

DECEMBER 2021

# Inclusive Fintech 50: Driving Innovation in an Era of Uncertainty

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# Background



## ABOUT IF50

Inclusive Fintech 50 (IF50) identifies promising early-stage fintechs driving financial inclusion and resilience around the globe through a competitive process led by an independent panel of judges from venture capital, technology, and financial services. Applicants are assessed on the degree to which their target market includes underserved people or businesses, and whether their innovation offers a new value proposition, shows early-stage traction, and can have a noticeable impact on the more than three billion financially underserved people globally.

IF50 is sponsored by Visa, MetLife Foundation, and Jersey Overseas Aid & Comic Relief, with support from Accion and IFC and implemented by CFI.

\*Note: For the purpose of this report, the term inclusive fintechs refers to the 283 eligible applicants who participated in IF50 in 2021.

## DRIVING INNOVATION IN AN ERA OF UNCERTAINTY

The COVID-19 pandemic has underscored the importance of having access to financial services, which act as a stabilizing force for low-income households and businesses. Fintechs play an important role in expanding access to these vulnerable populations, but these startups themselves need access to capital and connections. IF50 helps to provide visibility for these startups to investors and partners who can help them reach more people in need and increase their impact.

This report draws from data collected from the 283 eligible 2021 IF50 applicants\*.

# Acknowledgements



Inclusive Fintech 50 is sponsored by Visa Inc., MetLife Foundation and Jersey Overseas Aid & Comic Relief with support from Accion and IFC. The Center for Financial Inclusion (CFI) is the implementing partner. The 2021 Inclusive Fintech 50 Team at CFI was led by Ethan Loufield, with contributions from Edi Bardhollari, Henry Bruce, Anindita Chakraborty, Eda Dokle, and Maha Khan. Support was provided by consultants Simon Agez, María Cecilia Rondón Alvarado, Joana Santiago, and Marie Valdez, as well as the CFI Communications Team. Learn more at [www.inclusivefintech50.com](http://www.inclusivefintech50.com).

We would like to thank Lindy Mockovak and Mark Pickens of Visa Inc.; Meredith Hyland, Rachel Pokay, and Krishna Thacker of MetLife Foundation; José Morell-Ducos of Comic Relief; Adrian Mattmann, Matthew Saal, Beniamino Savonitto, and Odelia Torteman of IFC; Sally Bohrer, Sarah Marston, Ameer Parbhoo, Jim Rosenberg, and Matthew Schaar of

Accion; and Mayada El-Zoghbi, Aerial Emig, and Evelyn Stark of CFI for their valuable input and guidance throughout the initiative.

We would also like to thank each of the applicants for the time and effort they invested in completing the Inclusive Fintech 50 application, as well as the judges who provided invaluable expertise.

# Introduction



Now in its third year, the IF50 application data signals continued **progress on innovations to onboard low-income customers**, despite the challenges posed by the pandemic:

- **Inclusive fintechs are using creative approaches to serve new customers.**  
 From retail partnerships that help drive customer acquisition, to insurance platforms offering micro-coverage, to native language chatbots, to enhanced biometric identity verification solutions, early-stage inclusive fintechs are pursuing outside-the-box solutions to reach un/underbanked people around the world.

**Nevertheless, there are two areas of concern:**

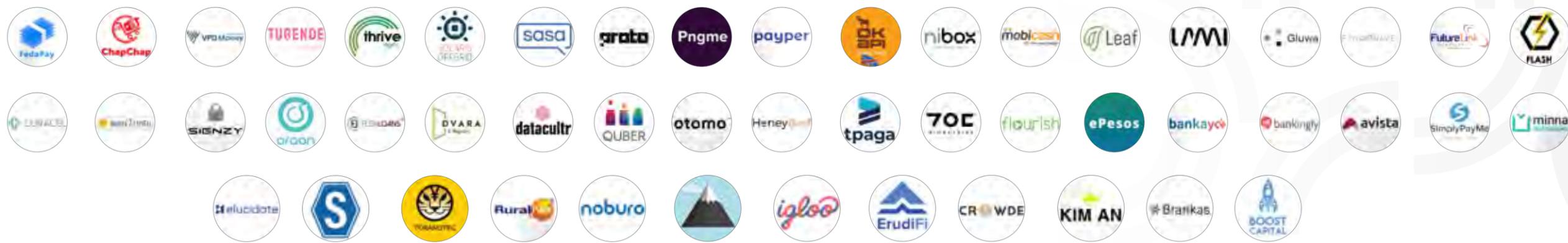
- **Funding concentration persists.**  
 While fintech investments across emerging markets have been increasing, early-stage inclusive fintechs continue to face disparities based on geography, funding status, and gender.
- **Potential customer risks persist around data usage.**  
 Although data is central to the business models of inclusive fintechs, some applicants require customer consent related to data, and some still do not.

This report examines the application data to better understand the state of early-stage fintechs and identifies several opportunities for further exploration.

# OVERVIEW OF 2021 INCLUSIVE FINTECH APPLICANTS

# 2021 IF50 WINNERS

## OPERATE IN 64 COUNTRIES



To learn more about the 2021 IF50 Winners, visit: [2021 COHORT – INCLUSIVE FINTECH 50](#)

## INCLUSIVE FINTECH OVERVIEW

### Geography and Business Type

Representation from a range of regions and business types, but with notable concentrations

#### INCLUSIVE FINTECHS REPRESENT A GLOBAL POOL

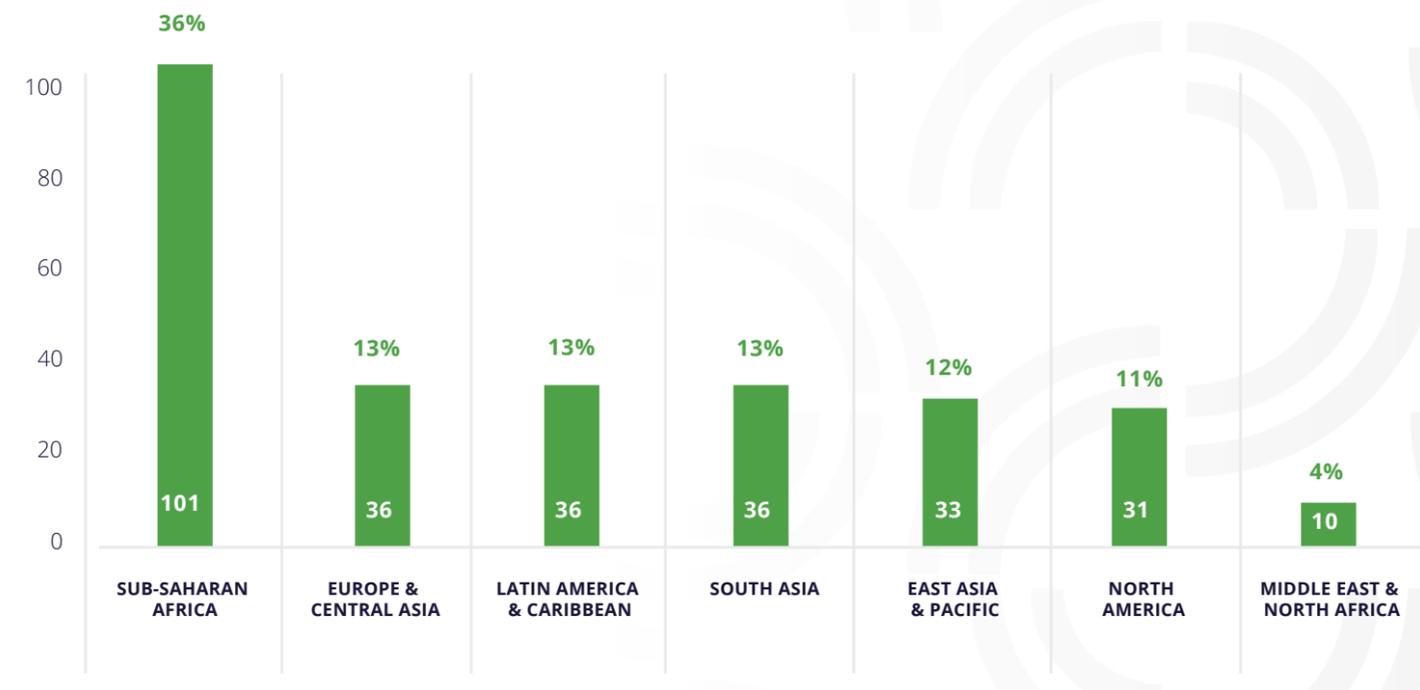
- 283 eligible early-stage inclusive fintech applicants
- Headquartered in 66 countries
- Highest representation in Sub-Saharan Africa
- Reach 97 million people in 107 countries

#### BUSINESS MODEL TYPES SHOW SOME REGIONAL CONCENTRATION

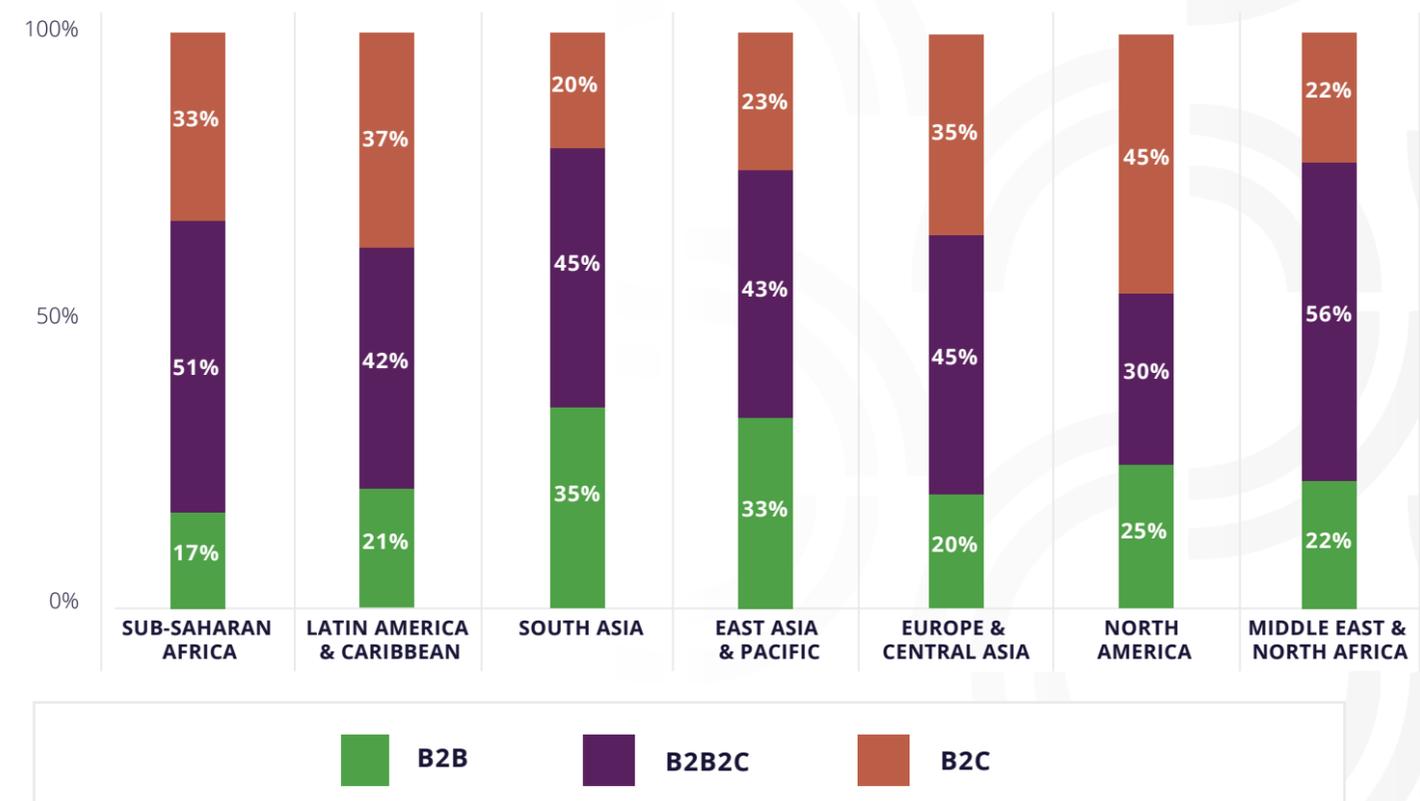
- 46% identify as B2B2C (remaining dominant as in prior years), 31% as B2C, and 23% as B2B\*
- B2B inclusive fintechs are more prevalent in South Asia and East Asia & Pacific

