategy reviews in Eswatini, Zimbabwe, Malawi, Lesotho and Botswana. In partnership with the UNDCF under the MAP programme, a SADC Financial Inclusion M&E Report for five countries is also complete.

CROSS BORDER REMITTANCES

The corridors in the Southern Africa region are perceived as being the most expensive remittance corridors in the world. FMT focuses on reducing the cost of sending remittances in the Southern African remittance corridors and has aligned its target to the United Nations Sustainable Development Goals target of a cost of 3% by 2030. FMT supports the South African Reserve Bank (SARB) with analysis and presentation of the balance of payments data that reflects remittances from SA to SADC, enabling the development of interventions to reduce pricing and increase the digitisation remittance products, and increase transparency.

Overall, in 2021, the SADC FI programme contributed to financial inclusion in SADC in many ways:

- We have finalised a remittance portal for the SADC CCBG, which provides information on volumes, values, digital vs non-digital product usage, gender of the sender, and an average size of remittances from SA to the rest of SADC.

- FMT partnered with Standard Bank and Shoprite to establish the most used formal remittances services between South Africa and Eswatini. By facilitating the uptake of the bank-retailer product to serve low-value remitters in the SA-Eswatini corridor, the cost of sending remittance on a price point of US\$55 now costs less than 3%.
- We registered over 33,735 previously excluded customers using a new Risk-Based KYC framework to expand the reach of formal remittance products in partnership with Mukuru.
- We have facilitated the introduction of digital last mile remittances services in the SA-Lesotho corridor through a partnership between Mukuru and M-Pesa.
- We have developed a regional KYC initiative to enable a remittance service provider to verify customers by integrating with a National ID system outside of South Africa, partnering with Mukuru and the Lesotho National ID system.

MIGRANT RELIEF FUND

As a net sender of cross border remittances into the region, South Africa is home to an estimated 4 million migrants. Their livelihoods remain informal, and the effect of the pandemic and border closure was confirmed by analysing the Regulators and Financial Service providers data. While the aggregated analysis of the data yielded that the values and volumes of cross border remittances did not reduce, those sending less than R1,000 per month home were no longer doing that. At the pandemic's peak, up to 40,000 remitters who had previously sent money home were no longer able to send this much-needed money to their loved ones.

Our Migrant Relief Fund, supported by the FCDO, supported over 10,000 migrants across a 3-month period, with monthly grants of US\$25 per month. An analysis of the use of those funds by the recipients confirmed that this money was mainly used for basic survival needs, such as food, education, energy – and of course, COVID-19 personal protective equipment.

MSME AND AGRICULTURE INTERVENTIONS

To provide MSMEs and smallholder farmers access to markets, our Supplier Development Programme focuses on three domestic markets in the region; Eswatini, Lesotho and Botswana.

- In Botswana, FMT has partnered with UNDP Botswana, specifically focusing on providing inputs on innovative financing models, developing a digitisation strategy and supporting capacity-building of the smallholder farmers or target groups.
- In Eswatini, FMT finalised its MoU with Eswatini Water and Agriculture Development (ESWADE) programme to support the implementation of an ongoing SDP focused on the recommendation of innovative finance options, the facilitation of access to markets, and the development of M&E framework for the Supplier Development Programme.
- In Lesotho, FMT has partnered with Lesotho National Development Corporation, Standard Lesotho Bank, and UNDP Lesotho to implement the national Local Supplier Development Programme. On behalf of UNDP Lesotho, FMT supports the Digital Finance Ecosystem Assessment assessment and will develop and pilot technology-based solutions with youth participation and market integration.

SADC FINANCIAL INCLUSION CONT.

