CONSUMER IMPACT

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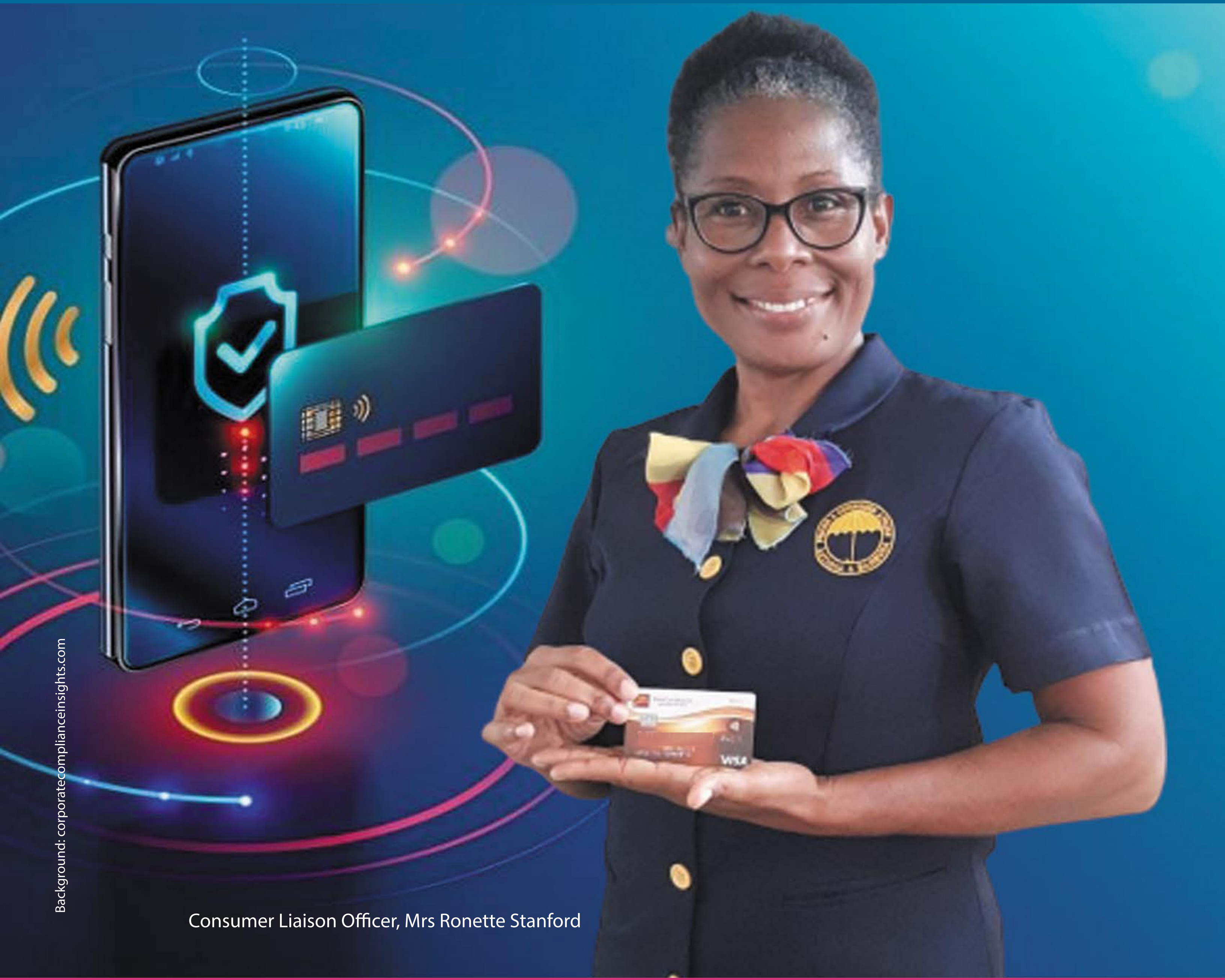
FAIR DIGITAL FINANCE



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Consumer Liaison Officer, Mrs Ronette Stanford

Messages

Digital technologies are transforming the traditional way of providing financial services. In the last several years, technological innovation in finance has been exponential. We now interact with our bank using mobile technology via our smartphones and other electronic devices. We transfer money, transact payments, and make investments using a variety of new tools that were not there just a short while ago.