\*B2B2C is Business-to-Business-to-Consumer; B2C is Business-to-Consumer, and B2B is Business-to-Business

#### REGIONAL LOCATION OF EARLY-STAGE INCLUSIVE FINTECHS' HEADQUARTERS



#### SHARE OF APPLICANTS BY DELIVERY MODEL AND OPERATING REGION

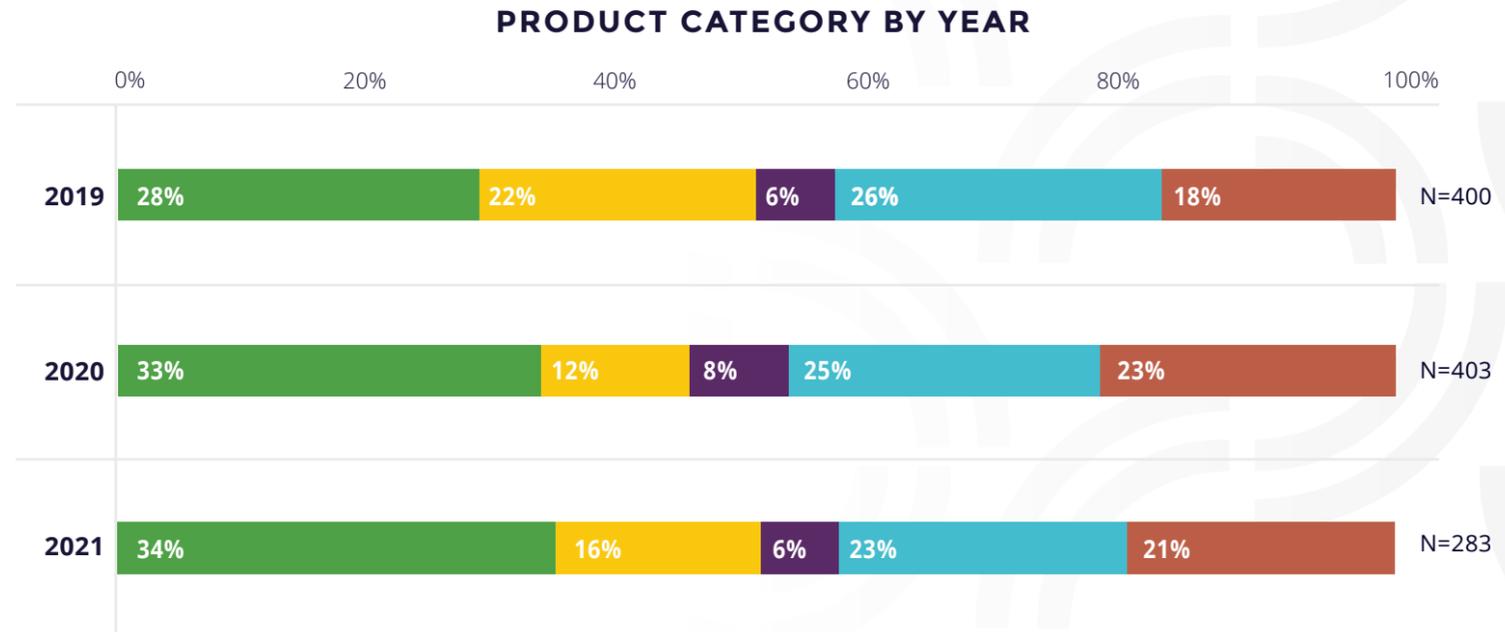


INCLUSIVE FINTECH OVERVIEW

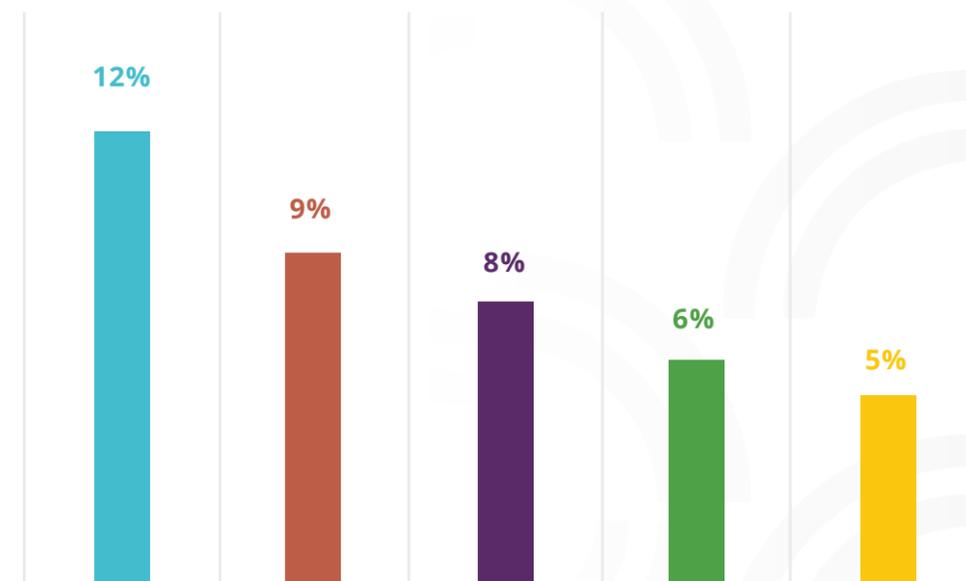
# Representation & Growth of Product Categories

Credit products continue to dominate, while payments and remittances saw the most growth in active users

- Product categories among 2021 inclusive fintechs are relatively consistent with the 2020 cohort.
- Credit products are the most common at 34%.
- Most inclusive fintechs grew their client base in 2020 demonstrating the race to digital that was intensified by the COVID-19 pandemic.
- Those offering payments and remittances services reported the most growth in active users (12%) in 2020, reflecting the overall growth in digital payments and remittances globally.



### MEDIAN COMPOUND MONTHLY GROWTH RATE (CMGR) OF ACTIVE USERS IN 2020



N=141 due to outliers and companies less than 1 year old. Median compound monthly growth rate (CMGR) is calculated based on number of active users reported as of 12/31/19 and 12/31/20.