REGIONAL TRADE

We are finalising the informal cross-border trade scoping between SA and Mozambique, Zimbabwe, and Eswatini to understand the challenges and potential opportunities for financial services in the bilateral informal cross-border trade market. The pandemic, border closures and non-digital financial services hampered the informal nature of cross-border trade. FMT estimates low-value informal trade in these three corridors amounts to R39,5 billion per year. Access to finance remains a barrier. As part of FMT's efforts to digitise access to finance, a sandbox is being created to support low-cost payment services for SMEs along the SA-Lesotho corridor.

DIGITAL FINANCE

The digitalisation of financial services and digital finance remains key to FMT's strategy to support financial

inclusion and inclusivity, focusing on integrity. Risk-based approach (RBA) and the requirements associated with it (AML/KYC and Customer Due Diligence (CDD) requirements) remain a concern to its inclusion in formal financial services. FMT developed a framework to support Customer Due Diligence for low-value bank accounts and cross border remittances, with support from the regulators in South Africa. A recent assessment of blockages to RBA implementation by service providers returned less than favourable results. We hope to speak to stakeholders to understand the constraints to fully adopting RBA.

FMT has developed a pilot programme to drive the digital KYC agenda in the region. This pilot will support the onboarding of legal migrants into formal financial services and examine the use of cross-border digital identity databases. This verification process is essential in availing the technology to determine the risk profiles whilst expanding access to formal remittances.

CROSS BORDER REMITTANCES

Momentum in cross border remittance work in 2021

SA-Eswatini corridor

< 3%



the cost of sending remittances on a price point of US\$55 now costs less than 3%. In partnership with Standard Bank and Shoprite.

Risk-Based KYC framework

33,735



previously excluded customers registered using a new Risk-Based KYC framework to expand the reach of formal remittance products in partnership with Mukuru.

SOUTH AFRICA FINANCIAL INCLUSION

Lesego Mashigo

HEAD: SA FI PROGRAMME



The South Africa Financial Inclusion programme expanded its focus areas and established financial inclusion linkages to increase economic inclusivity, supporting the South Africa NDP goals. In 2021, we focused on establishing key partnerships, enhancing integration between the South African programme and the larger regional SADC FI Programme continues to gain traction, with South Africa acting as an essential launchpad and multiplier for regional innovations and interventions.

SOUTH AFRICA FINANCIAL INCLUSION POLICY

FMT partnered with the World Bank under the Financial Sector Development and Reform Programme (FSDRP) to coordinate and support efforts to finalise the South Africa Financial Inclusion FI Policy and the development of the National FI Strategy and its supporting Action Plan. In partnership with the South Africa National Treasury, FMT conducted a series of public consultation sessions to solicit input for the draft financial inclusion policy "An Inclusive Financial Sector for All". A consolidated response document resulted in the redrafting and finalisation of the draft policy. Once adopted by National Treasury, this policy will become the national guide for Financial Inclusion in South Africa.

TECHNICAL SUPPORT AND CAPACITY BUILDING TO THE SOUTH AFRICA SOCIAL SECURITY AGENCY (SASSA)

FMT partnered with the Bill and Melinda Gates Foundation to support SASSA to improve its grant distribution processes. Improvements will include providing technical support and transferring and retaining knowledge in the organisation (expertise deployed in project management, strategic customer

communication, digital banking, client onboarding and payment platforms, cyber security, data architecture and gender mainstreaming).

Through this partnership and the secondment of expertise to SASSA in the above fields, FMT assisted SASSA to develop a new communications strategy, to support and improve the organisations' communication objectives.

GENERATING BETTER LIVELIHOODS FROM SOCIAL PROTECTION

Premised on the findings from the Deepening the Social Development of Grant Recipients Research 2020 project, FMT developed a project to create a pathway for grant recipients. The aim is to progress grant recipients from their current position - where they rely on grants - to the desired state where they can generate sufficient income through employment or running a self-sustainable business. FMT continues to form partnerships aimed at operationalising and implementing the project.

