JERSEY OVERSEAS AID

Financial Inclusion

Strategy and guidance for applicants

Contents

What's new in this strategy (Version 2)

This updated strategy builds on JOA's existing approach and does not change overall priorities. Instead, it:

- strengthens the focus on meaningful use and outcomes, beyond access
- clarifies JOA's role as a targeted, catalytic funder
- introduces a clearer structure through four strategic pillars
- emphasises focused, proportionate interventions within complex systems
- reflects updated evidence and current best practice

Introduction

Jersey Overseas Aid (JOA) is committed to promoting sustainable development and advancing financial inclusion in low-income countries. This strategy sets out JOA's approach to strengthening financial health, resilience, and economic opportunity for marginalised populations across its partner countries.

Financial inclusion is recognised as a critical enabler of poverty reduction and resilience. However, access alone is insufficient. JOA adopts an approach that prioritises meaningful use of financial services, alongside improvements in the broader systems that support inclusive and sustainable markets.

This strategy draws on national financial inclusion strategies, global frameworks, and learning from partners and stakeholders. It reflects a commitment to inclusive, climate-smart, and market-responsive approaches that support women, youth, smallholder farmers, people with disabilities, and forcibly displaced populations.

How to use this strategy

This strategy sets out JOA's overall direction and ambition for financial inclusion programming. While it reflects a broad and interconnected set of priorities, **individual programmes are not expected to address all elements of the strategy.**

JOA encourages partners to identify **clear, well-defined entry points** within the system, with ambitions that are **proportionate to the scale of funding and context**. JOA recognises that financial inclusion systems are complex and multi-actor. While the overall ambition is systemic change, individual programmes are expected to contribute to **specific leverage points within the system**, rather than addressing it in its entirety. These may include product innovation, delivery models, policy reform, or strengthening supporting functions.

Context and Challenges

Financial inclusion has improved in recent years, reflecting a combination of technological change, policy reform, and broader investment in financial systems. However, according to the Global Findex Database (2025), the latest data from 2024 show continued progress in account ownership, though levels vary significantly across JOA target countries: Rwanda (~77%), Nepal (~60%), Malawi (~50%), Zambia (~73%), Ethiopia (~49%), and Sierra Leone (~39%) of adults (age 15+) report owning an account. Across all JOA countries, account ownership has increased significantly over time—with sustained growth observed across all countries over time (see Figure X).

Account ownership has increased across all JOA target countries over the past decade, driven largely by the expansion of mobile money and digital financial services. While growth has been substantial in all contexts, levels and rates of change vary, with Sierra Leone remaining the country with the lowest percentage account ownership.

This expansion has been driven in large part by mobile money and digital financial services, but progress remains uneven across countries and population groups. Despite these gains, increased access has not consistently translated into improved financial health or resilience, with persistent gaps affecting poorer households, women, and rural populations.

This highlights the need to move beyond access alone, towards supporting the **effective and meaningful use of financial services**, enabling individuals and households to manage risks, absorb shocks, and pursue opportunities.

This distinction draws on CGAP's Impact Pathfinder, which emphasises the difference between expanding access to financial services and ensuring that those services lead to meaningful welfare and resilience outcomes.