Financial services and digital technology have driven significant changes across the world. In the developing world, the proportion of account owners sending and receiving payments digitally has grown from 57% in 2014 to 70% in 2017 (Findex, 2017). By 2024, digital banking consumers are expected to exceed 3.6 billion (Juniper Research, 2020). Indeed, digital technologies have become a key enabler for consumers of financial services. Mobile applications, social networks, artificial intelligence, machine learning, big data analytics, cloud computing, and distributed ledger technology, have resulted in new services and business models by traditional financial institutions and newcomers in the business world.

We in the Ministry of Foreign Affairs, Immigration and Trade, recognize that digital finance offers great benefits to small businesses, and enables them to transact smarter, faster and safer. It fosters and enhances their financial inclusion and provide them with the opportunity and tools to achieve financial security and grow their businesses. Yet despite these benefits, many small and micro establishments have been slow, and in some instances reluctant to move past their traditional, cash-based operations. Although the COVID-19 pandemic has accelerated the shift towards the digital marketplace, and has heightened our awareness of the challenges of relying on cash and conducting face-to-face transactions, some businesspersons are oblivious to the urgent need for digital finance and e-commerce.

It is more important now than ever to build on our knowledge and work together to understand digital financial services and what role consumer-centred financial services can play in global challenges like sustainability. This year will be a crucial time for change with the upcoming international policy moments such as the G20 and OECD review of High-level Principles on Financial Consumer Protection. In Antigua and Barbuda, we see digital finance as a meaningful tool to expand not only the financial services sector, but other sectors, such as trade, education, tourism, agriculture and health. Digital finance is a means of creating employment opportunities for our people, and an avenue for them to contribute to nation-building.

As we observe World Consumer Rights Day, we are mindful, that some consumers are still apprehensive to shift to digital finance. We hope this issue of the Consumer Impact newsletter, will educate consumers on the real-life benefits of digital finance. We further hope, the financial institutions will continue this important dialogue and education process beyond World Consumer Rights Day. Achieving fair digital finance for all requires a global, collaborative, and coordinated approach. The rapidly evolving and complex nature of digital financial services demonstrate the need for innovative regulatory approaches and digital financial services and products that centre consumer protection and empowerment.

I take this opportunity to commend the staff at the Prices and Consumer Affairs Division for their continued efforts to educate consumers on this and other important matters. I wish you all, a happy World Consumer Rights Day.

Hon E. P. Chet Greene
Minister of Foreign Affairs, Immigration and Trade

Messages

Today, it is my pleasure to address consumers and traders as we celebrate World Consumer Rights Day.

Digital finance is the term used to describe the impact of new technologies on the financial services industry. It includes a variety of products, applications, processes and business models that have transformed the traditional way of providing banking and financial services. All these technologies can benefit both consumers and businesses, by enabling greater access to financial services, offering wider choice and increasing efficiency of operations.

While technological innovation in finance is not new, investment in new technologies has substantially increased in recent years and the pace of innovation is exponential. Using digital technology to access financial services (known as Fintech) is becoming an everyday occurrence for millions of us and is set to be a growing trend in how we spend, send, and save money.

It must be noted that while more than half of the world's population is still offline, Antigua and Barbuda is striving to gain momentum to utilize 'digital finance.' Individuals can now pay bills, transfer money and access their bank statements easily using their computer or mobile phone. In higher income countries, this gives greater choice and convenience. In developing countries, the growth in digital financial services has given millions of consumers (who previously had little or no access to a bank account) access to financial services for the first time. Digitalisation also offers greater access to, and choice of, products and services available for consumers at lower costs, expanded speed, convenience, person alisation and security. While this evolution can help enhance financial inclusion for consumers and merchants, it also brings greater risks.

There is evidence that digital finance consumer risks, include new forms of theft or fraud perpetrated online, data breaches, lack of privacy and digital security incidents. In particular, data protection risks have increased in several markets over the last few years. Crises such as the COVID-19 pandemic exacerbate these risks, as vulnerable groups are more fragile due to economic hardship.

The growing and evolving nature of consumer risks in digital finance demands more effective, risk-based, and innovative consumer protection actions. We in the Ministry of Foreign Affairs, Immigration and Trade, are committed to ensuring that appropriate regulatory and supervisory approaches are utilized to protect consumer as far as possible. We call on the financial services providers to put consumers at the forefront, by going-all-out to ensure, that the digital financial services offered to consumers are secure.

Furthermore, while a swift digital transformation in consumer finance is viewed favourably among tech-savvy generations, it also increases the risk of financial exclusion for the large and fast-growing share of older and more traditional consumers in the nation. Against this backdrop, businesses can leverage a new market for emerging tech innovations, geared towards the needs of older consumers that can help overcome the digital generation gap in consumer finance.