COMMUNITY DIGITISATION

FMT is developing a long-term programme to support a digital ecosystem in South Africa's communities using payments as a gateway. The project derived from the Deepening the Social Protection of Grant Recipients Research Project in 2020. While this project initially focused on SASSA grant recipients, it has now been expanded to leverage the grant population whilst focusing on the overall ecosystem, thereby creating an opportunity to support real economic growth through digitisation.

Current FMT research aims to (i) understand the availability of financial services and the supporting infrastructure targeted at low-income earners, and (ii) the accessibility and use of financial services by low-income earners, particularly in disadvantaged communities. The World Bank will further augment this research with a qualitative study. These research components and envisaged gap analysis will inform the implementation of the project.

FUNERAL INSURANCE

FMT researched the impact of COVID-19 on burial practices and funeral spending patterns in the wake of pandemic-induced regulations and limitations on traditional funeral rites. The research provided several vital insights, which FMT has translated into targeted interventions to educate and sensitise South Africans on funeral spending over other financial needs.

TIPS: LEAVING NO ONE BEHIND IN THE DIGITISED ECONOMY

As South African's increase the usage of digital payment solutions, this has hurt workers in service industries such as petrol attendants, car guards and waiters who rely on cash tips to augment their salaries. To limit the negative impact of digital payments on workers in the service industry, FMT has developed a project to bridge this digital divide and is currently establishing partnerships with digital payments solution providers who will become partners in implementing the project.

GENDER



Nikki Kettles

EXECUTIVE MANAGER PROGRAMMES



Phumelele Ngcobo

SPECIALIST: PROGRAMME DEVELOPMENT AND IMPLEMENTATION

We continue to work towards gender equality and women’s empowerment in the SADC region. At FMT, we have shifted the needle toward achieving gender balance and improving systems and procedures to mainstream gender. We are using insights from our diagnostic reports, and new initiatives and pilot projects are now actively designed to address the challenges faced by women in the region. The Supplier Development Project, Informal Cross-Border Trade, and Cross-Border Remittances are initiatives we leverage to support women and women-led MSMEs.

Our activities include:

- A deep dive gender analysis for Kenya and South Africa in partnership with the Consultative Group to Assist the Poor (CGAP). We analysed how men’s and women’s access to, and use of, informal and formal financial services over their lifetimes changed and what drives these changes.

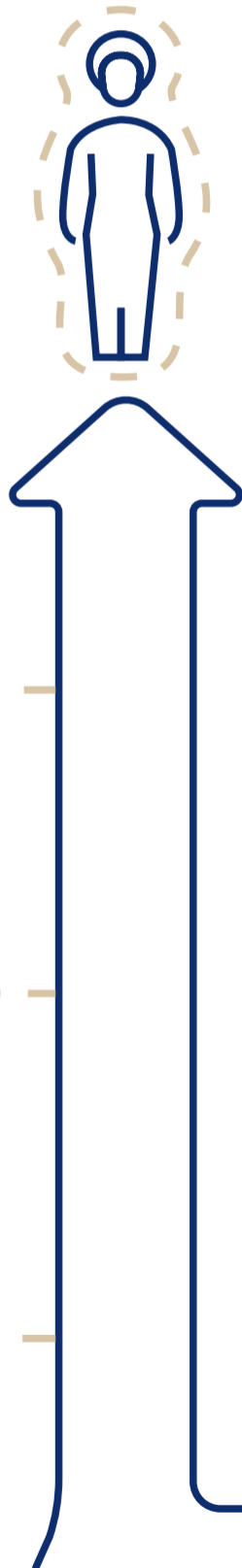
- FMT shared its journey in supporting women in the SADC region in celebration of Women’s Month (August 2021). Our Women’s Month theme also celebrated FMT women and recognised their contribution to the growth and success of the organisation.
- We have joined the FSD Network’s Gender Collaborative Programme (Gender Co-Pro), which aims to build gender equity through inclusive financial systems. The Gender Co-Pro seeks to strengthen the integration of gender into FMT’s programmes by identifying additional avenues to address barriers to women’s financial inclusion and economic empowerment. The Gender Co-Pro will determine which internal capacity constraints may need to be overcome to implement more effective country strategies and gender-focused interventions.