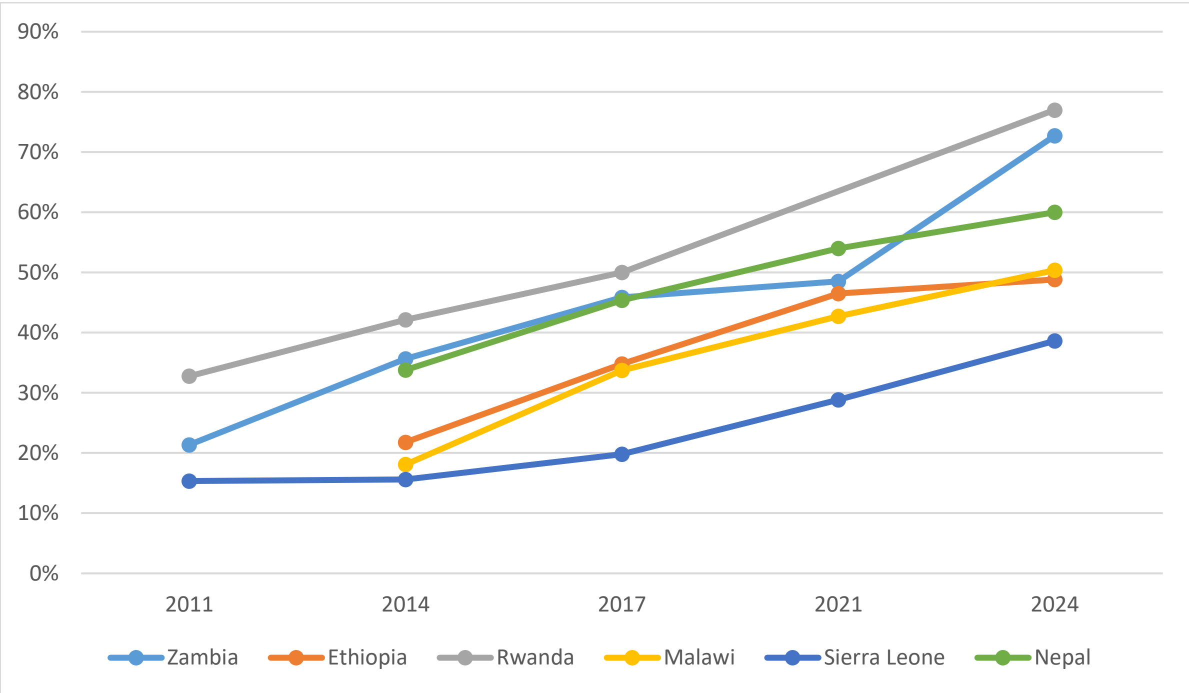


Figure X. Account ownership trends in JOA target countries (2011–2024, % of adults)[1]

[1] *Source: World Bank, Global Findex Database (2011–2024); Rwanda data from FinScope Survey 2024. Figures for Rwanda are based on mobile wallet ownership (77%) as the closest available proxy to Findex account ownership and are not strictly comparable. Account ownership is defined as the percentage of adults (age 15+) who report having an account at a financial institution or personally using a mobile money service.*

Barriers to financial inclusion and impact

Barriers can be understood at two levels: **barriers to financial inclusion (access and uptake)** and **barriers to benefiting from financial inclusion (use and outcomes)**.

Barriers to financial inclusion (access and uptake) include:

- **Infrastructure and access constraints**: Gaps in digital and physical infrastructure—including unreliable connectivity, low agent density, limited transport networks, and constrained access to service points—continue to limit outreach, particularly in rural and remote areas.

- **Affordability and product design**: High costs, minimum balance requirements, and products that do not align with irregular income patterns reduce uptake among low-income households and smallholder farmers.

- **Documentation and regulatory constraints**: Lack of formal identification [2]and compliance with SIM registration requirements can limit account opening for poorer households and forcibly displaced populations.

- **Gender, disability, and social norms**: Women, people with disabilities, and forcibly displaced populations face intersecting barriers to participation, including physical, communication, institutional, and attitudinal constraints.

- **Trust and perceived value**: Low trust in providers and limited perceived benefits of formal services discourage first-time use, particularly among financially excluded populations.

Barriers to benefiting from financial inclusion (use and outcomes) include:

- **Low and irregular usage**: Many account holders transact infrequently or only for single purposes (e.g. receiving transfers), limiting their ability to build savings, manage risks, or invest productively. This is commonly observed among poorer households and social transfer recipients in low- and middle-income contexts.

- **Financial capability and confidence gaps**: Limited understanding of product features, fees, and risk can constrain effective use, particularly among women, youth, and first-time users.

- **Mismatch between products and livelihood risks**: Financial products often do not align with the timing, scale, and nature of risks faced by smallholder farmers, informal workers, and climate-exposed households.

- **Climate shocks and environmental stress**: Increasingly frequent droughts, floods, and other climate-related shocks undermine income stability and asset accumulation, while placing pressure on financial coping strategies and often exceeding the capacity of existing financial products.

[2] *Global Findex data show that lack of formal identification remains a commonly cited barrier to account ownership in several low-income contexts, including Ethiopia and Sierra Leone. See World Bank, Global Findex Database 2025**. This interpretation is consistent with synthesis evidence in CGAP's* *Impact Pathfinder**, which highlights documentation requirements as a structural barrier to financial inclusion for poorer and displaced populations.*

- **Consumer protection and market conduct gaps**: Weak oversight, opaque pricing, and limited grievance mechanisms can undermine trust and expose vulnerable users to harm.

- **Limited market incentives**: Financial service providers and other market actors often have weak commercial incentives to serve remote, low-income, or higher-risk populations at scale.

These barriers are mutually reinforcing: individuals may gain access to financial services but remain unable to use them in ways that meaningfully improve resilience, security, or economic opportunity.

Opportunities to build on

Despite these challenges, there are important opportunities to accelerate progress:

- **Digital expansion**: Continued growth in mobile phone ownership and mobile money services provides scalable channels for reaching underserved populations, including in remote areas.