I hope this newsletter, will educate consumers and merchants on the importance of digital finance and the benefits to be derived. Additionally, I take this opportunity to extend gratitude to the staff of Prices and Consumer Affairs Division for their continued efforts in educating and protecting consumers.

Finally, I wish you all a happy World Consumer Rights Day.

Mrs. Lora Piper
Permanent Secretary
Minister of Foreign Affairs, Immigration and Trade

DCash Pilot Project

First monetary union in the world to use a Central Bank Digital Currency

The Eastern Caribbean Central Bank (ECCB) joins with the international community in observing World Consumer Rights Day 2022 on 15 March and congratulates Consumer International, the world's federation of consumer organisations, for selecting a timely and thought-provoking theme.

For the ECCB, this year's theme "Fair Digital Finance" holds special significance, as we launched the DCash pilot project in March 2021, becoming the first monetary union in the world to use a Central Bank Digital Currency (CBDC).

DCash, the digital version of the EC currency which has one-to-one parity with EC notes and coins, is legal tender, non-interest bearing and stored securely in a private, permissioned, blockchain network. Minted and issued by the ECCB, DCash is transmitted via smart devices on a secure payment platform, providing real-time settlement that is faster than other traditional payment methods. This initiative was motivated by the Bank's vision for greater payment system efficiency, financial inclusion through digital enablement and the promotion of innovation and competitiveness across the currency union. It was also fueled by the Bank's aspiration to see a fifty percent reduction in the use of physical cash by the year 2025.

The DCash app is accessible from the Google Play or Apple store at no cost. Once downloaded, sign up for DCash can then be accommodated by a participating financial institution or authorised DCash agent.

DCash allows users to send and receive funds within seconds with no transaction fees – even when sending and receiving money across borders within the Eastern Caribbean Currency Union (ECCU). Indeed, DCash makes it easier for ECCU citizens to move money across borders, Connecting the Region and Transforming Lives.

Digitisation drives financial access, inclusion and innovation, making financial services cheaper, faster and easier. It also improves global competitiveness, reduces poverty and inequality, and increases citizens' resilience in the face of adversity such as COVID-19, thereby promoting inclusive economic growth.

Against the global macroeconomic backdrop of COVID-19, with its lockdowns and restricted economic activities, the world saw the value of contactless digital financial services. The global community also recognised the need for such innovation in protecting vulnerable and excluded groups and ensuring an inclusive recovery from the pandemic.

The DCash contactless payment solution addresses coronavirus health concerns associated with physical contact. DCash requires no exchange of physical payment instruments, neither does not require consumers to interact with a point-of-sale machine, as they would if they were paying by credit or debit card.

The promotion of fair digital finance must consider appropriate strategies with respect to leveling the financial playing field for all and closing any gaps in financial inclusion.

Such inclusive strategies include:

i. strengthening digital and financial literacy and awareness through financial education and consumer protection programmes;

ii. establishing legal and regulatory frameworks conducive to consumer and data protection and digital financial inclusion;

iii. expanding the digital financial services ecosystem to work to facilitate universal access to high-speed internet and reliable electricity; and

iv. increasing the uptake of Information and Communications Technologies (ICTs) by fostering a more enabling environment that makes broadband internet affordable for all.

The Eastern Caribbean Central Bank is proud to be playing a leading role in formulating a regional strategy for achieving fair digital finance that is inclusive and encouraging the use of digital financial services such as DCash.

We commend our partners in the financial and telecommunications industries and in other realms, including civil society and government. They share a commitment to our holistic vision of digital transformation and are working with us to tackle barriers to digital financial inclusion and improve access to affordable financial technology solutions like DCash.

Some additional DCash features which will be rolled out to the public during the pilot include an e-commerce functionality, which will enable businesses to accept DCash via their websites, and the rollout of government to consumer (G2C) payments. Both e-commerce and G2C have seen a marked expansion throughout the ECCU and the world, in response to COVID-19.

To date seven of the eight ECCU member countries have been enrolled in the pilot, namely, Antigua and Barbuda, Dominica, Grenada, Montserrat, St. Christopher (St. Kitts) and Nevis, Saint Lucia, and St. Vincent and the Grenadines. Anguilla is expected to be enrolled within the upcoming weeks.

With the full currency union membership onboard, the ECCU is on the cusp of achieving fair digital finance for all, empowering its citizens by providing access to a safe and sustainable financial service in the form of DCash, a safer, faster and cheaper payment option for all.