Nikki Kettles manages FMT Gender with support from Phumelele Ngcobo, Specialist: Programme Development and Implementation.

Gender analysis for Kenya and South Africa

FMT journey in supporting women in the SADC region in celebration of Women’s Month

Joined the FSD Network’s Gender Collaborative Programme



DATA AND ANALYTICS OVERVIEW



Dr Kingstone Mutsonziwa
EXECUTIVE: DATA AND ANALYTICS

FMT’s data offering has grown and evolved over the years through our global and well-reputable FinScope surveys. Still, there is a strong drive from different stakeholders to increase our analytics offering and to support them to develop their data ecosystems. Through our i2i programme, we developed new tools such as the mobile and mixed-method survey tools, complementing the FinScope Surveys.

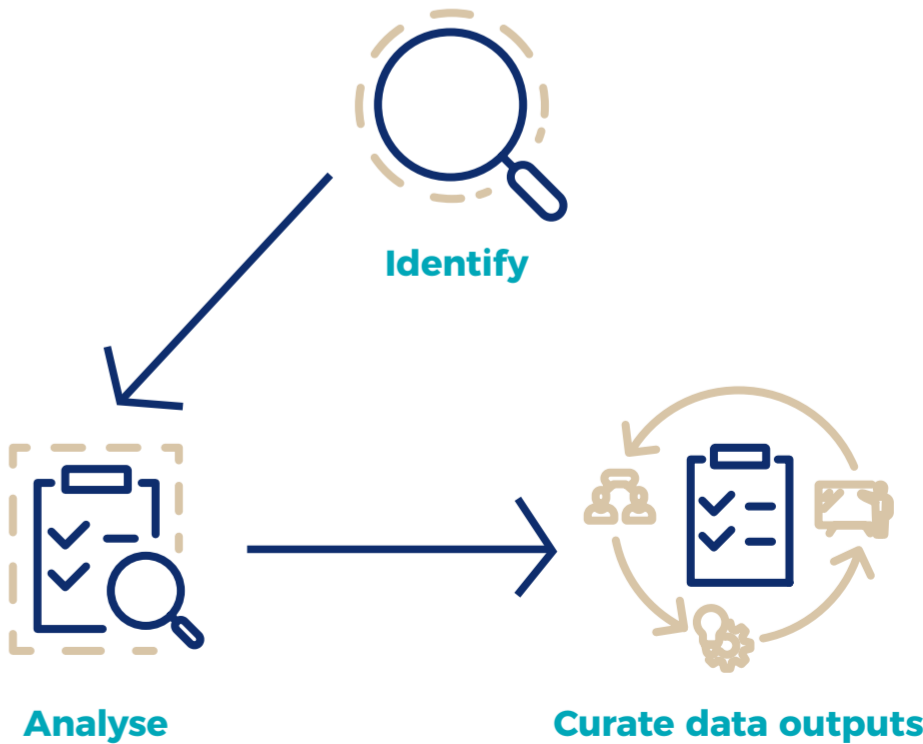
The analytics emphasis in this priority area is to identify, analyse and curate data outputs that stimulate ongoing depth of engagement across FMT’s Financial Inclusion community. Data is sourced from existing FMT information and includes primary data generation, the broader data and the information environment beyond FMT. This new focus includes identifying additional focused research to meet the evolving data needs and other engagements in different focus areas. Our data work is conducted collaboratively with other teams within FMT and other stakeholders.

We continue to pioneer the development of new tools and indicators to measure and track progress towards achieving FI 2.0 outcomes as defined by FMT and other players in the FSD network. A new approach to data was critical to ensure that we continue to give data and technical assistance even during hard COVID-19 lockdowns. The mix of work has demonstrated several different applications of mobile surveys, from repeat surveys with the same respondent to lists to contact specific people and the use of stratified sampling and weighting to produce nationally representative results.