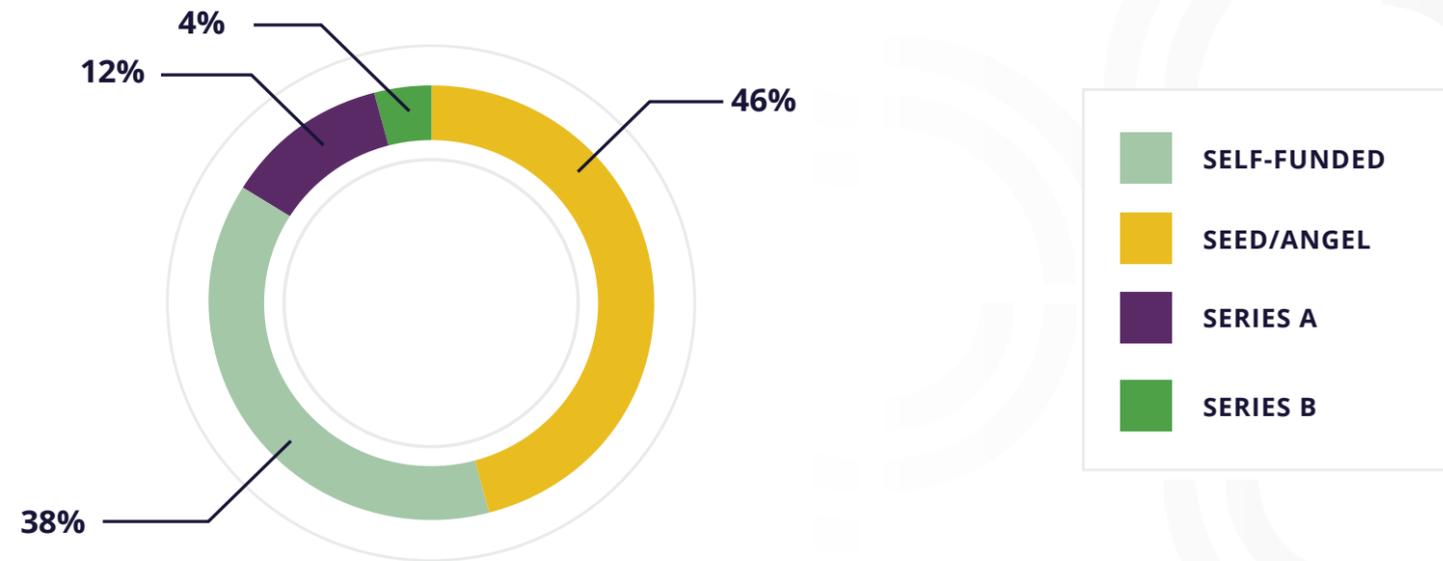
**INCLUSIVE FINTECH  
 OVERVIEW**

## Funding Stage and Age

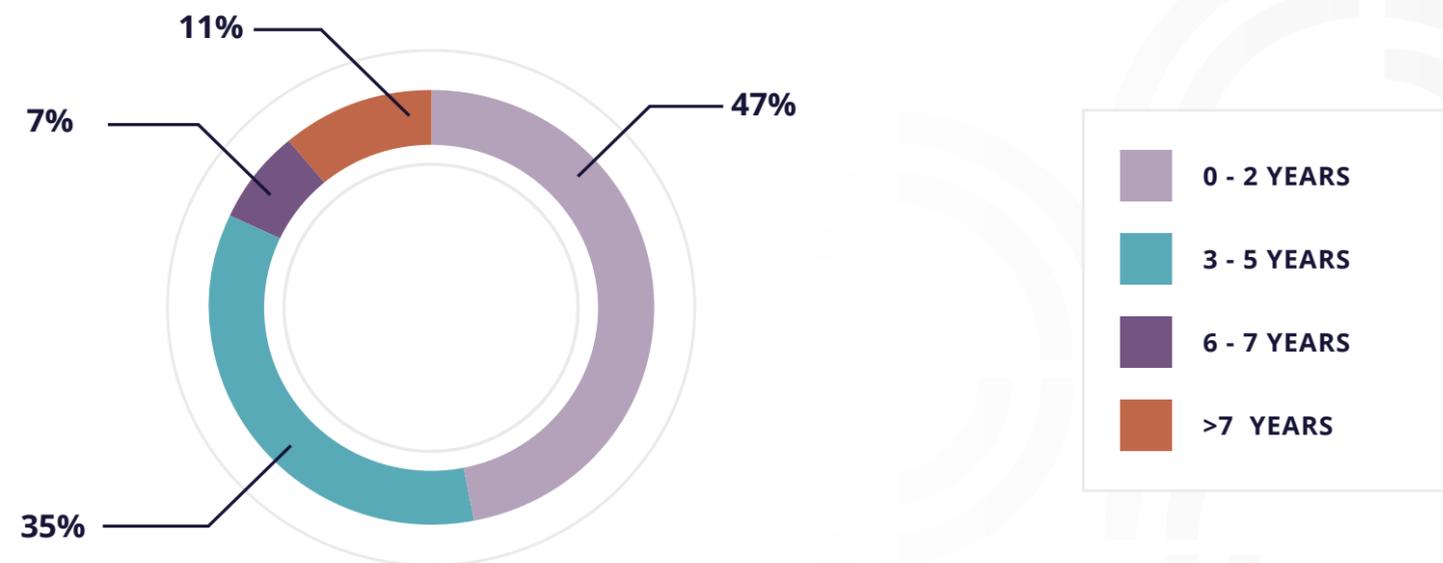
Majority of inclusive fintechs are self-funded or seed/angel stage, operating less than 5 years

- 84% are either self-funded or seed/angel stage
- 82% have been operating for less than 5 years
- 47% of inclusive fintechs have been operating less than 2 years – a remarkable number considering the economic conditions of the past two years

**SHARE OF APPLICANTS BY INVESTMENT STAGE**



**SHARE OF APPLICANTS BY FINTECH AGE**



# INCLUSIVE FINTECHS ARE USING CREATIVE APPROACHES TO ONBOARD CUSTOMERS

## CREATIVE APPROACHES

# Addressing Accessibility in Product Design & Delivery

### Inclusive fintechs incorporate tech and touch to reach underserved customers

- 38% of inclusive fintechs have partnered with community organizations, provided in-person digital skills training, or worked with community role models – all ways of assisting and onboarding low-literate customers.
- Over 60% of inclusive fintechs are providing alternatives to accommodate women customers who do not have access to mobile phones, including turning to agents to assist women customers with transactions.
- 37% of inclusive fintechs use agents to reach customers. Research from the Catalyst Fund shows that fintechs that rely on agents for acquisition, verification, or helping users with complex tasks have greater outreach to underserved segments.

### Opportunities for fintechs to assist new users, those with low digital and financial literacy, and those with disabilities



**Partner with community organizations**



**Provide in-person digital skills training**



**Work with community role models**



### PROTO

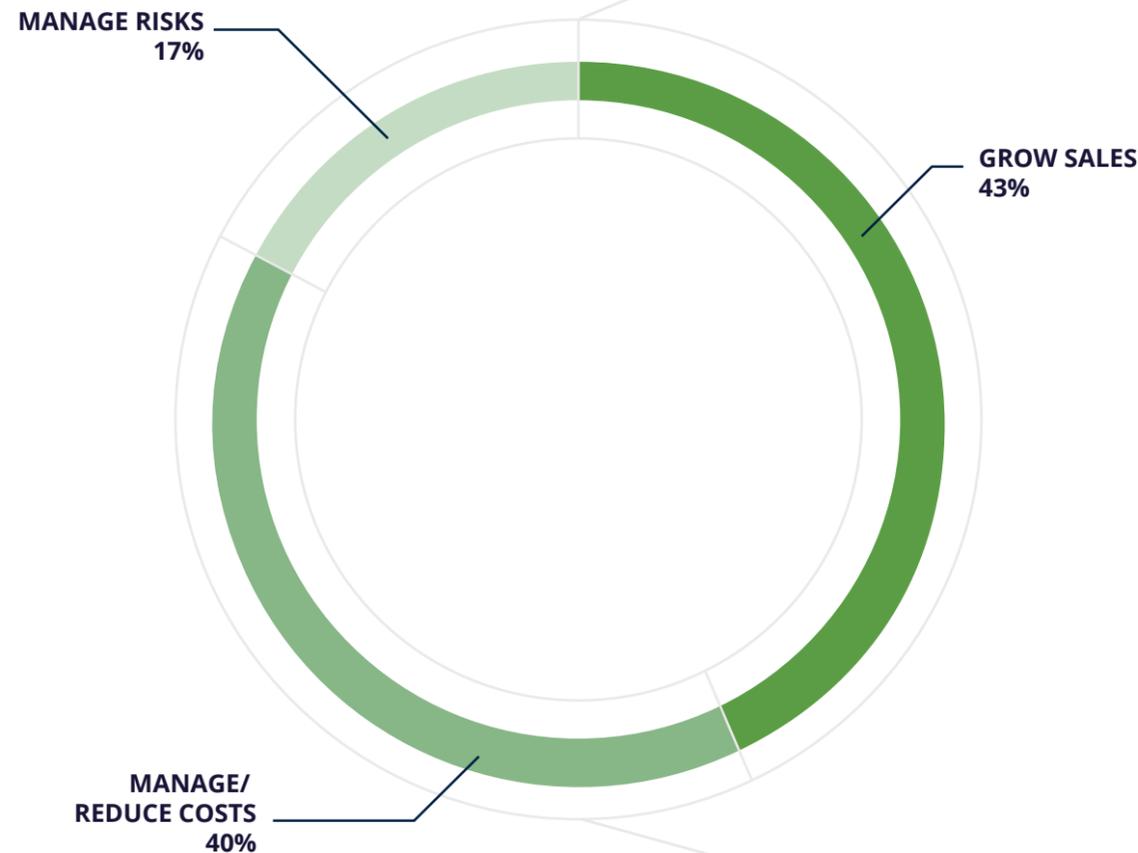
Proto provides inclusive chatbots and multilingual contact center automation to central banks and financial institutions in emerging markets in Africa and Asia. Many first-time financial services consumers need support in their local language. Proto's Natural Language Processing technology gathers data from national financial ecosystems and advances machine understanding of local languages, such as Kinyarwanda, Twi, and Tagalog, helping to make financial services more accessible for underserved customers.

CREATIVE APPROACHES

# Providing Services Specifically for MSEs

40% of inclusive fintechs target MSEs, with majority offering solutions to grow sales or reduce costs

## SHARE OF APPLICANTS BY FINTECH AGE



N = 91, fintechs targeting MSEs (including smallholder farmers and irregular income workers) that reported how they help MSEs with their businesses.

TOP WAYS INCLUSIVE FINTECHS REPORTED HELPING MSEs	
GROW SALES	27% Develop digital payment capabilities
	27% Provide working capital financing
	21% Connect MSEs with digital platforms and/or delivery services
MANAGE/REDUCE COSTS	30% Offer flexible payment terms
	28% Reduce interest rates and/or fees
	23% Automate business processes
MANAGE RISKS	29% Provide a safe place to save
	21% Insure against loss
	13% Detect/prevent fraud



### CHAPCHAP

ChapChap helps MSMEs in Uganda easily access financial services and lowers barriers to entry by eliminating stringent KYC requirements. By partnering with telecoms, utilities, and financial companies, ChapChap offers payment aggregation services to small businesses and helps MSMEs digitally track their business performance and access data-driven unsecured credit through their financial partners. ChapChap also offers an innovative payments solution to individual customers who live in the communities where the MSME clients operate.

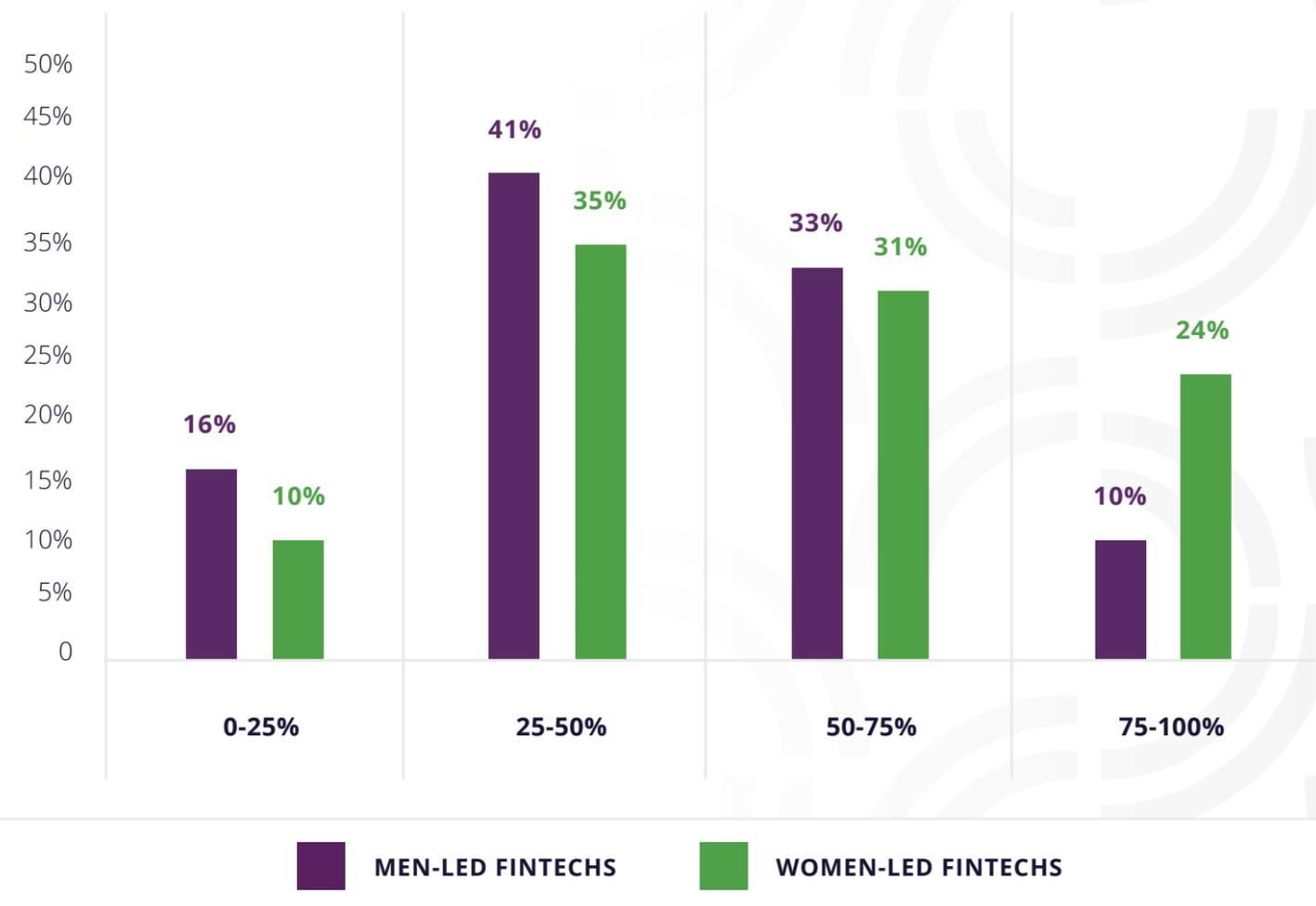
CREATIVE APPROACHES

# Reaching Women Customers

Women-led fintechs are more likely to target and serve women customers

- 77% of women-led\* and 62% of men-led inclusive fintechs track and were able to report gender segmentation data, despite the significant opportunity to tap into the growth of the female economy.
- Consistent with findings from IF50 2020, women-led inclusive fintechs are more likely to explicitly target and serve more women customers than men-led inclusive fintechs.
- Of the 10 inclusive fintechs that reach the largest share of women customers, nine are women-led.
- Approaches that work for women may require more time, support, and a deeper understanding of the normative constraints that may prevent them from being fully economically included.