The COVID 19 Pandemic, the catalyst for Digital transformation

Moving Cash to Bits

By Alan Scholl, Programme Manager
ACB Caribbean, on behalf of
Antigua Barbuda Bankers Association

With a not so gentle nudge (or some will say a swift kick) courtesy of COVID 19, Digital transformation of our society, is well under way. Without a doubt, the pandemic has disrupted, shaken and ultimately improved the efficiency and convenience of conducting businesses in the world today.

"Digital transformation" is the coined phrase that encompasses the radical change from how society did business to how we are doing business now and will do in the post pandemic period.

The Banking and financial sector in particular, lends itself well to the implementation of digital technology to optimise its products and services, and has embraced this transformation, thus revolutionalising the industry. Financial services are now fast, efficient and accessible in ways that they were not a mere 3 years ago.

With lockdowns implemented in early 2020, financial institutions had to respond to the unfolding situation and display agility and resilience, while rapidly empowering their workforces to modify their traditional ways of serving customers.

In response to the imminent threat of COVID 19, society quickly moved into lockdowns and border closures. This meant work and school from home, and no travel. Many individuals found themselves facing job losses, some were stranded in foreign countries and there was a collective state of uncertainty and fear. The tsunami of change was quick, dramatic and harsh.

To keep the economy and enterprise from chaos, alternative communications solutions became critical. With face to face meetings and in person office work akin to death sentences, online meeting platforms such as Zoom, WebEx, Teams and social networks like Facebook and Instagram, became vital conduits in day to day business and social interactions. The New Normal had arrived – ready to take over the world.

The Banking and financial sector in particular, lends itself well to the implementation of digital technology to optimise its products and services, and has embraced this transformation, thus revolutionalising the industry. Financial services are now fast, efficient and accessible in ways that they were not a mere 3 years ago.

Prior to the New Normal at the onset of the pandemic, the business sector in the OECS was in more of a traditional operational state when compared to North America and Caribbean neighbours to the North and South. Cash was the norm, proprietary ATM cards still existed, food delivery was a rare service option, payments were made in person and many vendors were not equipped to process card payments. However, local entrepreneurs saw opportunity as opposed to despair and innovators quickly responded to the situation. Apps and websites popped up like mushrooms, and a plethora of services became accessible at your fingertips in the safety of your home via your mobile device and your internet connection. The Convenience Services Industry blossomed.

Financial Institutions, not to be left behind stepped up and responded to their customers' needs. In some cases, digital transformation was already underway prior to the pandemic, some were further ahead than others. The Pandemic was the catalyst to revolutionise the sector, it was the push that was needed to embrace and implement the change that had been knocking and waiting to be let in.

The public is still in a learning phase about the many digital options available to them to avoid face to face contact and eliminate standing in lines. Many times customers pay higher fees when they use these options rather than using the digital option for the same service.

Cash remains king in many societies in the OECS, but moving cash around is a costly and somewhat archaic exercise.

Time consuming and frustrating errands to make payments such as utilities, school fees, statutory deductions, and insurance premiums, become payable via financial institution's apps or mobile point of sale (POS) devices. Several banks ran "Banking Outside the Lines" marketing campaigns and promotions educating customers while challenging them to show how they could capitalize on their new found free time.

EMV (Chip & Pin) credit and debit cards, equipped with smart chips for increased security were rolled out to protect online shoppers, providing the option to shop virtually with confidence. Contactless options were enabled on the cards thus reducing customers' risk of exposure while shopping in person, paying at the cashier became a simple tap and go.

Peer-to-peer payments via financial institutions' mobile apps quickly became popular with consumers. P2P payments or "Buddy Pay" offered real time cash transfers between individuals banking with the same institution.

Electronic Funds Transfers (EFT) available both online and via mobile apps, became the preferred option way to send and receive payments to individuals and businesses at any commercial bank in the ECCU, eliminating the need for costly wire transfers to those countries.

On the horizon for the Eastern Caribbean is DCASH, currently in pilot or testing mode for select Financial Institutions. With DCASH, there are two apps, a personal wallet and a merchant app. In the near future, the proprietor of the chicken grill on the side of the road will have the merchant app on his or her phone. You, the customer would pay by exchanging a QR code to pay the requisite amount to obtain your items. These options are digitally transforming businesses, radically so for smaller mobile operations, opening up a world of opportunity to do business in an efficient and less risky environment.

Cash remains king in many societies in the OECS, but moving cash around is a costly and somewhat archaic exercise. ATM use to withdraw cash is still unnecessarily high in the face of a plethora of cashless payment options. The public is still in a learning phase about the many digital options available to them to avoid face to face contact and eliminate standing in lines. Many times customers pay higher fees when they use these options rather than using the digital option for the same service.