‘A new approach to data was critical to ensure that we continue to give data and technical assistance even during hard COVID-19 lockdowns. The mix of work has demonstrated several different applications of mobile surveys, from repeat surveys with the same respondent to lists to contact specific people and the use of stratified sampling and weighting to produce nationally representative results.’

FMT ANALYTICS

Our analytics emphasis in this area is to:



INFORMATION AND RESEARCH

Dr Kingstone Mutsonziwa

EXECUTIVE: DATA AND ANALYTICS



Our reputable FMT data offerings continue to be instrumental in giving evidence-based data for different stakeholders across many geographies. These data offerings continue to evolve to remain relevant and address users' data needs. Undoubtedly, both the FinScope Consumer and MSME surveys continue to be well-sought by different stakeholders. We have received numerous requests on our datasets across the globe, and these datasets are easily downloadable from our FMT data portal.

We are excited to be implementing the first FinScope MSME Survey outside the SADC region - in Haiti. As already highlighted before, the linkages to real economy continue to be explored primarily through the FinScope MSME and our MSME pulse surveys to measure the impact of the crisis on the real economy, such as jobs, supply chain disruption, and other indicators. MSME Pulse surveys were implemented in Botswana and Eswatini, focusing on how the COVID-19 pandemic has impacted their businesses and coping strategies. We also gave technical assistance to Access Finance Rwanda on their MSME pulse survey. This work is critical and implemented together with our Programme Team.

PROJECTS COMPLETED

We have finalised and launched 11 projects (4 FinScope surveys and 7 ad hoc projects). The data team continues to work closely with different stakeholders to implement various surveys and empower them in the process.

The 11 projects completed are:

- South Africa (FinScope MSME Survey)
- Botswana (FinScope Consumer Survey)
- Botswana MSME Pulse Survey
- Eswatini MSME Pulse Survey
- Lesotho (FinScope Consumer Survey)
- Rwanda MSME Pulse Survey (FMT gave technical assistance to AFR)
- Zimbabwe Basic Services Survey
- Nigeria A2F (FMT gave technical assistance to EFINA on their A2F, which uses the FinScope methodology)
- CoPro Consumer "COVID-19" Tracker for FSD Kenya and FSD Zambia
- CGAP Gender Analytics
- Completed longitudinal tracking for the International Food Policy Research Institute (IFPRI) on the effects of COVID-19 on rural households in Ghana and Nigeria

PROJECTS UNDERWAY/DONE

A total of 5 FinScope Surveys and 2 mobile surveys are underway. These surveys are:

- South Africa (Consumer Survey)
- Sudan (Consumer Survey): Fieldwork concluded, data analysis and report writing are underway
- Ghana (Consumer Survey)
- Haiti (MSME Survey)
- Zimbabwe (MSME Survey)

- Laos mobile phone-based (Consumer Survey)
- Cambodia mobile phone-based (Consumer Survey)

While the Laos Indicator tracking survey is ongoing, the results from Cambodia demonstrated how mobile surveys could be used in markets with sufficient mobile phone ownership to monitor key indicators when budget constraints inhibit a full FinScope survey. The outcomes of the survey are limited in comparison to the full FinScope, but all access strands can be successfully created for FI Strategy Indicator monitoring purposes.

OUR DATA PIPELINE

Our Data and Analytics pipeline for 2022 and beyond is looking healthy, with many projects on the way. FMT will continue to work with many stakeholders in the implementation of these projects, and our data offerings can be implemented globally by our team.



