

D2020 Advisory Committee: Meeting Minutes

Date: January 18, 2019

Location: World Bank Office, Hotel Yak & Yeti

Minutes

This first Advisory Committee meeting was hosted by Mr. Faris Haddad-Zervos, Nepal Country Manager for the World Bank (and D2020 Advisory Committee member). A round of introductions followed a brief welcome from Mr. Haddad-Zervos.

Agenda Item-1: D2020 Campaign Overview

- The D2020 Secretariat recapped the genesis of the D2020 campaign, its objectives and thanked all participants for their enthusiasm and continued support in helping grow Nepal's digital ecosystem, and specifically, the (digital) financial transactions layer of this ecosystem.
- Committee members stressed the need for appropriate representation from committed individuals (and their respective institutions) as well as a gradually expanded and more representative AC and D2020 partnership. Deeper engagement and wider representation from the private sector, donor community and most importantly the GoN (Government of Nepal), was raised as critical success factors.
- In the interest of maintaining focus and an action-oriented agenda, the need for cautionary and deliberate expansion of the AC and D2020 partnership was also expressed.
- Notably, several AC members cited appropriate representation from and engaged participation by the Ministry of Finance (given D2020's systemic implications on Nepal's financial services landscape), as mission-critical to D2020.
- In terms of current participation/representation, Committee members asked for a readout of D2020 partner entities; (a complete list of partners that have been consulted on the D2020 campaign is represented in "Annex-A: Attendee List")
 - From the private sector, partners that have been consulted include: (i) UnionPay; (ii) Visa; (iii) Prabhu Pay; (iv) NCHL; (v) IME Pay; (vi) Ncell; (vii) NEPS; (viii) SCT; and (ix) F1Soft/eSewa.
 - From the donor community, partners that have been engaged include: (i) DFID; (ii) World Bank; (iii) and IFC. Partners to be engaged include: (i) ADB and (ii) UNDP.
 - From the GON, partners that have been consulted include: (i) Prime Minister's Office; (ii) Ministry of Finance; (iii) Central Bank of Nepal; and (iv) Nepal Investment Board.
- AC members offered candid and constructive views indicating that while D2020 is off to a good start, a lot more remains to be done around diversity and inclusion, transparency, transfer of relevant expertise, building up of capacity, etc.
- Several references were made to the optics surrounding F1Soft through its foundation, playing a pivotal role in designing and executing the D2020 agenda. To this point, the D2020 Secretariat reiterated F1Soft Foundation's standing offer to transfer responsibilities to any GON entity willing to take ownership. Should such an entity come forth, a hand-off would be initiated immediately alongside an offer for the owning GON entity to take control of D2020 resources, as F1Soft Foundation's contribution at no cost to GON.

- AC members raised a question on alignment between the “Digital Nepal” effort and “D2020”. The D2020 Secretariat clarified that the former is a high-level strategic framework that covers multiple aspects of Nepal’s digital transformation whereas the latter is narrowly focused on enabling FinTech and the financial services layer. Placed in context, “D2020” should be perceived as one of many action-oriented initiatives that will germinate under the “Digital Nepal” umbrella, over the months ahead. The representative of “Digital Nepal” in attendance agreed on this positioning and added that he would follow up internally for additional background.
- The AC decided to hold off on an official D2020 launch event in favor of a half-day conclave. The purpose of this event would be to gather all D2020 partners and iron out outstanding issues, bottlenecks, and chart a path going forward.
- A suggestion was also made to feature D2020 as part of an international “road show” in support of the upcoming Investment Board summit on March 29-30, 2019.

Action Item:

- **D2020 Secretariat to work closely with the AC to help organize and execute a conclave over the next four weeks.**
 - **D2020 Secretariat will create appropriate collateral to showcase D2020 to external audiences; follow-up on this item will be with Mr. Haddad-Zervos.**
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Agenda Item-2: AC Terms of Reference and Chairperson nomination

- No comments were received on the draft AC Terms of Reference that was distributed in advance of the meeting. This draft is now considered final, subject to future changes that will require deliberation within the AC.
- Agreement was reached on the concept of a 6-month rotating Chair to be occupied by GON, Donor and Private Sector AC members. The first Chairperson will be identified at the upcoming D2020 conclave.