- **Policy momentum**: All JOA target countries have national financial inclusion strategies and ongoing policy commitments to expanding access, improving usage, and strengthening consumer protection.

- **Inclusive green finance**: Increasing recognition of climate risks is driving demand for financial solutions that support adaptation, resilience, and sustainable livelihoods.

- **Strong local actors**: Community-based financial institutions, savings groups (including VSLAs), SACCOs, and Organisations of Persons with Disabilities (OPDs) provide established and trusted platforms for reaching marginalised populations.

This strategy responds to both the barriers and opportunities identified, focusing on interventions that strengthen financial resilience at the household level while improving the performance and inclusiveness of financial market systems.

Our Goal

To strengthen the financial health and climate resilience of low-income individuals and households through inclusive financial services and market systems.

How JOA Contributes

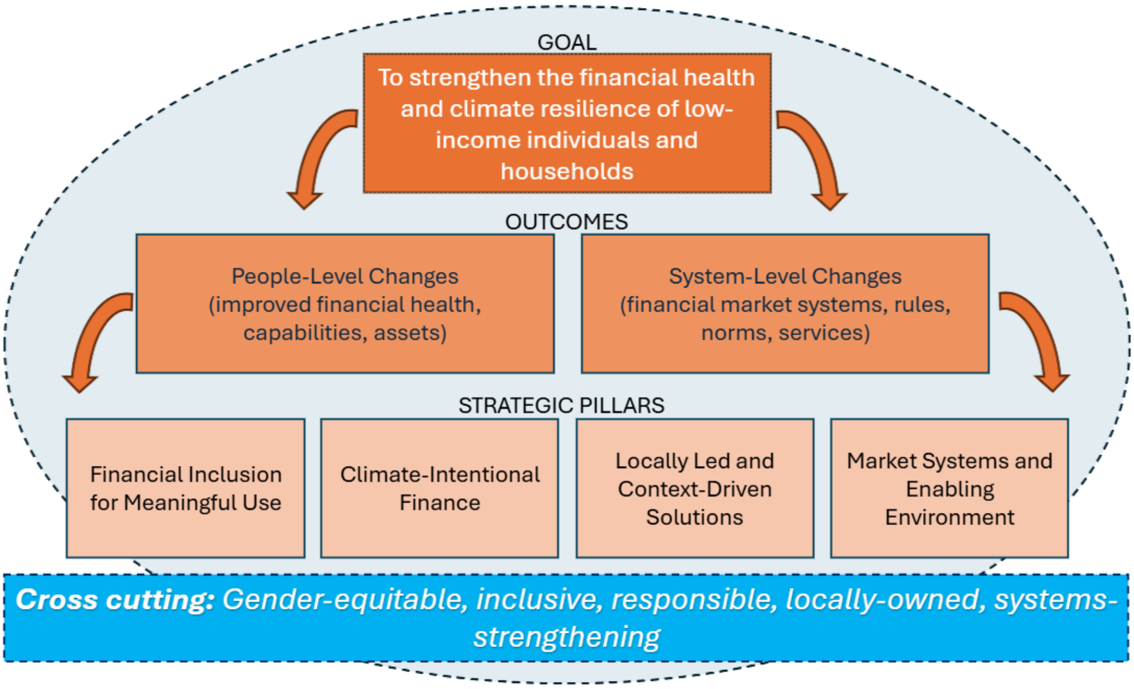
JOA supports financial inclusion through a combination of targeted investments, partnerships, and system-focused approaches.

Recognising that increased access to financial services does not automatically lead to improved outcomes, JOA prioritises **meaningful and sustained use**, alongside strengthening the systems that enable inclusive and resilient financial markets.

As a small and agile donor, JOA focuses on **specific leverage points within the system**, supporting interventions that are proportionate in scale but capable of contributing to broader change.

Theory of Change

JOA's approach is based on a systems perspective, recognising that improved financial outcomes depend on interactions between individuals, markets, and enabling environments.



Strategic Pillars

The four strategic pillars reflect complementary entry points within the financial inclusion system - spanning service delivery, climate-responsive finance, locally grounded approaches, and enabling market conditions.

Pillar 1: Financial Inclusion For Meaningful Use

JOA supports financial inclusion models that expand access to and **meaningful use of financial services** for underserved populations, enabling improved livelihoods, resilience, and agency.