Aggressive marketing campaigns have been launched by the members of the ABBA to familiarize customers with the many Digital / Cashless options available to them to conduct a multitude of transactions. Digital Banking support teams have been trained and implemented, and are in place to support customers through this transformation.

Member Financial institutions of the ABBA are committed to leading the charge to ensure no customer is left behind. The members will provide the tools, the education and implement the solutions to facilitate our stakeholders' capitalization of the Digital Transformation Revolution. We will continue to educate the nation on how we can all move our cash to bits.

The Credit Union Movement moving with Digital Finance

By Antigua & Barbuda Co-operative League Limited

- Almost 50% of people in the developing world own a mobile phone.
- Digital Finance can be a powerful tool and engine for job creation within Antigua and Barbuda and the region.
- The millennial generation (defined as 18-34 year old) is consistently growing. They are also the largest generation alive today. They represent an enormous opportunity for credit unions.
- Digital finance has the potential to provide access to financial services for people in the in emerging economies. It could increase the volume of loans extended to individuals and businesses
- Lower-income countries have the largest potential, with the opportunity to add 10 to 12 per cent to their GDP.

Key Aspects of Digital Finance

Digital Finance can be defined as the delivery of traditional financial services digitally through devices such as computers, tablets and smartphones.

One key element of Digital Finance, is that it allows customers to be able to carry out transactions with devices with the help of various applications offered by banks and financial institutions. According to reports, customers stand to use these services at a cheaper rate.

The ECCB has spareheaded DCASH within the OECS region and one of our member Credit Union; St John's Co-operative Credit Union here in Antigua and Barbuda act as the Authorized Agent for DCASH.

Digital Finance benefits the Co-operative Financial Industry in the following ways:

Fintech is now used as digital banking technologies such as digital banks, digital wallets, blockchain tech, etc.

Builds trust, transparency, and minimizes human error and risk with users. Maximum security for mobile banking and other sensitive information secure.

Fair Digital Finance in our Co-operative Movement

Our Credit Unions are committed to offer the highest standard of customer services within fair digital finance platforms.

It is paramount to protect our members financial assets, such as deposits, from fraud, misappropriation and misuse. In the digital environment and given the ever-increasing range of digital applications and tools available to consumers, the protection of consumer assets extends to encompass to protecting consumers' data from the risk of digital security incidents, including cyberattacks, systems failures or data breaches at financial institutions, as well as online scams and frauds targeted financial consumers directly

Credit Unions in Antigua and Barbuda are duly regulated by the Financial Services Regulated Commission The ONDCP is also mandated to enforce safeguards that protect the financial system and ensure that the economy of Antigua and Barbuda creates the need for an adequate system for the supervision of AntiMoney Laundering / Combating the Financing of Terrorism (AML/CFT).

Credit Unions Fair Digital Finance Response:

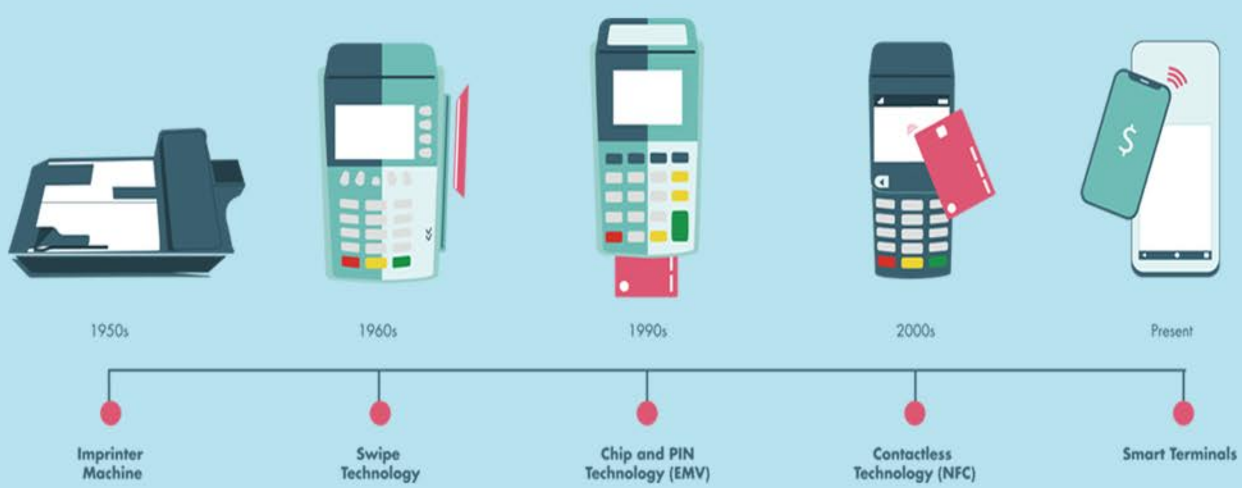
The Community First Co-operative Credit Union continues to diligently protect members data:

- Onboarded IT personnel with over a decade of experience in systems infrastructure & security
- Implemented Gartner's second quadrant firewall solution
- Implemented Top rated Intrusion Prevention Solution
- Improved our ransomware mitigation profile with data redundancy and industry leading backup solutions
- The core platform is monitored, secured from external access and its data is encrypted.
- Threats from within (staff) are monitored as well

St. John's Cooperative Credit Union Limited:

Employs cybersecurity controls that are based on international standards like the Payment Card Industry Data Security Standards (PCI-DSS) and Center for Information Security Controls 8.0 recommendations and protocols. These include monitoring of our network, as well as, encrypting and limiting user access to data throughout the system

BECOME A SHAREHOLDER OF
A CREDIT UNION TODAY!



EVOLUTION OF ELECTRONIC PAYMENTS

Back in the 1950s, the way payments were taken was revolutionized with the invention of the credit card. The Diner's Club card started the cashless revolution when a person was given the ability to pay their bill with nothing but a cardboard card and a signature. Fast-forward to the 21st century and a merchant can accept payment using a debit card or credit card from virtually anywhere using a Poynt or Clover Flex smart terminal. In fact, we no longer even need the card to be present, as the advent of Apple/Android Pay has moved the card to our Smartphones. Almost every industry is seeing increased competition from either E-Commerce giants like Amazon or Big-Box retailers like Wal-Mart, and in order to keep up with the times Merchants are realizing that they need to provide the most convenient customer experience possible, all the way from the service/product itself to the payment method offered at checkout. This includes offering Online Payment Solutions and the newest Android Terminals such as the Clover Flex and Poynt. Source: https://www.paymentexperts.com

Fostering fairer digital financial systems

By Daniel Knight

The landscape is changing fast – but we already knew this. Whether it be the technological, financial or political, it is changing rapidly. And on the horizon is potential calamity – chaos! The sky is falling! Or at least that is what some would venture to say. This was the same with the advent of the age of cyberspace and the internet. Many people thought the introduction of which would bring usher in the end of the world – destruction and damnation! However, contrary to those popular beliefs at the time, the internet has become an integral part of human society and the foundation for future development. So too were the profound fears in the midst of the Y2K bug. It was stated that the clocks would turn back to zeros and would have nowhere else to go.

Often in human society, we see new occurrences as a threat to our very existence. This is sometimes even brought about by experts and media members leading the way to explain the potential of things that they were not uncertain about. As we move ahead within the financial landscape, digital technology, used to deliver financial services, will increase even more. This type of technology is commonly known as Fintech and this concept is already a large part of our daily lives without us even realizing it. Of note, we have Automated Banking/Teller Machines or ABMS/ATMS. We also have online banking, which has seen an uptick in use as a result of the ongoing pandemic. Similarly, we have credit cards and debit cards that have allowed us to shop from remote locations to obtain our clothes, shoes and even food that can arrive at our doors using a few mouse clicks or keyboard taps.

In fostering fairer digital financial systems, there must be equity for everyone operating within this space whether it be consumer, service provider or regulator. It is a well-known fact that the world of cyber is vast. It is largely unregulated on a global scale and it is supremely interconnected. This means that possibilities for progress, innovation and benefits are endless. It also means that risks abound and must be limited in order to protect consumers. There may be

Unfortunately, throughout the globe and even here in Antigua and Barbuda, we do not have the same level of access across the board for all people. And this is truly unfair! A wide cross-section of our society do not have access to internet or digital technology let alone digital financial tools.

the person who wish to purchase a vase from Dubai or a table from China. This is why each year on March 15, the consumer movement celebrates World Consumer Rights Day, which focuses on raising awareness of consumer rights globally as well as posits activities to promote consumer protection and empowerment. This year is no different as we focus squarely on the theme, Fair Digital Finance.