KNOWLEDGE MANAGEMENT & COMMUNICATIONS

Jaco Weideman

HEAD: KNOWLEDGE MANAGEMENT AND COMMUNICATIONS



In 2022, the KM team plans an expanded and more impactful FMT to support SIBE's delivery and the additional partnerships built by the programmes and data teams. As part of this preparation, the team has completed several activities throughout 2021 that will be crucial to FMT and the unit's success in 2022. Among them are:

- Upgrading the FMT website to ensure our work remains accessible to a wide variety of stakeholders – and their evolving needs
- Integrating the i2i data portal into the FMT portal
- Designing and implementing an internal Monitoring & Evaluation system to track the engagement with our research online
- Building an internal intranet that can act as a digital knowledge repository for FMT and the work it produces, and
- Opening this up to facilitate our collaboration with our partner institutions

LOOKING TO 2022

As we look forward, we have several activities planned for the year. These build on our efforts from 2021 and include:

- Expanding on internal FMT capacity building, drawing on our network to internalise knowledge
- Driving familiarisation and usage of the internal FMT resources built through 2021 – such as the intranet
- Increasing the visibility of FMT at the local level – specifically in South Africa, Botswana, Malawi, Lesotho and Eswatini, by releasing articles in local media and other discussion platforms
- We support the celebration of FMT's 20th anniversary, which will entail events and celebrations, and ensure consistent communication on the topic throughout the year, including a rebrand.

The two main objectives for 2022 are as follows. The first is to drive the use of our knowledge assets by our partners and other stakeholders. The second is to

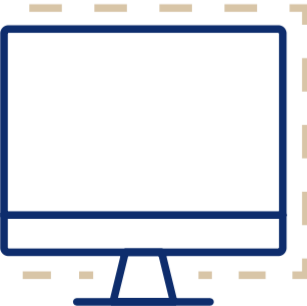
continually deepen our internal knowledge of financial inclusion as it – and the broader financial sector – adapt to a changing world. By leveraging our knowledge assets, we will continue to make a real impact on the lives of the people we serve.

FOLLOW THESE LINKS TO SOME OF OUR RECENT PUBLICATIONS:

- [Digitisation of Financial Products for Cross-Border Traders](#)
- [South Africa to the Rest of SADC Remittance Pricing](#)
- [Measuring Progress: Financial inclusion in Selected Countries](#)
- [SADC Innovation and Investment Challenge](#)
- [The Role of Remittances in Deepening Financial Inclusion](#)

2021 FMT portal statistics

FMT portal pageviews

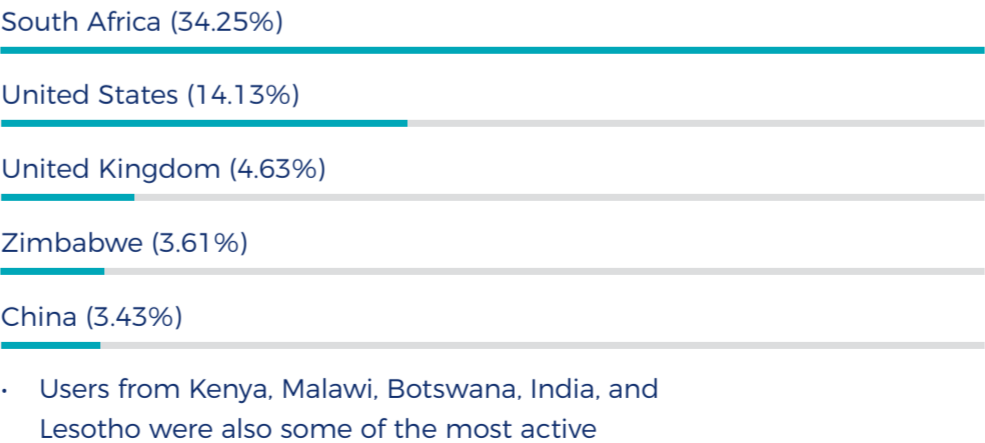


72,426

Pageviews in 2021

56,060
Unique pageviews

Where most users who viewed the portal are from



How most users searched for the FMT portal - organic and direct search

| Search | Clicks |
|-----------------|--------|
| FinMark Trust | 2,090 |
| FinScope | 485 |
| FinMark | 391 |
| FinScope survey | 188 |