Key barriers include:

- Limited access to appropriate, affordable, and trusted financial services, particularly in rural or last-mile contexts
- Financial products that are poorly aligned with income patterns, risk exposure, or user needs, reducing uptake and sustained use
- Low levels of financial, digital, and product literacy, limiting effective use
- Social and structural barriers, including gender norms and exclusion of marginalised groups, restricting access and decision-making

- Weak incentives and capacity among financial service providers to serve low-income and underserved segments sustainably
- Insufficient integration of financial services with livelihood systems and local market realities, limiting impact

JOA supports:

- Expansion of responsible, inclusive financial services tailored to the needs, capacities, and preferences of underserved populations
- Approaches that prioritise meaningful and sustained use, including alignment with livelihoods, cash flows, and risk profiles
- Integration of financial services with non-financial support, such as capacity building, market access, and advisory services
- User-centred design approaches that improve relevance and usability, ensuring services reflect lived experiences and constraints
- Delivery models that improve reach, trust, and usability, especially for last-mile populations
- Strengthening of provider capabilities and incentives to viably serve underserved markets over the long term

Examples of interventions (illustrative, not exhaustive):

- Development of tailored savings, credit, insurance, and payments products aligned with irregular incomes and livelihood cycles
- Strengthening group-based and community-led models (e.g. women's groups), which can improve access, trust, and learning[3]
- Embedding finance within value chains and livelihood ecosystems to improve productivity and income stability
- Financial literacy and customer capability approaches that support effective product use and decision-making
- Inclusive delivery approaches (e.g. agent, phygital, or community-based models) to reach excluded populations
- Use of data and customer insights to design and refine products based on real usage patterns and needs

[3] Building Rural Women's Climate Resilience: Seven Business Drivers Delivering Commercial Value | CGAP Research & Publications

Pillar 2: Climate-Intentional Finance

JOA supports interventions that explicitly link financial inclusion with climate adaptation, resilience, and inclusive participation in the transition to a low-carbon economy.

Key barriers include:

- Climate shocks that destroy assets, disrupt livelihoods, and push households into debt cycles [4]
- Limited availability of appropriate financial tools to prepare for, cope with, and recover from shocks
- Financial products that are not aligned with climate risks, including rigid repayment structures and delayed access to funds
- Weak availability of climate-risk data and localised information, constraining product design and targeting
- Absence or low adoption of risk transfer and shock-response mechanisms such as insurance or contingency finance
- Structural barriers, including lack of product standards, incentives, and viable business models for providers
- Disproportionate vulnerability of marginalised groups, including women and people with disabilities, with limited adaptive capacity

JOA supports:

- Development of Inclusive Green Finance (IGF) approaches that enable low-income populations to both manage climate risks and participate in green livelihood opportunities
- Design of financial services that support the full resilience pathway: anticipation, coping, recovery, and adaptation
- Product innovation that improves timeliness, flexibility, and usability, especially in response to shocks
- Integration of finance with climate-smart livelihoods, including agriculture, energy, and natural resource management
- Strengthening of enabling systems, including data, standards, and incentives for providers
- Inclusive, locally grounded approaches, including co-design with affected populations

Examples of interventions (illustrative, not exhaustive):

- Climate-resilient financial products such as:
  - contingent lines of credit (CLOCs) [5]providing rapid post-shock liquidity
  - index-linked insurance or savings products
  - recovery loans and shock-responsive repayment mechanisms
- Development of IGF solutions that support both resilience and participation in green value chains
- Financing for climate-smart agriculture, clean energy, and sustainable livelihoods
- Bundled solutions combining savings, credit, insurance, and early warning systems to address different resilience needs
- Investment in climate-risk data, digital tools, and early warning systems to support decision-making
- Co-design with women-led organisations and OPDs to reflect differentiated vulnerabilities
- Support to address upstream barriers, including product standards, taxonomies, and incentives
- Selective support to market mechanisms that reward sustainable practices, where accessible to low-income populations

[4] CGAP Strengthening climate resilience and adaptation through financial services
[5] Contingent Lines of Credit (CLOC): A Liquidity Tool for Customer Climate Resilience | CGAP Research & Publications

Pillar 3: Locally Led and Context-Driven Solutions

JOA supports interventions that are grounded in **local contexts, livelihoods, and social systems**, and that prioritise **participation, ownership, and relevance** to ensure sustained use and impact.