PERCENT FEMALE CUSTOMERS BASED ON INCLUSIVE FINTECH LEADERSHIP



\*Women-led is defined as at least one woman CEO or co-founder

N = 145, includes B2B2Cs and B2Cs; excludes B2Bs and fintechs that don't track share of women users



“We pay attention to where our women customers are – what they do, what their life looks like, what they need. When designing products, we looked to build with our women customers rather than around them, so that our products are culturally, religiously, and socially acceptable. We first create value for our women customers and build their trajectory with them rather than for them. This has allowed us to have incredible traction in a country like Pakistan.”

**HALIMA IQBAL**

CEO, Oraan

From remarks at the IF50 plenary panel discussion during Financial Inclusion Week

**FURTHERING INCLUSION**

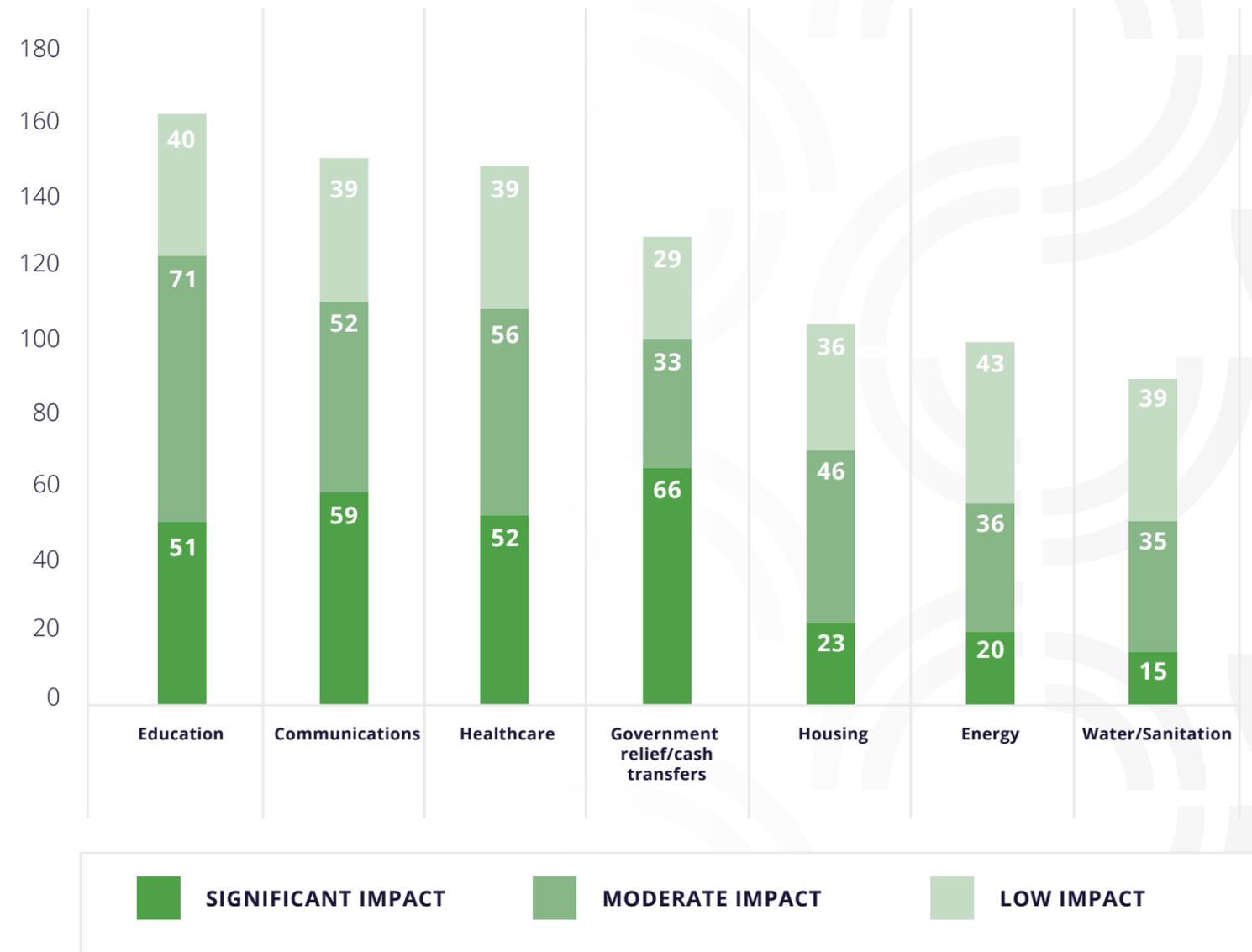
# Helping Customers Navigate a Crisis

**80% of inclusive fintechs helped customers access essential services during COVID-19**

As numerous essential services moved digital during COVID-19, many fintechs brought value to their local communities and users by communicating health updates and sharing information, including how to access public services and digital benefits.

- 232 inclusive fintechs reported their solutions helped customers access at least one essential service during the pandemic.
- Of the 17 inclusive fintechs in insurance, 15 offered solutions that helped customers access healthcare services.
- 80% of payments inclusive fintechs facilitated government relief or cash transfers.
- 20 inclusive fintechs helped provide access to food and essential goods, transportation or job/income generation activities.

## FINTECHS FACILITATING ACCESS TO ESSENTIAL SERVICES



N = 232, fintechs that reported facilitating access to one or more essential services



“We recognize that insurance is not always the top purchasing priority for underserved workers, so we reduce that friction by providing ‘bite size micro, on-demand’ insurance that is relevant to their lives and incorporated into existing platforms. This way, they don’t feel like they are paying extra for the insurance. For instance, in partnership with petrol stations in Malaysia, clients could convert their loyalty points to health insurance, and we saw a huge uptake, resulting in improved access to healthcare services in the context of the pandemic. Three years since our founding, 25% of our users are first time insurance purchasers.”

**SHARIAN RAJ**

Co-Founder, [Senang](#) and 2021 IF50 Winner

# FUNDING CONCENTRATION PERSISTS

# Funding Concentration by Geography

## Regional and country focus among inclusive fintechs

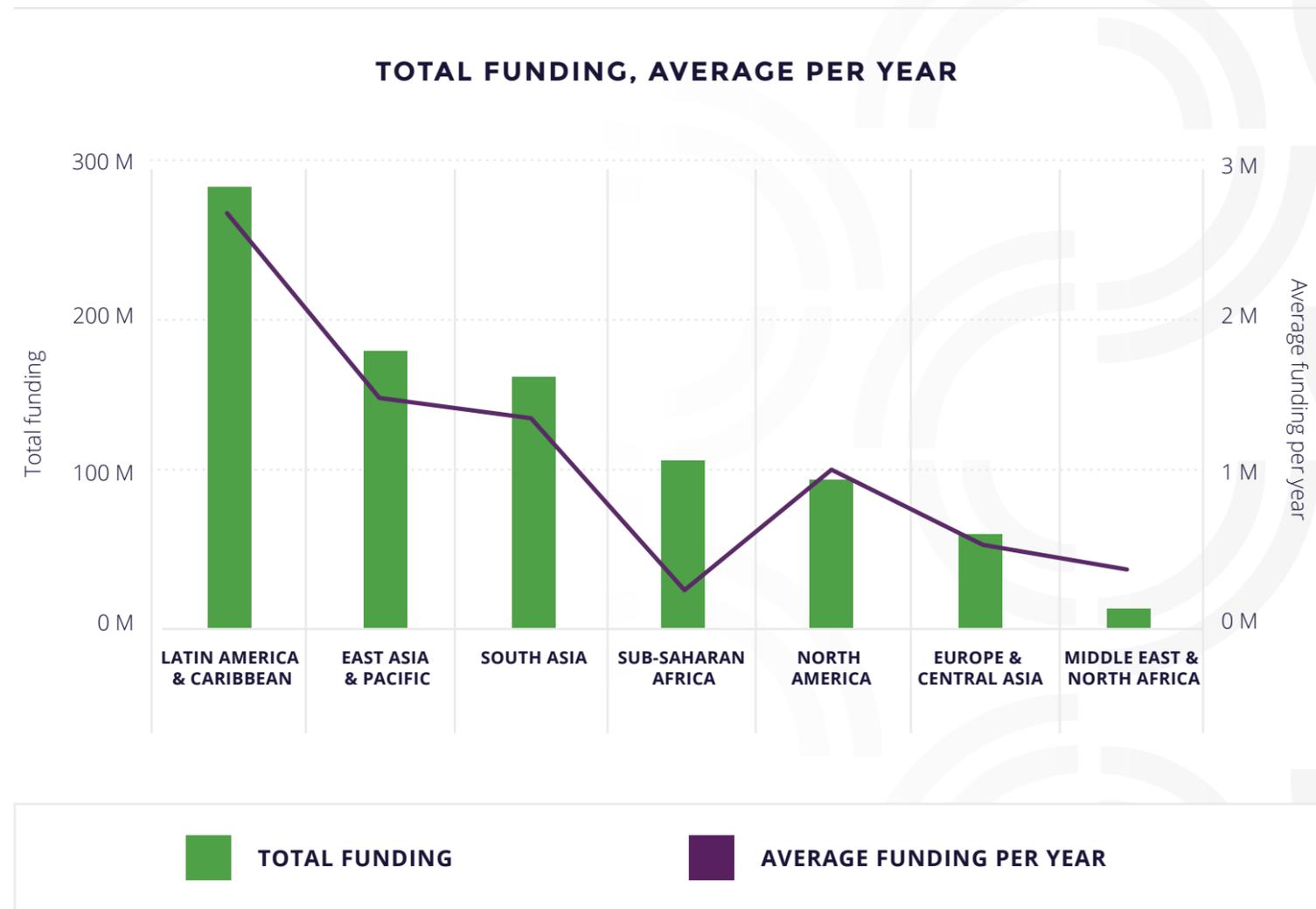
2021 inclusive fintechs reported \$895M in total funding raised to date, with average annual funding of \$543k (compared to \$919M and \$458k, respectively, across a larger applicant pool in 2020).