FINANCIAL STATEMENTS

Grant Robertson
EXECUTIVE: FINANCE AND OPERATIONS



FinMark Trust
(Registration number IT4167/02 (T))
Annual Financial Statements for the year ended 28 February 2019

Statement of Financial Position

| Figures in Rand | 2021 | 2020 |
|-------------------------------------|-------------------|-------------------|
| Assets | | |
| Non-Current Assets | | |
| Property, plant and equipment | 426,849 | 426,849 |
| Current Assets | | |
| Trade and other receivables | 2,977,285 | 7,712,124 |
| Investments | 6,618,519 | 11,082,694 |
| Cash and cash equivalents | 40,944,512 | 40,959,763 |
| | 50,540,316 | 59,754,581 |
| Total Assets | 51,034,531 | 60,181,430 |
| Equity and Liabilities | | |
| Capital and Reserves | | |
| Trust capital | 200 | 200 |
| Accumulated surplus/(deficit) | 18,360,315 | 18,131,683 |
| | 18,360,515 | 18,131,883 |
| Liabilities | | |
| Non-Current Liabilities | | |
| Deferred income | 27,507,711 | 36,352,201 |
| Current Liabilities | | |
| Trade and other payables | 5,116,305 | 5,697,346 |
| Total Liabilities | 32,674,016 | 42,049,547 |
| Total Equity and Liabilities | 51,034,531 | 60,181,430 |

Statement of Profit or Loss and Other Comprehensive Income

| Figures in Rand | 2021 | 2020 |
|---|----------------|------------------|
| Revenue | 91,739,207 | 69,143,053 |
| Other income | 14,830 | 2,444,080 |
| Operating expenses | 92,549,259 | 74,971,007 |
| Operating surplus/(deficit) | 795,222 | 3,383,874 |
| Investment revenue | 1,023,854 | 2,139,199 |
| Total comprehensive surplus/(deficit) for the year | 228,632 | 1,244,675 |

BOARD OF TRUSTEES



BRENDAN PEARCE

Brendan Pearce is the Chief Executive Officer of FinMark Trust. Prior to his current position, Brendan held various positions, such as the Advisor to the Managing Director of the Land and Agricultural Bank of South Africa, Chief Executive Officer at the Manufacturing and Engineering and Local Government and Water Sector Education and Training Authorities. He also served as CEO at Umhlaba Development Services, a development consultancy he established and ran for eleven years. More recently, he worked at Vodacom as the Executive Head in the International legal and regulatory team.

VIMBAI TSOPOTSA

Vimbai Tsopotsa has considerable experience in the South African and Zimbabwean financial industries, mainly in banking and ICT. She is a Trustee of FinMark Trust and also an executive director of Amaciko Film Investments (Pty) Ltd. Vimbai also serves as director of Aigle Finance and was formerly Managing Director of Venture Communications SA.

CAS COOVADIA

Cas Coovadia is the Chairman of FinMark Trust. He was the Managing Director of the Banking Association South Africa and is currently the CEO at Business Unity South Africa (BUSA). He is a board member of National Business Initiative, African Union for Housing Finance, and the University of the Witwatersrand.

ETHEL MATENGE-SEBESHO

Ethel Matenge-Sebesho is an experienced banker and financial services expert and has served on the board of FirstRand Limited. She continues to serve on the board of some subsidiaries of FirstRand Limited and Distell Group Limited. Until the end of 2017, Ethel was involved with establishing new markets for Home Finance Guarantors Africa Reinsurance in a number of African countries.

LUMKILE MONDI

Lumkile Mondli is a senior lecturer at the School of Economic and Business Sciences of the University of the Witwatersrand in Johannesburg. He is a Trustee of FinMark Trust. Lumkile worked extensively in the African continent during his 11-year tenure at the Industrial Development Corporation (IDC) as an executive and is a director of Gemfields Group Limited and Thelo Rolling Stock Leasing.