Key barriers include:

- Financial and development interventions that are designed without sufficient understanding of local livelihoods, risks, and behaviours, leading to low relevance and uptake
- Mismatch between products and real-world needs, including seasonality, informal economies, and shock patterns
- Limited engagement of communities in design, delivery, and decision-making processes
- Social norms and power dynamics that influence who can access and use services, particularly for women and marginalised groups [6]
- Delivery models that fail to reach the last mile, particularly in rural or low-connectivity contexts
- Insufficient use of local data and lived experience to inform decision-making and adapt interventions

JOA supports:

- Locally grounded design and delivery approaches, ensuring financial services reflect real user needs, constraints, and aspirations
- Co-creation and participatory approaches involving communities, users, and local organisations
- Models that leverage existing social and economic structures (e.g. groups, cooperatives, value chains)
- Interventions that recognise and respond to diverse livelihood strategies, including agriculture, informal work, and migration
- Delivery strategies that improve reach, trust, and usability, particularly in last-mile contexts
- Use of data and feedback loops to iteratively adapt solutions to changing needs and conditions

Examples of interventions (illustrative, not exhaustive):

- Co-design of financial products with communities, including women-led organisations and OPDs, to reflect lived experiences
- Leveraging women's groups and community networks for outreach, delivery, and peer learning
- Development of financial solutions aligned with local livelihood cycles, including agriculture and informal enterprise
- Use of phygital delivery models (combining digital tools with human support) to address last-mile barriers
- Integration of finance with local adaptation strategies, such as crop diversification or off-farm income generation
- Use of local data and participatory research to inform product design, targeting, and refinement
- Community-based approaches to build trust, capability, and sustained engagement

[6] Building Rural Women's Climate Resilience: Seven Business Drivers Delivering Commercial Value | CGAP Research & Publications

Pillar 4: Market Systems and Enabling Environment

JOA supports interventions that address systemic constraints and strengthen the broader financial ecosystem to enable **inclusive, resilient, and sustainable financial markets at scale** including through including through targeted upstream interventions that influence policy, regulation, and market incentives.

Key barriers include:

- Weak or fragmented market infrastructure, including data systems and delivery channels
- Limited availability of customer-level and climate-risk data to inform decision-making
- Regulatory and policy constraints limiting innovation and inclusion
- Lack of standards, taxonomies, and interoperability, increasing costs and uncertainty
- Misaligned incentives that discourage providers from serving low-income or rural markets
- Limited evidence and coordination to support scaling of effective models

JOA supports:

- Strengthening of market infrastructure, including data systems, digital platforms, and interoperability
- Development of standards, taxonomies, and regulatory frameworks that enable inclusive finance
- Generation and dissemination of evidence and insights to inform policy and investment
- Incentives and partnerships that enable providers to serve underserved segments sustainably
- Investment in data systems and analytics to improve targeting, product design, and risk management
- Coordination across ecosystem actors to address system-level constraints

Examples of interventions (illustrative, not exhaustive):

- Development of shared data infrastructure, including climate-risk and customer-level data systems
- Support to establish product standards and green taxonomies for inclusive finance markets
- Investments in digital public infrastructure and interoperable payment systems
- Policy and regulatory engagement to enable inclusive and climate-relevant financial services
- Strengthening data analytics capacity among providers and ecosystem actors
- Funding pilots and evidence generation to de-risk and scale innovative models
- Mechanisms to crowd in private capital, including blended finance and risk-sharing approaches
- Targeted support to policy, regulatory, and market-enabling functions where these unlock inclusive financial services at scale, including work with regulators, industry bodies, and supervisory institutions

Target Segments

Our strategy prioritises:

- **Women**: Empowering them economically, particularly in agriculture and small enterprise
- **Smallholder farmers**: Increasing productivity and climate resilience
- **Youth**: Expanding access to opportunities and financial tools for the next generation, based on a life-cycle approach
- **People with disabilities**: Supporting their equal access to financial services and participation in economic life (JOA recognises that people with disabilities are not a homogenous group and encourage collaboration with OPDs to ensure that programming responds to diverse needs across gender, age, and disability)
- **Forcibly displaced people**: Including refugees and internally displaced persons (IDPs), who often face additional barriers to financial inclusion

We acknowledge that many individuals face intersecting barriers, such as women with disabilities or young people in rural settings. Our approach seeks to address these overlapping forms of exclusion.

Cross-Cutting Priorities

In addition to the outcome areas described in the Theory of Change, JOA integrates the following cross-cutting commitments to ensure that all interventions are inclusive, ethical, and sustainable.

- **Promote gender equality and women's empowerment** – ensuring women's meaningful participation, leadership, and equal benefit in all activities.
- **Actively include marginalised groups** – making financial systems accessible and responsive to the needs of people with disabilities, displaced populations, and those facing intersecting forms of exclusion, through universal design, reasonable accommodations, and targeted interventions. Financial and insurance products should be designed using universal design principles, making them accessible to people with diverse impairments (e.g. visual, hearing, mobility, cognitive)
- **Embed responsible practice and safeguarding** – upholding ethical standards, user protection, and proactive measures to prevent harm.
- **Strengthen local leadership and ownership** – enabling local actors to lead, co-create, and sustain inclusive financial systems.
- **Apply a systems resilience lens** – ensuring every intervention, regardless of focus area, strengthens the capacity of people, markets, and institutions to absorb shocks, adapt to change, and transform in the face of long-term stressors.