### REGIONAL CONCENTRATION

- On average, inclusive fintechs in Sub-Saharan Africa received less funding per year than fintechs in other regions. Funding in Sub-Saharan Africa is also lower on a per active user basis, despite low financial inclusion levels.
- Inclusive fintechs in Latin America and the Caribbean raised more than their peers in other regions.
- Funding in the Middle East & North Africa remains limited.

### COUNTRY CONCENTRATION

- 64% of total funding reported by 2021 applicants went to fintechs based in one of five countries: Colombia, India, Mexico, Singapore, and the United States.





“It is important for fintechs to not only understand but also to directly address the unique pain points customers have in a specific market. When funding is concentrated in fintechs operating in just a few places, we miss the opportunity to support those that are developing solutions closely aligned to the needs of the customers they aim to serve.”

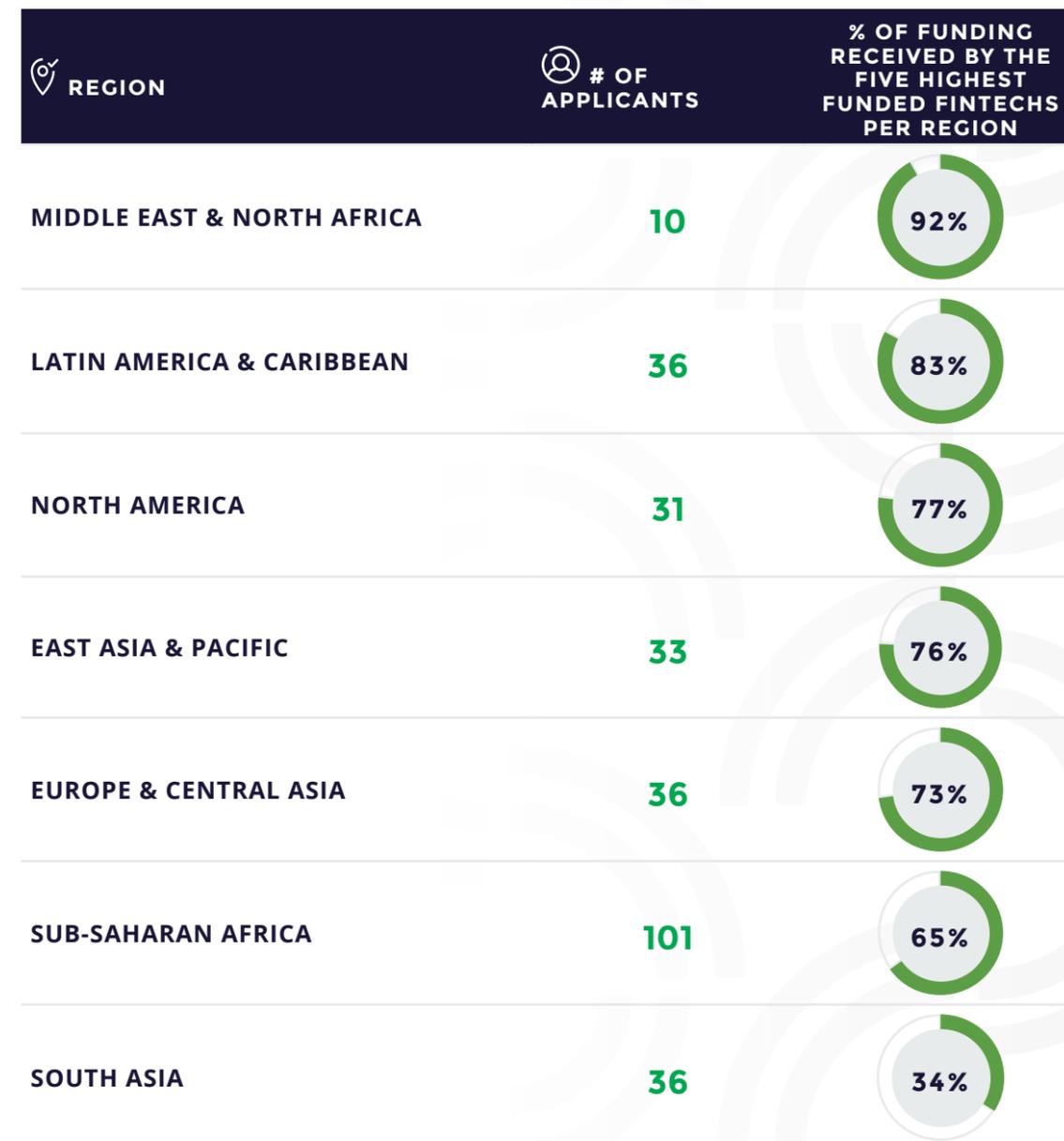
**BRAD JONES**

CEO, WaveMoney and 2021 IF50 Judge

# Funding Concentration Among Inclusive Fintechs

Small set of inclusive fintechs in each region receives majority of funds

- Funding in each region remains concentrated in a few inclusive fintechs.
  - Of the 36 inclusive fintechs from Latin America and the Caribbean, five received 83% of funding in the region.
  - In Sub-Saharan Africa, out of 101 inclusive fintechs, five received 65% of the region's funding.
- This concentration may reflect a 'pattern recognition problem' whereby investors rely on existing networks and indicators and miss out on lesser-known fintechs.
- This pattern may also reflect advantages that some inclusive fintechs have that others don't — for example, many CEOs of startups went to university in a major fintech hub.





“A key part of our mission at FSD Africa Investments is to find innovative financial solutions that broaden access to finance for small firms, and to financial services for underserved communities. So the focus of this year’s IF50 competition on early-stage fintechs that are helping low-income customers and micro and small enterprises is something that resonated with me immediately. It is exciting to see the breadth of ideas and the depth of talent among this new generation of fintechs and to know that, as a result of the IF50 competition, they are being brought to the attention of larger investors.”

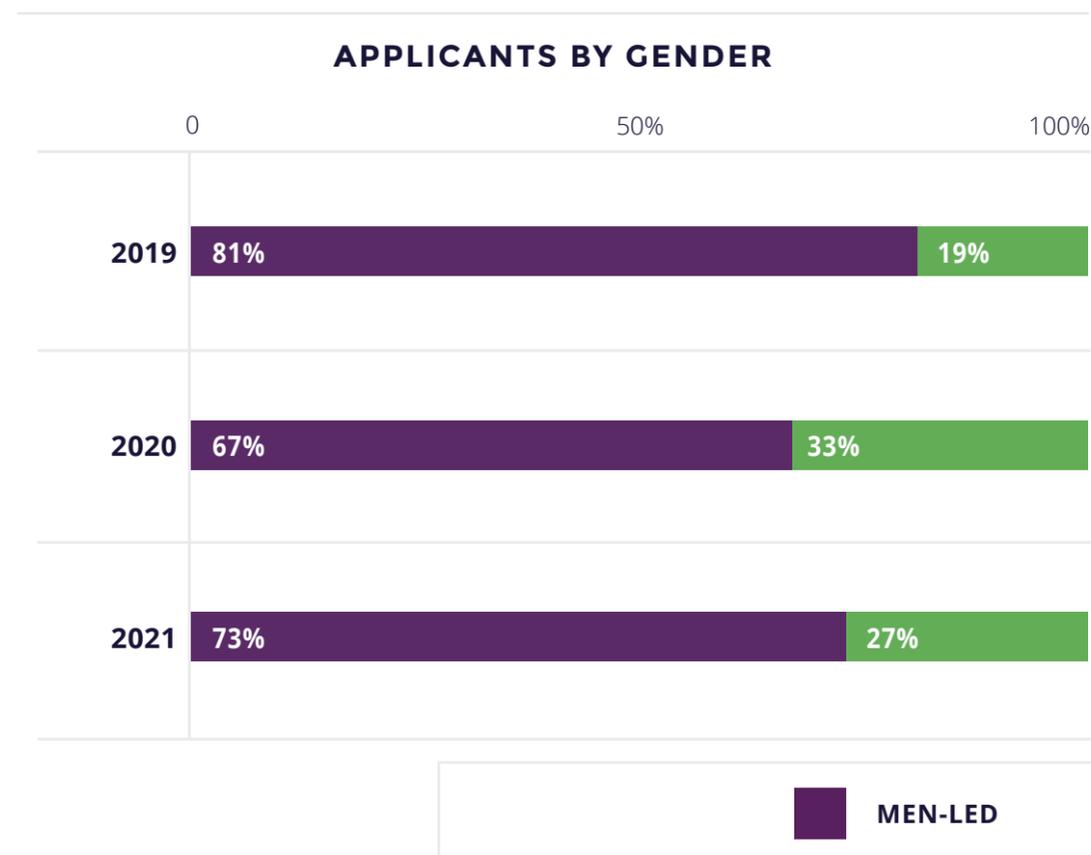
**ANNE-MARIE CHIDZERO**

CIO, FSD Africa Investments and 2021 IF50 Judge

## Funding Concentration by Gender

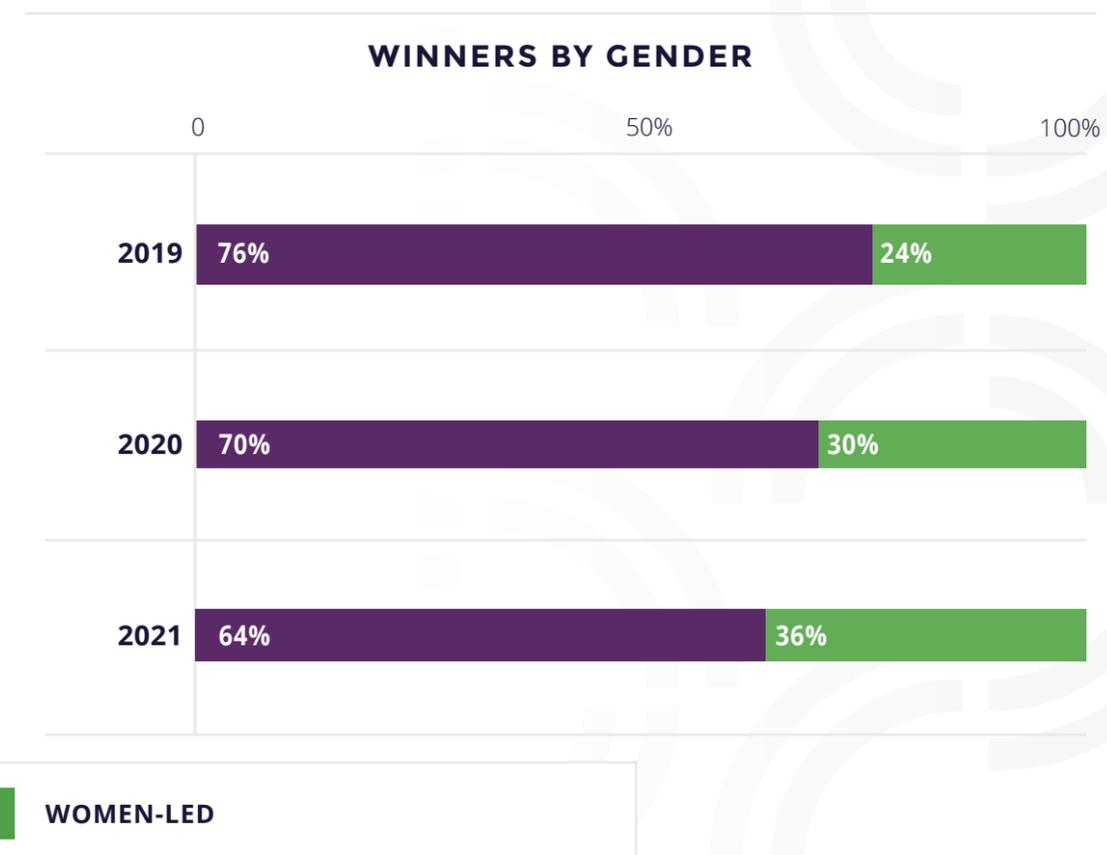
Women-led fintechs made up a smaller percentage of applicant pool but larger percentage of winners