ISHMAEL MKHABELA

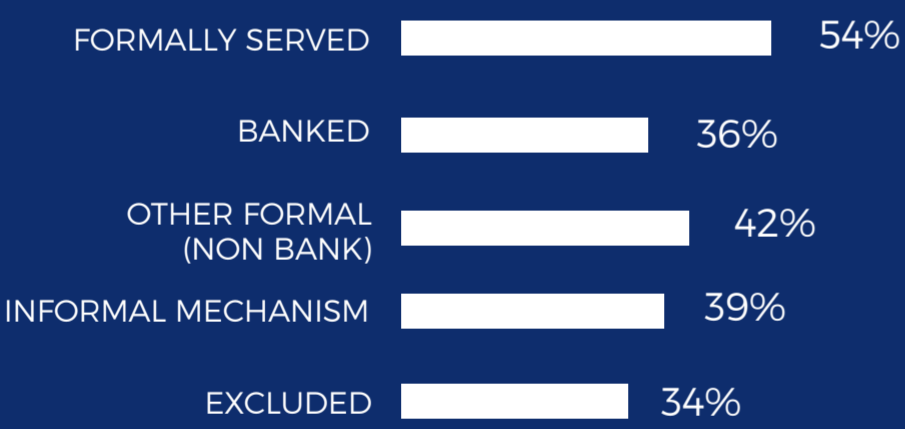
Ishmael Mkhabela has vast experience in community organising, corporate governance, housing policy formulation and implementation, community and city regeneration, fields that require stakeholder engagement, awareness raising, advocacy, disputes resolution, mediation and facilitation processes. He is the Chairperson of the Steve Biko Foundation and Johannesburg Inner City Partnership, as well as Deputy President of the South African Institute of Race Relations. Ishmael also serves as a board member of the Nelson Mandela Children's Hospital Trust, Centre for Development Enterprise, Mbhetsa Academy, and Donaldson Trust.

FINANCIAL INCLUSION IN SADC

2015

66%

FINANCIALLY INCLUDED



ACCESS STRAND 2015

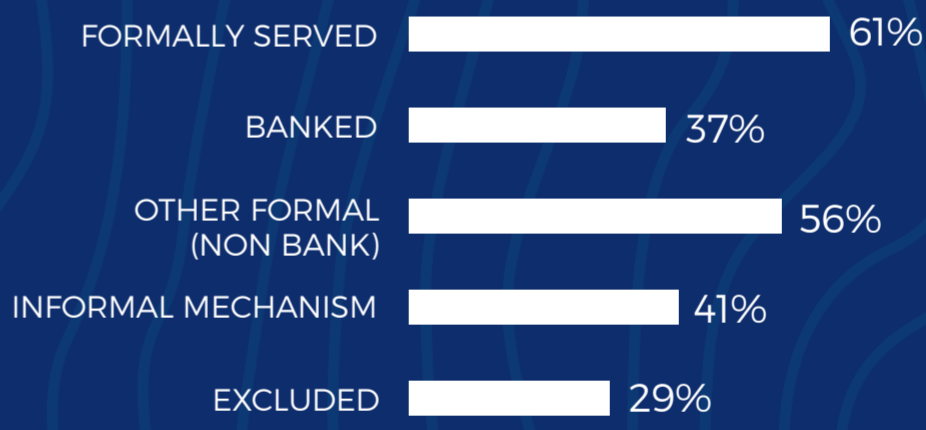


■ BANKED ■ OTHER FORMAL (NON BANK) ■ INFORMAL ONLY ■ EXCLUDED

2021

71%

FINANCIALLY INCLUDED



ACCESS STRAND 2021



■ BANKED ■ OTHER FORMAL (NON BANK) ■ INFORMAL ONLY ■ EXCLUDED

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