Action Item:

- **D2020 Secretariat will table this agenda for discussion at the upcoming conclave.**
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Agenda Item-3: Measuring the success of D2020

- The issue around sharing sensitive data was raised by the AC Observer from NCHL. The D2020 secretariat clarified this agenda item as having been added based on our initial consultation with NCHL and other private sector partners that had raised similar concerns.
- There was unanimous agreement that an independent third party should serve as the focal point for data collection and dissemination and that the logical candidate to execute this task would be NRB.
- The AC member from NRB indicated interest in progressing on a M&E framework but cited lack of existing infrastructure and expertise as potential hurdles.

- AC members from the Donor community expressed interest in working with NRB to help close gaps where these are evident. One suggestion was to leverage the research capabilities within NRB to help progress.

Action Items:

- **AC member from NRB to discuss with his Management a way forward and revert.**
- **AC member from DFID offered to consult internally on financial inclusion M&E frameworks that have been benefited from technical advice offered by DFID in other jurisdictions. Lessons learned (literature, references, etc.) to be shared with D2020 members and NRB.**
- **Colleagues from the World Bank Group suggested leveraging the FINDEX data set as a baseline for expansion and combining efforts with NRB's recently launched efforts on measuring financial inclusion. D2020 Secretariat to follow up with relevant WB colleagues on the practicality of using FINDEX data.**
- **The D2020 Secretariat will schedule a follow-up meeting to help progress this effort.**

Agenda Item-4: Diversity in financial inclusion

- All present agreed on the need to diversify D2020 by applying different lenses including digital ecosystem, geography, gender, and underbanked/unbanked to the overall agenda.
- Participants also emphasized the need to talk about financial inclusion in parallel with issues such as digital IDs, current cash transmission mechanisms, and social protection considerations.

Action Item:

- **D2020 Secretariat will continue injecting conversations on diversity into future agendas to ensure this gap remains top-of-mind and is incorporated into all aspects of the D2020 initiative.**
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Annex-A: Invitee and Attendee List

Name	Organization	Role in D2020	Mode
Mr. Faris H. Hadad-Zervos	Country Manager, World Bank	AC member	In-person
H.E. Richard Morris	UK FCO, Ambassador to Nepal	AC member	In-person
Mr. Rurik Marsden	Head, DFID	AC member	In-person
Mr. Gyanendra Prasad Dhungana	President, Nepal Bankers' Association	AC member	In-person
Mr. Dev Kumar Dhakal	Executive Director, Payments Systems Dept., Nepal Rastra Bank	AC member-delegate on behalf of Dr. Chiranjibi Nepal, Governor, NRB	In-person
Mr. Maha Prasad Adhikari	CEO, Investment Board Nepal	AC Member	Regrets received
Dr. Ram Sharan Kharel	Advisor, Ministry of Finance	GON – Observer	Absent
Mr. M. Rehan Rashid	Country Head, IFC	Donor Partner - Observer	In-person
Mr. Neelesh Man Pradhan	CEO, NCHL	Private Sector Partner – Observer	In-person
Mr. Prabin Chhetri	CEO, NEPS	Private Sector Partner – Observer	Regrets received
Mr. Ram Rakkapan	Head of Government Relations, Visa	Private Sector Partner – Observer	Via Webex
Ms. Kusum Lama	Direct, Prabhu Pay	Private Sector Partner – Observer	Absent
Mr. Rakesh Shrestha	Nepal Representative, UnionPay	Private Sector Partner – Observer	In-person
Mr. Manohar K. Bhattarai	Advisor, Digital Nepal	Private Sector Partner – Observer	In-person
Mr. Ranjit Kumar Karna	Program Manager, Ncell	Private Sector Partner – Observer	In-person
Mr. Ashim Nepal	Financial Sector Specialist, World Bank	Donor Partner – Observer	In-person
Mr. Sabin Raj Shrestha	Sr. Financial Sector Specialist, World Bank	Donor Partner – Observer	In-person
Mr. Biswas Dhakal	CEO, F1Soft International Pvt. Ltd.	Private Sector Partner – Observer	In-person
Mr. Abhishek Chhetri	PA to CEO, F1Soft International Pvt. Ltd.	Private Sector Partner – Observer	In-person
Mr. Prakash Koirala	Program Manager, D2020	D2020 Secretariat	In-person
Mr. Dipta Shah	Advisor, F1Soft Foundation	D2020 Secretariat	In-person