- 2021 saw a significant reduction in women-led\* fintechs who applied for IF50 – down from 33% in 2020 to 27% in 2021.



\*Women-led is defined as at least one woman CEO or co-founder

- The number of IF50 women-led winners has steadily increased each year with 36% of the winners in 2021 being women-led businesses.





“Less than six percent of CEOs are women, as are less than four percent of CIOs or CTOs. In many ways, fintech appears to be repeating the behaviours of traditional finance, with added digital spin. This is an opportunity missed. Fintech is arguably the sector best placed to drive economic change, enable equitable distribution of financial services, and increase financial inclusion among marginalised groups – many of whom are themselves women.”

**FUTURE-FIT FINANCE, THINKING IN 3D DIVERSITY FOR GROWTH**

Findexable's latest [Fintech Diversity Radar report](#)

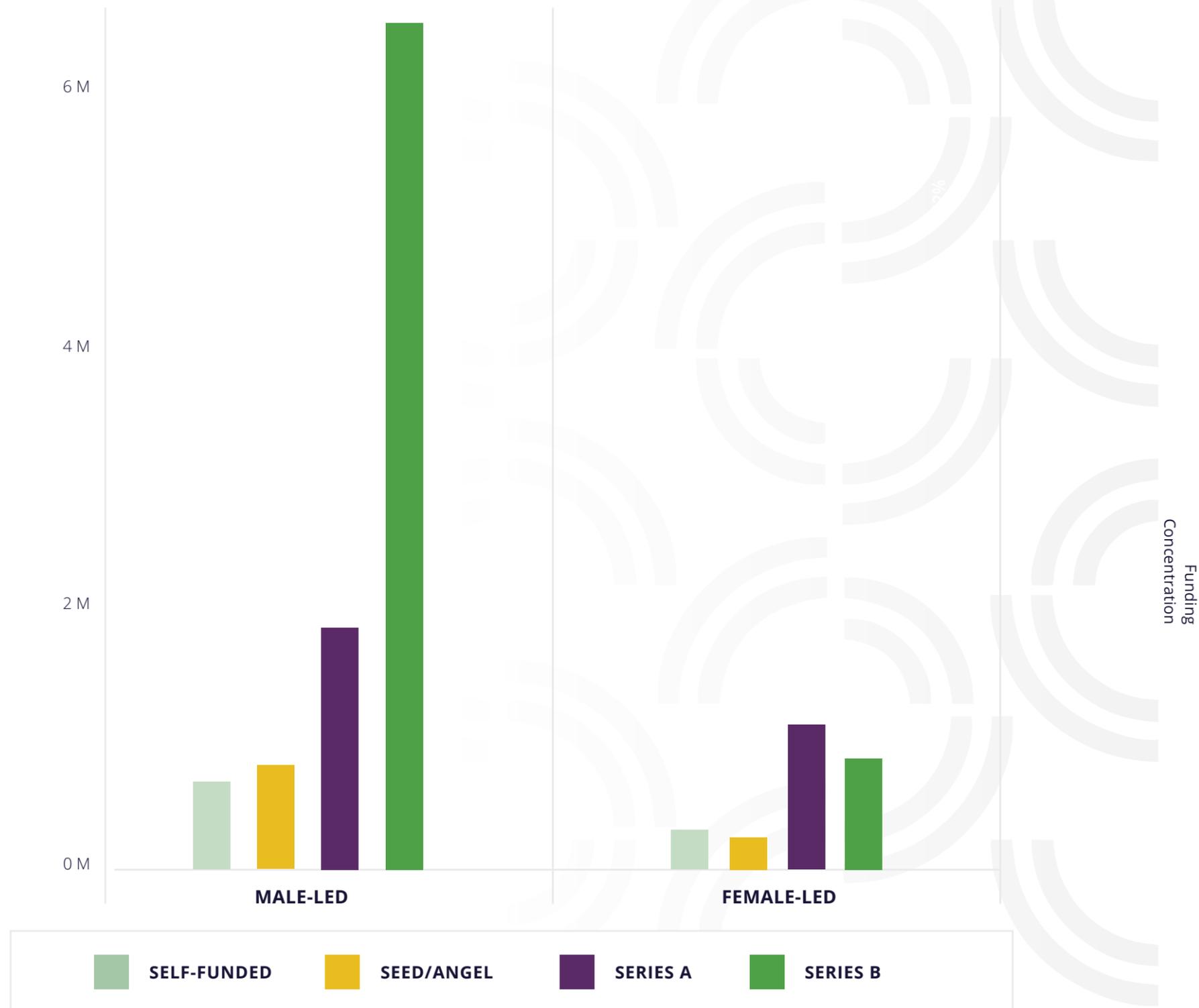
## Funding Concentration by Gender

Women-led inclusive fintechs continue to raise less funding than their men-led counterparts

- Women-led inclusive fintechs raised three times less funding than men-led inclusive fintechs.
- Inclusive fintechs led by men had considerably larger deal sizes across all funding stages compared to women-led inclusive fintechs.
  - According to the [latest Fintech Diversity Radar report](#), under 2% of the world's 1,000 best funded fintech firms are solely founded by women, and just one sixth of fintech funding globally is raised by women-managed firms.
- While almost half of the 2021 women-led inclusive fintechs joined incubators and accelerators, the ['network effect'](#) has not necessarily translated to increased funding.
- This trend is consistent with a [report](#) that found that accelerators may widen the gap in equity financing between men- and women-led start-ups — with men-led, on average, raising 2.6 times as much as women-led start-ups, post acceleration.

\*Women-led is defined as at least one woman CEO or co-founder

AVERAGE FUNDING RECEIVED PER YEAR (USD) BY GENDER AND FUNDING STAGE



# POTENTIAL CUSTOMER RISKS PERSIST AROUND DATA USAGE

## DATA AND CONSENT

# How Inclusive Fintechs Are Using Customer Data

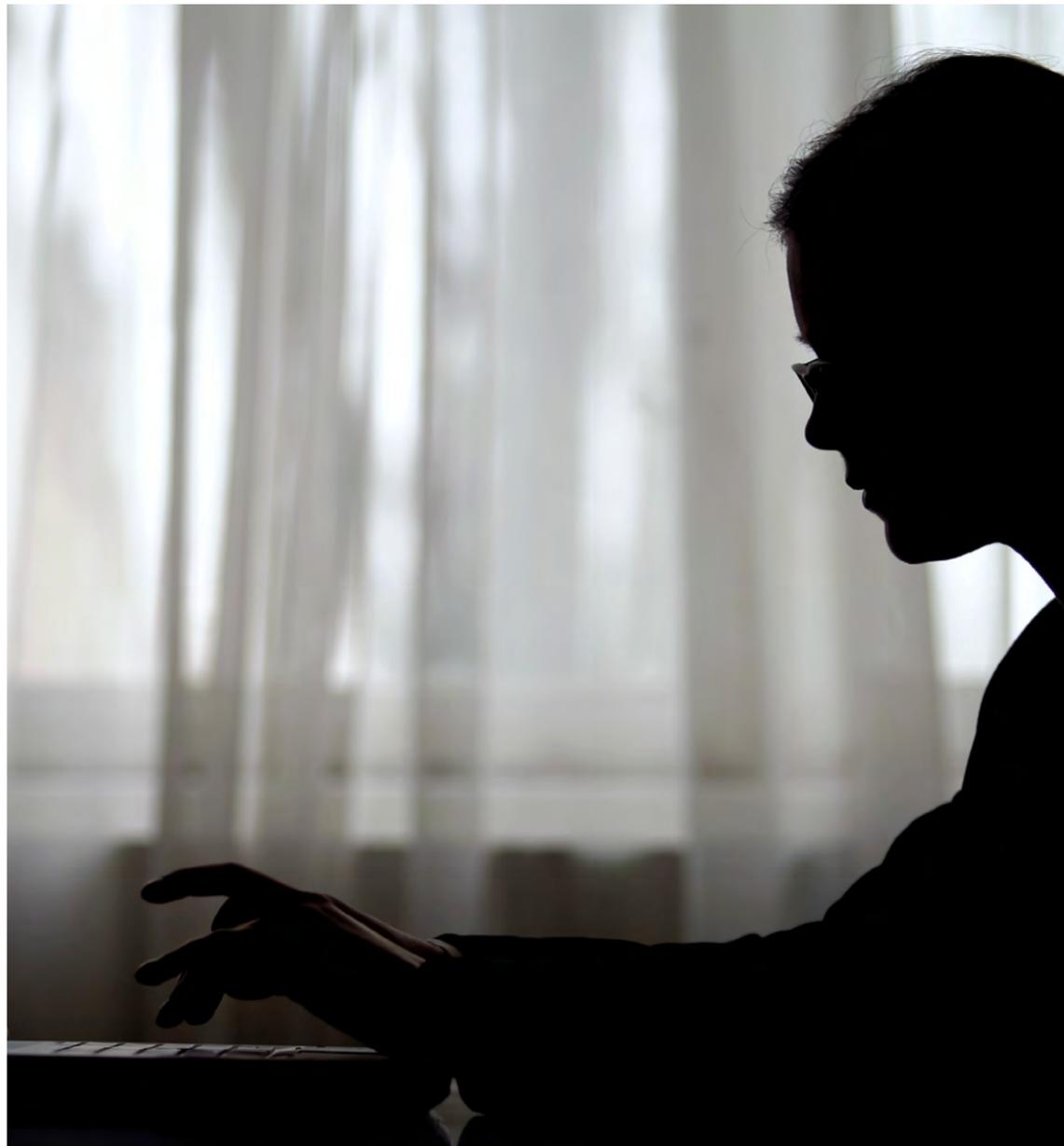
Inclusive fintechs use a range of data sources for a variety of purposes

- The most popular data sources continue to be traditional data (financial transaction history) and basic alternative data (geolocation and mobile phone behavior data).
- More than 60% of inclusive fintechs reported offering solutions that are specifically designed for using data and technology to identify and target new customers or expand eligibility.
- While this expanded eligibility should include underserved populations, a risk exists that employing data patterns can mirror existing societal biases and discrimination or favor populations with better digital footprints.



