

1. “Global Microscope 2019: The enabling environment for Financial Inclusion Report”.

Prelims: Banking

Mains: GS-III Inclusive Growth & issues arising from it

Why in News?

- ▶▶ The Economist Intelligence Unit has released the 2019 edition of “**Global Microscope: The enabling environment for Financial Inclusion report**”.
- ▶▶ The report assessed 55 countries based on enabling environment for financial access.
- ▶▶ The report is a benchmarking index that assesses enabling environment for financial access in 55 countries.

Key Findings of the Report with Respect to India:

- ▶▶ As per the report, India was placed at the 5th spot in the nations having the most conducive environments for inclusive finance.
- ▶▶ The overall environment for financial inclusion has improved globally with India, Colombia, Peru, Uruguay and Mexico having the most favourable conditions for inclusive finance.
- ▶▶ India is among top nations with most conducive environment for financial inclusion in terms of allowing non-banks to issue e-money, proportionate customer due diligence and effective consumer protection.

Government Interventions in this Aspect:

- ▶▶ RBI has released the Enabling Framework for Regulatory Sandbox (RS), which creates the basis for a regulatory sandbox that will allow fintech start-ups to live-test innovative products and services.
- ▶▶ Reserve Bank has prepared a draft National Strategy for Financial Inclusion to deepen financial services coverage in the country.
- ▶▶ The long-awaited strategy is expected to be finalised in 2019 and will cover a five-year period.
- ▶▶ The RBI has set up a high-level committee to review the existing status of digitisation and devise a medium-term strategy for increasing digital payments.

About the Report:

- ▶▶ Produced by **Economist Intelligence Unit (EIU)**, the research and analysis division of The Economist Group.

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- ▶▶ It is created in 1946 and is the world leader in global business intelligence.
 - ▶▶ The 2019 edition of Global Microscope report features 11 new gender focussed indicators that measure financial inclusion for both women as well as men.

Domains Covered under the Survey:

- ▶▶ Government and Policy Support
- ▶▶ Products and Outlets
- ▶▶ Stability and Integrity
- ▶▶ Consumer Protection
- ▶▶ Infrastructure.