We are all well aware that digital technology is reshaping the way we do just about everything in our world. This is happening at breakneck speeds such that some people tend to shy away from technology adoption for the sheer fear of being overwhelmed by it. We are increasingly hearing about autonomous or self-driving vehicles becoming a reality in the coming decades. It is also noteworthy that digital technology has become a vital part of sustainable development and environmental protection. Unfortunately, throughout the globe and even here in Anti

Antigua and Barbuda, we do not have the same level of access across the board for all people. And this is truly unfair! A wide cross-section of our society do not have access to internet or digital technology let alone digital financial tools. In similar vein, a large number of our community are underbanked or have no access to banks at all. Herein lies both a need and an opportunity to foster fair practices in first providing digital finance to vulnerable and underserved communities such that they can live more meaningful lives and secondly to equip them with the knowledge to navigate through these new environments seamlessly.

We truly need to reshape our thinking as it pertains to provision of financial services in order to help guide the already reshaping world. Digital finance presents an opportunity to move this forward once it is operating in a fair, open and consumer friendly environment. Truthfully, most banking and financial systems are already digital by nature. But there still remains processes or policies that reduce access and create inequities. Fair digital practices and adequate competition in the Fintech and financial services space can do much to achieving the Sustainable Development Goals (SDGs) agreed by so many countries including our own. Our government and various governments throughout the world have already begun this process and must continue to do their part in setting the right regulatory environment and policy frameworks for ensuring the protection of consumers as well as ensuring that the necessary safeguards are in place when we operate in cyber space. This is especially true when it comes to financial services rendered digitally. Moreover, more work must be done to remove existing barriers to access by being proactively engaging citizens through education, business incubation and other facilitative activities. We must give all people the access they need to operate in this created free, fair and safe space.

Digitalization is fast becoming the new norm, as companies and countries alike try to improve on the old ways of doing business, thereby becoming more competitive, nimbler and innovative. This process often takes a lot of time and work but the efficiency gains are tremendous. The challenge, however, is that these gains ought to be passed on to the consumer but may not always be. Therefore, governments must ensure that they thoughtfully protect consumers by monitoring and evaluating the outcomes of these ventures and ensuring that everyone is operating fairly

Fintech is here to stay, and can be a major benefit to various financial services from lending to insurance. They can impact credit assessments as well as make newly created services more easily accessible to the underserved. Persons would be able to access their credit scores on their phones and engage with loan officers via their laptops. Of note, many developed nations already offer these services but with digital technology, the entire globe can be afforded the very same thing. More importantly, services that were siloes or closed off on a national level can now be accessed from anywhere in the world. This means that it is critical, now more than ever, to give the people the proper access to do these types of things and to protect them while they transact via these digital technologies. Governments must therefore find a way to collaborate with financial service providers, their people and any other stakeholder to ensure fair play within this space and to foster greater adoption of fair digital financial systems. This will help lend to global development. We are all in this together, so we must start acting that way!

PUBLIC *Voices*

ON FAIR DIGITAL FINANCE

I think digital financing is overall very positive. It's sheer convenience of being able to deposit a cheque, transfer money to family and friends and pay for goods and services with just a click of a button, is now essential to our society. Furthermore, it can be more secure than traditional payment methods. It's not without its downsides; although digital financing can eliminate the barrier to financial services for many individuals it can present a hurdle to others. Many in the elderly community may not have the same level of access to technology as the broader population and it would be imperative that we come up with creative solutions to merge the traditional and digital finance routes to serve this community.

Digital finance is important. It makes transactions simpler and gives people easy access to their finances. Paying bills, purchasing items in store, sending money to someone else and checking your account balance have all been made effortless and convenient through digital finance.

I fully support it. I fully support anything that is quicker easier and more convenient.

My view is that it's the way forward and since we are living in a technology world it will fit into our everyday life very easy. It a new way of doing business and once you learn how to adopt and understand this way , it would becomes more convenient operate business this way I think it's great if for no other reason it lessons crime (theft).

I have been hearing about mobile banking and online banking for a while, but I have never used them and I don't intend to use them. I don't believe they are safe.

Before COVID-19, I thought digital finance can wait; we will get to it eventually. However, since the pandemic, I have been doing a lot of research into not only digital finance but any consumer-based service that I can conduct online. Paying APUA online is so much easier. Having not to stand in a long line outside the bank is welcomed. The ability to make more local purchases online would be even greater. I must confess, I am sometimes concerned about safety issues, but everything has a risk.

Great concept but once all the security protocols have been put in place. There is also a concern that you can be easily tracked et al seeing that this can be monitored easily.

I do not think digital finance is safe. I prefer to go into the bank and find out what is going on with my account. I honestly think, that is a way for banks to steal our money.

In this world of so many scams I don't really like the online banking so much. I take a chance now and again with purchasing certain things online but that's as far as it goes.

PUBLIC *Voices*

ON FAIR DIGITAL FINANCE

Mrs Korahlene Daniel, Secretary, PCAD.