### PNGME'S

Pngme's data platform provides tools and machine learning capabilities to help financial service providers leverage the data they have for a wide array of use cases to provide products and services to un/underbanked customers. The fintech's mission critical data infrastructure and machine learning models make the process of collecting, analyzing, and using financial data simple for financial institutions. Pngme's platform provides banks, fintech,s and credit bureaus with the building blocks to create innovative financial products and personalized user experiences for un/underserved customers.



“The increased use of data sources means that financial service providers now have the option to design services for the actual lives that customers lead; and help solve real problems for them. We do need to keep in mind the potential that technology + finance holds to offer relevant services to hitherto excluded customer segments — that is the real promise of inclusive fintechs.”

**BUHLE GOSLAR**

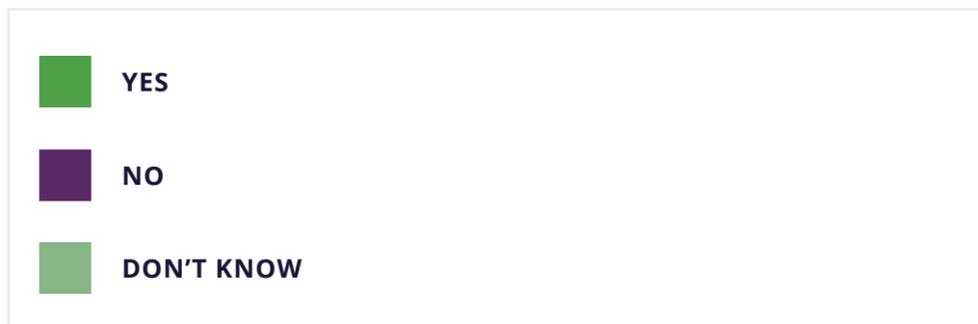
Africa CEO, Jumo and 2021 IF50 Judge

DATA AND CONSENT

# Obtaining Customer Consent for Data Usage

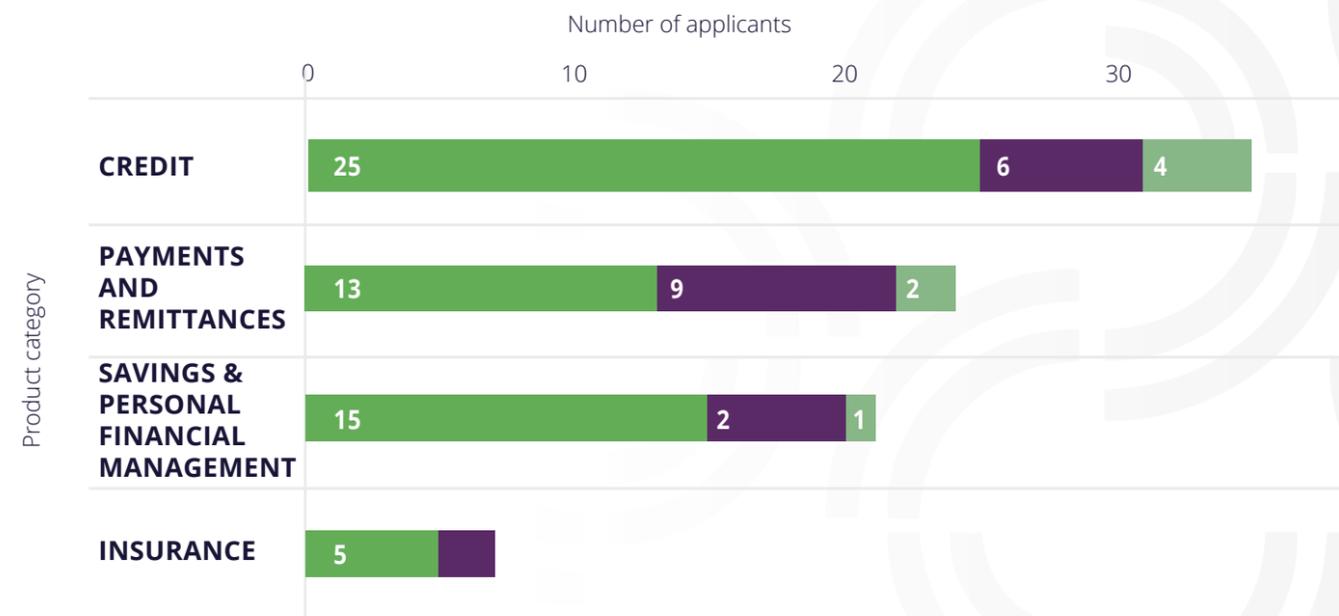
Earlier-stage inclusive fintechs less likely to have informed consent policy in place

- 66% of inclusive fintechs require customer consent (compared to 80% in the 2020 IF50 dataset).
- Credit fintechs primarily require customers' consent either to share data with third parties that are part of the service provision or to report data to credit bureaus.
- 73% of inclusive fintechs that receive venture capital require consent versus 55% of those that are self-funded.

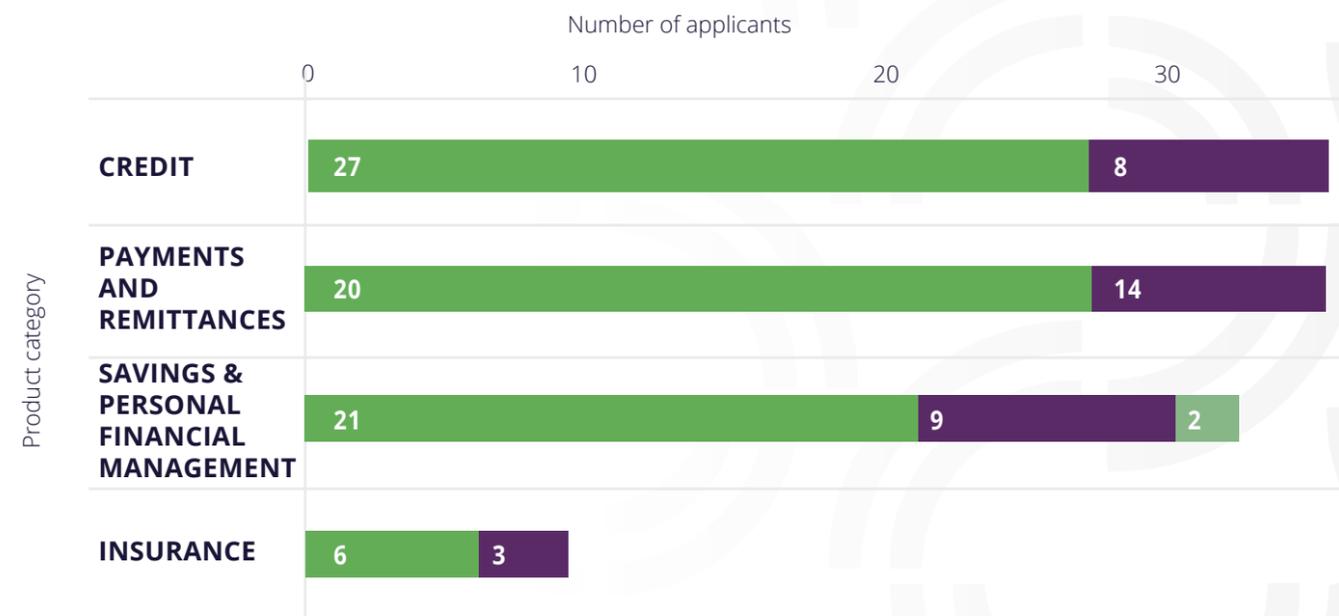


Charts exclude B2B and infrastructure fintechs to focus on those more directly serving end customers.

## B2C FINTECHS REQUIRING CUSTOMER CONSENT TO USE PRODUCT



## B2B2C FINTECHS REQUIRING CUSTOMER CONSENT TO USE PRODUCT





“As the use of digital financial services increases — across both banks and fintechs — it is critical that people are empowered with access to their financial data. Consumers have the right to share their data in a secure and reliable manner, where and how they choose. This is key to building a fully inclusive ecosystem in which people can lead healthy financial lives.”

**GINGER BAKER**

Head of Financial Access, Plaid and 2021 IF50 Judge

# RECOMMENDATIONS

# Recommendations

For fintechs to achieve their potential in advancing the reach of inclusive financial services, progress is needed in several areas.

## 1. Fintechs should continue to make progress and invest in onboarding excluded segments:

- All fintechs should track sex disaggregated data.
- By understanding customer usage by gender, fintechs will be in a better position to design products that work for women customers.
- Agents and other approaches to onboard customers with low digital and financial literacy are needed. Similar approaches are also needed to reach customers with disabilities.

