



FINCA International and USAID PACE launch FINCA Forward, a fintech innovation platform

Bringing early-stage fintechs and microfinance institutions together to accelerate financial inclusion and market-based development

October 4, 2018—Washington, DC— FINCA International, in partnership with USAID’s Partnering to Accelerate Entrepreneurship (PACE) Initiative, announced the launch of FINCA Forward, an innovation platform facilitating collaboration between early-stage financial technology (fintech) enterprises and microfinance institutions supporting the world’s poor. Through FINCA Forward, FINCA International embraces the vital role of small and growing fintech businesses in driving economic growth, creating jobs and advancing market-based solutions to address global challenges in financial inclusion.

“FINCA International has long been dedicated to serving unbanked and underbanked populations,” said Rupert Scofield, President and CEO of FINCA International. “FINCA Forward represents the next step in this service, drawing on our experience as the founder of a global microfinance network while embracing digital innovations. By catalyzing support and investment for early-stage fintech enterprises, we aim to help small and growing businesses overcome the pioneer gap and to enable microfinance institutions to bring much-needed financial services to at-risk populations of women, youth and the rural poor.”

Emerging fintech businesses are fundamentally transforming financial services, employing new data analysis solutions and digital delivery systems, in ways that can have substantial outcomes for the world’s poor. Embracing mobile phones as a banking platform, for example, has the potential to radically increase access to fundamental financial services. But as fintech innovations have been rapidly accumulating, the scale and pace of this acceleration has been difficult for many financial institutions to process. At the same time, early-stage fintech enterprises have struggled to pilot their new products and services with customers. FINCA Forward provides a platform through which microfinance institutions can systematically evaluate new technologies, and fintech start-ups can test their value propositions with prospective clients, by way of a microfinance institution’s established customer base.

FINCA Forward, a two-year pilot, is funded by a grant from USAID, through the PACE Initiative and Feed the Future. USAID’s PACE initiative is designed to catalyze private sector investment into early-stage enterprise and identify innovative models or approaches that help entrepreneurs bridge the pioneer gap.

FINCA International and USAID PACE have a common interest in developing a unique platform that solves the pioneer gap for small and growing businesses, unlocks the potential of innovation for socially responsible microfinance institutions, and brings lessons in partnership and innovation to the social enterprise and development industry.

Because lack of access to financial services especially impacts women, including their ability to climb out of poverty and to engage in productive economic activities, the FINCA Forward platform will incorporate a gender lens focus on: (1) products and channels designed specifically for female microfinance clients and (2) consideration of female-owned and female-led fintech enterprises in selection criteria.

FINCA Forward reflects FINCA International's commitment to alleviating poverty by catalyzing economic growth and extending financial inclusion in underserved markets around the world. The FINCA Forward platform will not only help fintech enterprises develop their technical capacity and attract growth capital, but also lay the groundwork for microfinance institutions to provide innovative, affordable and accessible financial services to the bottom of the pyramid.

About FINCA International

FINCA International was founded in 1984 on a radical notion: giving small loans to the poor has the power to transform entire communities in a sustainable way. After impacting tens of millions of lives with responsible financial services, we are widening our focus to catalyze further economic growth and alleviate poverty in underserved markets around the world. We remain boldly committed to market-based solutions, and are supporting the rise of social enterprises delivering basic service and financial innovation to help low-income families and communities achieve a better standard of living. For more information, visit www.FINCA.org or follow us on Twitter [@FINCA](https://twitter.com/FINCA).

About FINCA Forward

FINCA Forward is a two-year pilot managed by FINCA International and funded by a grant from USAID, through the PACE Initiative and Feed the Future. The purpose of FINCA Forward is to test the hypothesis that bringing early-stage fintechs and financial institutions together in a proof-of-concept environment can help small and growing businesses overcome the pioneer gap and enable microfinance institutions to affordably and systematically onboard emerging fintech innovations to better reach underserved and underbanked populations. For more information, visit www.FINCA.org/finca-forward/.

About USAID

The United States Agency for International Development (USAID) is the primary U.S. government agency that leads international development and humanitarian efforts to save lives, reduce poverty, strengthen democratic governance and help people progress beyond assistance. USAID's Partnering to Accelerate

Entrepreneurship (PACE) initiative catalyzes private sector investment into early-stage enterprises and identifies innovative business models and approaches that help entrepreneurs bridge the pioneer gap and unlock the potential of thousands of promising enterprises around the world. For more information, visit www.USAID.gov/PACE.

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