Measuring Success

JOA adopts a **proportionate and flexible approach to monitoring, evaluation, and learning (MEL)**. Not all programmes are expected to measure all outcomes or indicators. Instead, partners should select a **small number of relevant outcome areas and indicators** aligned with their intervention and position within the system.

The outcome areas below reflect **different levels of change**—from household financial resilience and capability to broader market system transformation. They are aligned with JOA's strategic pillars but are **not intended as a rigid framework**. Programmes should focus on the outcomes most relevant to their objectives, scale, and context.

At a minimum, all programmes are expected to:

- define a **clear set of priority outcomes** (typically 2–3);
- include a **small, focused set of indicators** aligned to those outcomes;
- collect **gender-, age-, and disability-disaggregated data** where feasible.

More comprehensive measurement is encouraged for larger or more complex programmes, particularly those aiming to influence systems or policy.

Household or individuals level outcomes

Financial resilience and security

Improved ability of individuals and households to **absorb and recover from shocks** without long-term negative impacts.

Sample indicators:

- % of households reporting use of negative coping strategies (e.g. sale of productive assets, reduced food consumption)
- % of households able to maintain essential consumption during shocks

Financial preparedness and capability

Increased ability to **plan ahead, manage financial resources, and make informed decisions**, reducing vulnerability to future shocks.

Sample indicators:

- Growth in savings balances or emergency funds
- % of clients reporting increased confidence in financial decision-making
- Evidence of diversified income sources

Adaptation and Livelihood Investment

Increased investment in **climate-resilient and productive livelihood strategies**, supporting longer-term adaptation and income stability.

Sample indicators:

- % of clients adopting climate-smart technologies or practices
- % of clients investing in or insured against climate-related risks
- # of financial products supporting climate resilience (e.g. index insurance, green loans)

Service use and inclusion outcomes

Access, inclusion, and meaningful use

Increased uptake and active, sustained use of appropriate financial services, particularly among underserved groups.

Sample indicators:

- # and % of clients actively using financial services (e.g. within the last 30 days)
- Frequency and diversity of product usage (e.g. savings, credit, insurance)
- % of target populations (e.g. women, people with disabilities) accessing and using services

Consumer protection and trust

Improved customer protection, transparency, and trust in financial services and providers.

Sample indicators:

- % of clients reporting trust in financial service providers
- and % of complaints resolved through formal mechanisms

- % of clients aware of their rights and available protections

Market and System-Level Outcomes

Market system change and scale

Evidence of sustained changes in market systems, including policies, institutional practices, and behaviour of market actors.

Sample indicators:

- Adoption of inclusive policies or regulatory reforms
- Evidence of replication or uptake of models by other actors
- # of financial institutions adopting inclusive or climate-relevant practices
- Evidence of increased competition or innovation in underserved markets

Market infrastructure and enabling environment

Strengthened systems, infrastructure, and enabling conditions that support inclusive financial markets at scale.

Sample indicators:

- Existence or expansion of interoperable payment systems
- % reduction in remittance or transaction costs
- # of institutions implementing proportional e-KYC or data systems

Cross-Cutting Commitments

In addition to the core outcomes above, all programmes are expected to integrate the following principles throughout design, delivery, and measurement:

- **Disability inclusion:** Ensure financial products, systems, and data collection processes are accessible to people with disabilities. *Examples of specific metrics may include:*
    - *% of financial products assessed for accessibility (physical, digital, communication, procedural).*
    - *% of partners engaging individuals and OPDs in programme design and governance.*
    - *% of clients with disabilities reporting improved financial capability or resilience.*
    - *Qualitative feedback from persons with disabilities on service usability and uptake.*
- **Safeguarding:** All partners must meet minimum safeguarding standards and demonstrate active systems to prevent and respond to harm.
- **Sustainability:** Support the development of viable market systems and local capacities to ensure continued service delivery and inclusion beyond donor funding.

Approach to Measurement

JOA recognises that for upstream and systems-level interventions—particularly those focused on policy, regulation, or market infrastructure—it may not be possible to directly attribute changes in end-user outcomes to a single intervention. In these cases, programmes are expected to demonstrate **credible contribution rather than attribution**, using a combination of:

- intermediate outcomes (e.g. policy adoption, institutional change);
- evidence of uptake or replication by market actors;
- qualitative insights and stakeholder feedback.

These indicators are **illustrative and not exhaustive**. Partners should adapt them based on context, feasibility, and relevance.