## 2. Funding must reach a more diverse set of fintechs:

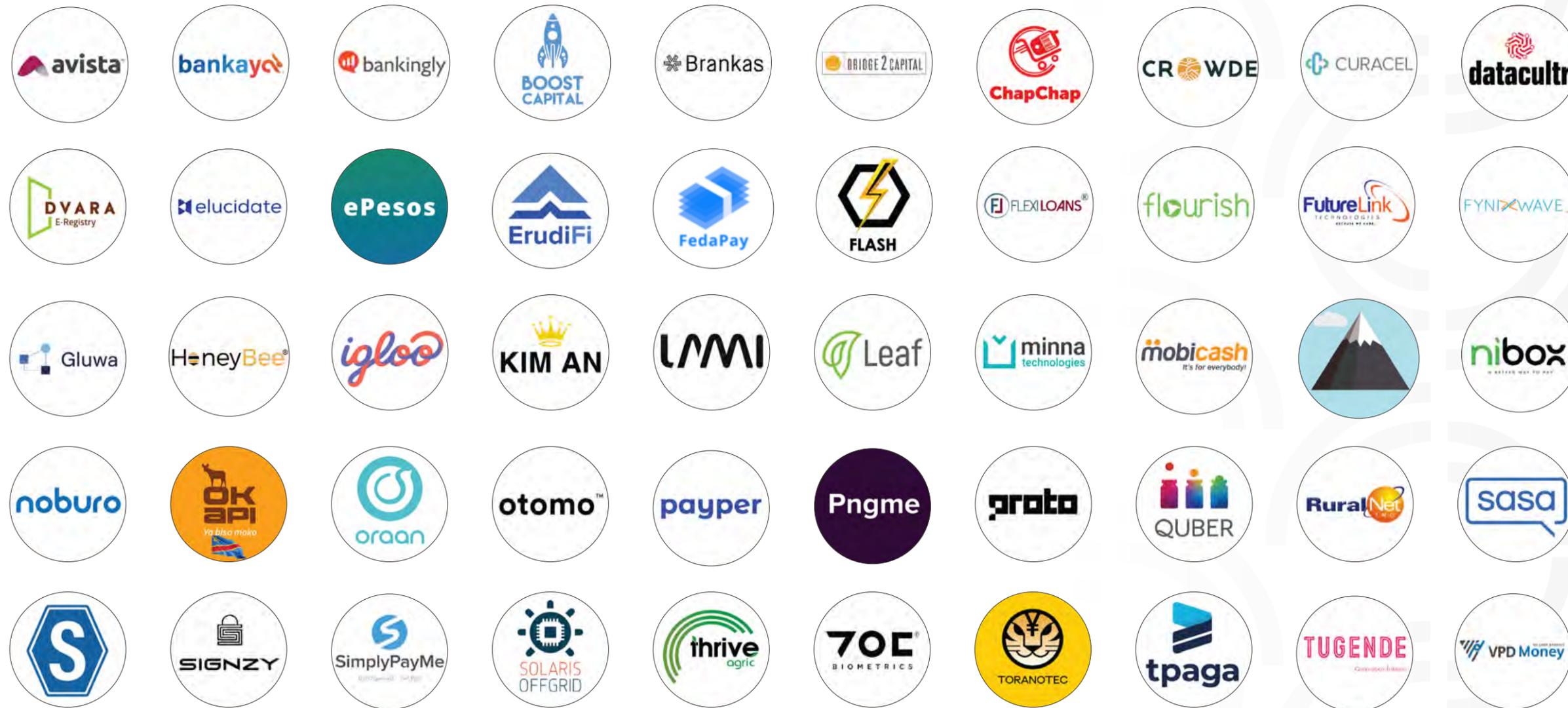
- Investors and the start-up ecosystem can do more to seek out and support fintechs that are “off the beaten path” and less known.
- Providing visibility, access to networks, and competitions (like IF50) can attract lesser known inclusive fintechs and are good sources of information for investors and ecosystem actors.
- To address potential unconscious biases, investors should consider gender-blind screenings.

## 3. Use of customer data must be accompanied by appropriate safety and protection protocols:

- Fintechs’ use of customer data requires special attention. At a minimum, transparency on data practices is necessary and should be vetted by investors.
- Customer consent, while the current standard, is insufficient given the limited financial and digital literacy of many low-income consumers.
- Special attention is also needed on algorithms. Algorithm design teams should have sufficient financial sector and in-country experience, and the data used to train algorithms should be audited to avoid mirroring existing societal biases and discrimination.

# MEET THE 2021 WINNERS, JUDGING PANEL, AND SPONSORS & PARTNERS

# IF50 2021 WINNERS



LEARN MORE ABOUT THE 2021 IF50 WINNERS

# IF50 2021 JUDGING PANEL



**NEJOUAD AL MULAIK**

*Director, Fintech Saudi*



**GINGER BAKER**

*Head of Financial Access, Plaid*



**MARLA BLOW**

*President & COO, Skoll Foundation*



**ANNE-MARIE CHIDZERO**

*CIO, FSD Africa Investments*



**BUHLE GOSLAR**

*Africa CEO, Jumo*



**ZENNON KAPRON**

*Founder/Director, Kapronasia*



**SARAH AUSTRIN-WILLIS**

*Senior Director, Financial Health Network*



**STEPHEN BARNHAM**

*CIO, MetLife Asia*



**MAELIS CARRARO**

*Director, BFA Catalyst Fund*



**BERNHARD EIKENBERG**

*Partner, Emerging Markets, Community Investment Management*



**BRAD JONES**

*CEO, WaveMoney*



**JOJO MALOLOS**

*CEO, JG Digital Equity Ventures & Data Analytics Ventures*

# IF50 2021 JUDGING PANEL

MORE INFORMATION ON THE  
2021 JUDGING PANEL

2021 INCLUSIVE FINTECH 50



**JARED MILLER**

*Co-founder & CEO, Accial Capital*



**JACQUELINE MUSIITWA**

*Independent Advisor*



**MARIA PUCH HERREROS DE TEJADA**

*Institutional Development Director, New Ventures Mexico*



**SHWETANK VERMA**

*Co-Founder and General Partner, Leo Capital*



**ZIA ZAMAN**

*Innovator*



**ROBERT MITCHNICK**

*Vice President, BlackRock*



**MARK PICKENS**

*Senior Director, Social Impact, Visa Inc.*



**KUNAL UPADHYAY**

*Advisor, ADB Ventures*



**GRAHAM WRIGHT**

*Managing Director, MicroSave*



**GABRIELA ZAPATA ALVAREZ**

*Independent Consultant, Financial Inclusion*

# SPONSORS & PARTNERS



## VISA Global Sponsor

Visa Inc. (NYSE: V) is the world's leader in digital payments. Our mission is to connect the world through the most innovative, reliable and secure payment network – enabling individuals, businesses and economies to thrive. Our advanced global processing network, VisaNet, provides secure and reliable payments around the world, and is capable of handling more than 65,000 transaction messages a second. The company's relentless focus on innovation is a catalyst for the rapid growth of connected commerce on any device, and a driving force behind the dream of a cashless future for everyone, everywhere. As the world moves from analog to digital, Visa is applying our brand, products, people, network and scale to reshape the future of commerce.

[www.usa.visa.com/visa-everywhere/blog.html](http://www.usa.visa.com/visa-everywhere/blog.html)



## METLIFE FOUNDATION Global Sponsor

At MetLife Foundation, we are committed to expanding opportunities for low- and moderate-income people around the world. We partner with nonprofit organizations and social enterprises to create financial health solutions and build stronger communities, while engaging MetLife employee volunteers to help drive impact. Our financial health work has reached more than 17.3 million low- and moderate-income individuals in 42 countries.

[www.metlife.org](http://www.metlife.org)



## JERSEY OVERSEAS AID & COMIC RELIEF Global Sponsor

In 2018, Comic Relief and Jersey Overseas Aid announced a four-year £8 million partnership called 'Branching Out: Financial Inclusion at the Margins' to improve access to affordable financial services for those at the margins of society in Sierra Leone, Rwanda and Zambia. Comic Relief and Jersey Overseas Aid believe that one of the best ways to do this is by transferring knowledge to build responsible and inclusive financial systems, incubating FinTech, and focusing on service delivery to increase bottom-of-the-pyramid access to financial services including bank accounts, savings, insurance and credit, providing low-income households with the means to plan for the future as well as unexpected events. The partnership grants support a diverse set of organisations, made up of international and local NGOs, with each grantee delivering programmes designed to meet different community and national needs in addressing financial inclusion.



**ACCION**  
Supporting Partner

Accion is a global nonprofit committed to creating a financially inclusive world, with a pioneering legacy in microfinance and fintech impact investing. We catalyze financial service providers to deliver high-quality, affordable solutions at scale for the three billion people who are left out of — or poorly served by — the financial sector. For 60 years, Accion has helped tens of millions of people through our work with more than 170 partners in 55 countries.

[www.accion.org](http://www.accion.org)



**IFC**  
Supporting Partner

IFC — a member of the World Bank Group — is the largest global development institution focused on the private sector in emerging markets. We work in more than 100 countries, using our capital, expertise, and influence to create markets and opportunities in developing countries. In fiscal year 2020, we invested \$22 billion in private companies and financial institutions in developing countries, leveraging the power of the private sector to end extreme poverty and boost shared prosperity.

[www.ifc.org](http://www.ifc.org)



**CENTER FOR FINANCIAL INCLUSION**  
Implementing Partner

The Center for Financial Inclusion (CFI) works to advance inclusive financial services for the billions of people who currently lack the financial tools needed to improve their lives and prosper. We leverage partnerships to conduct rigorous research and test promising solutions, and then advocate for evidence-based change. CFI was founded by Accion in 2008 to serve as an independent think tank on inclusive finance.

[www.centerforfinancialinclusion.org](http://www.centerforfinancialinclusion.org)

# METHODOLOGY AND PROCESS



In 2021, 377 applicants applied to Inclusive Fintech 50. This analysis includes 283 applicants deemed eligible. All references to “IF50 data” or “IF50 applicants” relate to the 283 eligible applicants. Eligibility required a company to prove that they:

1. are a fintech, defined as technology-first financial services company;
2. have at least one live customer;
3. are at Series B financing round or earlier; and
4. were not a previous winner of Inclusive Fintech 50.

All data points are self-reported by the fintechs and are not independently verified. All applications were reviewed for completeness, outliers, and discrepancies, and the point of contact listed for each fintech had the opportunity to correct the application accordingly. Remaining outliers were excluded from the analysis as necessary to avoid distorting the data. As such, all data points referred to in this analysis include the sample size of fintechs that responded to the question, as not every question was mandatory.

The application with the survey questions can be found on [Inclusive Fintech 50- FAQ](#).

# SELECTION OF THE WINNERS

Inclusive Fintech 50 2021 was open to fintechs worldwide, including business-to-business (B2B), business-to-consumer (B2C), and business-to-business-to-consumer (B2B2C) fintechs in the following categories: credit, infrastructure, insurance, payments and remittances, and savings and personal financial management.

To ensure participation from early-stage and lesser-known fintechs, the project team and its partners conducted outreach and generated awareness in each of the target regions, using a coordinated communications strategy that included direct outreach to fintech hubs, incubators, and accelerators, fintech regional associations and networks, and robust social media and email campaigns. The application was open from June 28 to August 4, 2021. In total, 377 fintechs applied.

The application questions balanced the desire for firm and specific answers against the reality that fintechs, particularly very young companies, might be constrained by limited information and time. The scoring process utilized both absolute and relative scoring methods to account for the variety of possible responses, the range of performance metrics, and the lack of existing benchmarks in the fintech space. Applications were each reviewed and scored by CFI staff and two to three independent, expert judges.

- Absolute scoring: Each applicant is scored based on their responses to specific questions. This is mainly used for scoring Innovation and Inclusivity.
- Relative scoring: Each applicant is scored against their peers (same product category, business model and, where relevant, country-level income) on quantifiable measures such as investment-to-date and number of customers reached.

Based on interviews with investors and fintechs in 2019, we developed selection criteria that provided a comprehensive understanding of each applicant. Each of the selection criteria listed below was vetted through interviews with investors and fintech founders to ensure it: (1) provided meaningful insight from an investor perspective, (2) did not place undue

burden on an early-stage fintech or was otherwise not possible to fulfill, and (3) represented the experience of fintechs along the early-stage spectrum.

The Inclusive Fintech 50 selection criteria are underpinned by four evaluation areas of equal weight:



**INCLUSIVITY**



**INNOVATION**



**TRACTION**



**SCALE  
POTENTIAL**

More information on each of these criteria can be found at [Inclusive Fintech 50 – Selection Criteria](#).

Contact **The Center for Financial Inclusion**  
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