JOA emphasises the use of **practical, decision-useful data**, and will prioritise **learning and adaptive management**, using MEL not only for accountability but to refine approaches, build evidence, and inform future programming.

Partnership Criteria

JOA recognises that impactful programmes may be delivered as part of larger multi-actor initiatives. In such cases, proposals should clearly articulate JOA's specific role, contribution, and value-add within the broader programme.

Funding applications must be submitted by a JOA-approved partner that has:

- Alignment with JOA's thematic and geographic focus.
- Strong MEL frameworks, especially for resilience, disability inclusion, climate outcomes, and meaningful financial use.
- Potential to leverage additional funding or influence policy.
- Ability to clearly define and deliver a distinct, value-adding role within larger multi-partner programmes, including those led by multilateral organisations or consortia
- Commitment to accessibility, inclusive design, and safeguarding.
- A track record of managing funding from recognised institutional donors (e.g., government, multilateral, or OECD/DAC members), while not excluding capable organisations that have demonstrated equivalent capacity through other sources.
- Capacity to deploy blended-finance instruments (e.g., guarantees, first-loss capital) to crowd-in private investment for underserved clients where appropriate.
- Demonstrated understanding and application of the twin-track approach to disability inclusion, with systems in place to identify and implement reasonable accommodations throughout project delivery.
- Commitment to inclusive MEAL, including accessible data collection tools and participatory evaluation involving persons with disabilities.
- Willingness to collaborate with OPDs throughout project design, implementation, and evaluation.

Conclusion

This strategy positions JOA to deliver high-impact, resilience-focused financial inclusion programmes that reflect global best practice and local priorities. By linking inclusive finance with climate action, systemic change, and proactive inclusion of marginalised groups, we aim to create opportunities for those most at risk to lead more secure, empowered lives.

Annex A: Glossary of Key Terms

Absorptive Capacity: The ability of individuals, households, or communities to withstand and recover from short-term shocks without suffering long-term negative impacts.

Assistive Technology: Devices or systems that support individuals with disabilities to perform functions that might otherwise be difficult or impossible

Cooperatives: Autonomous associations of people united to meet common economic, social, and cultural needs through a jointly owned and democratically controlled enterprise.

e-KYC (Electronic Know Your Customer): A digital process for verifying customer identity that allows for proportional requirements based on transaction risk, enabling wider access to financial services.

Financial Capability: The combination of knowledge, skills, attitudes, and behaviours that enable people to make sound financial decisions and use financial services effectively.

Financial Health: A person's ability to manage day-to-day expenses, absorb shocks, and plan for the future.

Financial Inclusion: Ensuring all individuals – particularly marginalised groups – can access and use affordable, appropriate, and responsible financial services (transactions, savings, credit, insurance) to meet their needs and improve their financial health.

Financial Resilience: The ability of individuals and households to prepare for, cope with, and recover from financial shocks while maintaining or improving their financial wellbeing.

Green Market Systems Development (Green MSD): An approach to strengthening market systems so they are more inclusive, competitive, and environmentally sustainable. Green MSD tackles the root causes of market underperformance while promoting climate adaptation and mitigation. It focuses on improving the "core" market (products, services, demand and supply), the "supporting functions" (infrastructure, skills, information, finance), and the "rules" (policies, norms, incentives) that shape market behaviour — ensuring that low-income and marginalised people can participate in and benefit from greener economic opportunities.

Examples include:

- Supporting financial institutions to design climate-smart loan products for smallholder farmers.
- Facilitating collaboration between agribusinesses, cooperatives, and clean energy providers to expand sustainable value chains.
- Influencing national policy to incentivise renewable energy adoption in rural markets.
- Strengthening input supply and distribution systems for climate-resilient seeds and technologies.

Inclusive Green Finance (IGF): Financial products, services, and systems that help low-income and marginalised people adapt to, mitigate, and benefit from the transition to a climate-resilient, low-carbon economy. IGF combines the accessibility and equity goals of inclusive finance with the environmental objectives of green finance.

Examples include:

- Weather-indexed crop insurance for smallholder farmers.
- Microloans for clean cooking, solar home systems, or water-efficient irrigation.
- Savings products with emergency withdrawal features for climate shocks.
- Pay-as-you-go financing models for renewable energy in off-grid areas.
- Incentives (e.g., reduced interest rates) for adopting sustainable agricultural practices.

Interoperability: The ability of different financial systems and platforms to work together seamlessly, allowing customers to send and receive payments across providers and borders.

Kampala Principles – A set of five voluntary principles developed by the Global Partnership for Effective Development Co-operation (GPEDC) to guide effective private sector engagement in development. They aim to ensure that partnerships between development actors and businesses deliver sustainable, inclusive results that benefit people living in poverty. The five principles are:

- Inclusive country ownership – Align partnerships with national development priorities.
- Results and targeted impact – Focus on measurable development outcomes, not just business returns.
- Inclusive partnerships – Engage all relevant stakeholders, including governments, civil society, and local communities.
- Transparency and accountability – Ensure open communication, reporting, and mutual responsibility.
- Leave no one behind – Promote equitable participation and benefits, especially for women, youth, and marginalised groups.

In financial inclusion, the Kampala Principles provide a framework for ensuring that private sector initiatives—such as digital finance or microcredit—are ethical, transparent, and contribute meaningfully to poverty reduction and gender equality.

Leverage Points: Specific entry points within a system where targeted interventions can trigger broader or systemic change, such as product design, delivery mechanisms, policy reform, or market incentives.

Life-Cycle Approach (Youth): Understanding youth as a developmental stage defined by transition to adulthood, rather than by a fixed age range. This enables context-specific programming.

Localisation: Shifting decision-making power, resources, and influence to actors closest to the issues, including local governments, organisations, and communities.

Meaningful Use: The active, sustained, and beneficial use of financial services that enables individuals and households to manage risks, improve financial health, and pursue economic opportunities.

Market Systems Development: An approach that targets the root causes of underperformance in market systems to ensure they are more inclusive and resilient.

Organisations of Persons with Disabilities (OPDs): Representative organisations led by and accountable to persons with disabilities.

Phygital: A delivery approach that combines digital financial services with physical or human support, such as agents or community facilitators.

Reasonable Accommodation: Necessary and appropriate modifications or adjustments to ensure that persons with disabilities can enjoy or exercise all human rights and freedoms on an equal basis with others, without imposing a disproportionate or undue burden.

Remittances: Funds sent by migrants or diaspora members to individuals or households in their country of origin, often a key source of household income and resilience.

Resilience: The ability of individuals and communities to prepare for, cope with, and adapt to shocks and stresses.

Responsible Digital Finance: The design and delivery of digital financial services that protect consumers through transparency, data privacy, effective recourse, and safeguards against fraud and cyber risks.

SACCOs (Savings and Credit Cooperative Organisations): Member-owned cooperatives that provide savings and credit services to their members, typically in underserved or rural areas.

Safeguarding: Standards, policies, and practices to protect children and vulnerable adults from abuse, exploitation, and harm, particularly in development and humanitarian settings.

Twin-Track Approach: A strategy for disability inclusion that combines mainstreaming disability across all programmes and policies (first track), with targeted interventions that specifically address the rights and needs of persons with disabilities (second track).

Universal Design: The design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation.

VSLAs (Village Savings and Loan Associations): Community-based savings groups that provide members with basic financial services, often used in rural or informal contexts.

Annex B: Abbreviations

- CfP – Call for Proposals
- CGAP – Consultative Group to Assist the Poor
- e-KYC – Electronic Know Your Customer
- FSP – Financial Service Provider
- HDP – Humanitarian–Development–Peace (Nexus)
- IDP – Internally Displaced Person
- IGF – Inclusive Green Finance
- JOA – Jersey Overseas Aid
- MEL – Monitoring, Evaluation, and Learning
- MSD – Market Systems Development
- MSME – Micro, Small and Medium Enterprise
- OECD/DAC – Organisation for Economic Co-operation and Development / Development Assistance Committee
- OPD - Organisations of Persons with Disabilities
- RDF – Responsible Digital Finance
- SACCO – Savings and Credit Cooperative Organisation
- VSLA – Village Savings and Loan Association

Annex C: Selected References

This strategy draws on global evidence and recognised best practice in financial inclusion, inclusive green finance, and market systems development, including:

- World Bank (2025), Global Findex Database
- Relevant national financial inclusion strategies and country-level data sources, including FinScope surveys (e.g. Rwanda FinScope 2024)
- CGAP, Impact Pathfinder
- CGAP, Financial Inclusion and Development: Recent Impact Evidence including:
  - Contingent Lines of Credit (CLOC): A Liquidity Tool for Customer Climate Resilience | CGAP Research & Publications
  - CGAP Strengthening climate resilience and adaptation through financial services
  - Opening the Black Box on the Impact of Inclusive Credit | CGAP Research & Publications
  - Building Rural Women's Climate Resilience: Seven Business Drivers Delivering Commercial Value | CGAP Research & Publications
- Hilton, T., Panton, A., and Stewart, A. (2025), Green Market Systems Development Guidelines (v1.0)
- Washington Group on Disability Statistics