Digital financing is convenient since most of our financial transactions are done online. However, we risk the chance if financial predators who lurk on the digital highway and can either steel our identity or simply obliterate our nest egg in a hurry before we even realize it! We therefore need our digital financial portals to be safe and policed scrupulously! Any sign of suspicious activities should shut down our accounts immediately while contacting us to verify the activy. However risky though, people would prefer to take a chance online rather than wait in long queues!

Most people are apprehensive when it comes to digital finance. Whether we like it or not it's here and the traditional way of banking is becoming obsolete. We just need to have strong security protocols in place.

When it comes to digital finance, I like the convenience it offers. I can check my bank account at any time and from anywhere. I do not have to go into the bank and wait for long periods of time.

Digital finance it's about new technologies and transform ways in banking and offering services through mobile banking. IT'S also a broad range in financial services in payments of bills, credit cards etc.

I do not want to use a phone or tablet to check my money. I want to go into the bank and find out about my money. I don't believe in using my phone to do banking because I can't see what's happening with my money.

I think Digital Finance will make conducting transactions/business a lot easier and more efficient.

Initially, I had my fears about it. Now, I don't even go to the bank, the bank comes to me and I can monitor activities on my account whenever I desire.

In this world of so many scams I don't really like the online banking so much. I take a chance now and again with purchasing certain things online but that's as far as it goes.

I think it's a great idea.

This is a great thing. Digital financing increases the convenience of doing business. Being able to carry out business no matter where in the world you are located. We saw with covid all the restrictions that were put in place. Digital financing would allow you to work around these restrictions. As a society we are moving away from face to face and paper work to more digital means. This will fall in line with those improvements.

Benefits of Digital Financial Services

By Stuart O. Bridgewater

The Eastern Caribbean Central Bank has lamented about the "high cost of cash services (e.g transportation, storage and security) as well as credit and debit card fees and the constraints that they place on economic growth" in the ECCU. The implementation and use of Digital Financial Services has been and will be a key factor in cutting the high cost of financial services in Antigua and Barbuda. It can and will reduce the overall cost and ease of doing business and thus also stimulate economic growth.

Digital Financial Services (DFS), defined as the range of financial services that could be delivered or accessed through a digital platform using some form of Financial Technology (FINTECH), have been transforming the way of doing business in Antigua and Barbuda over the last 10 years. For example, the term, "banking day", have been basically eliminated for many businesses as they now have continuous access to their bank accounts and can perform financial transactions 24/7. Employees of many businesses are now required to submit their bank account details so that they can be paid their wages or salaries through direct deposits. For the individual citizen, security, continuous access, and the cost of access ing financial services have been tremendously improved by the application and use of DFS. However, while the services and means of access are available, these are still highly underutilized by a significant portion of the population and thus affect the overall cost and ease of doing business in Antigua and Barbuda.

Statistics show that the population of Antigua and Barbuda at the end of 2021 was approximately 100,000, with the average number of internet users at 75,000. Further, the number of cellular connections stood at about 196,000 (many persons have multiple devices). Also, based on the statistics, the economically active portion of the population almost overwhelmingly using technology in one way or the other. Yet, DFS are highly underused and thus have a multiplier effect on the cost and ease of doing business. We remain a cash-based economy. Could a national education campaign by government and private sector partners stimulate the general populace towards the utilization of technology and DF ser vices? Could improvements in the cost, availability

and coverage of internet services be a factor in the reluctance more widescale use of the technology? Could legislation and certain regulatory processes and requirements be working against this tool for economic improvement?

DFS, in areas such as bank accounts and transaction services, digital wallets and electronic funds storage, e-money (Cash-in and Cash-out) services, payment services, savings products, investment products, lending services, ATMs and insurance services have made financial inclusion possible for many who may otherwise have been excluded or intimidated by the process of using or applying for these services. In fact, many local financial institutions have remarkably cut their operating costs and increase the quality and availability of their product offering by implementing FINTECH into their operations. Gone are the days when a grandmother going to the bank for a simple transaction had to allocate taxi fare (or a "lickle change for son son"), arrangements for lunch ("nar able cook when me get back from being in the bank all day") and security to accompany her to the bank to ensure that all goes well (a "lickle change for me man-ah-business"). Online banking not only cuts operating cost for the financial institution, but for the grandmother as well. Through online banking, from the security and comfort of your home you can pay your utilities, the gardener (Buddy Pay or EFT), send a wire, perform an account-to-account transfer or check your account balance. However, the long lines queueing at the banks, credit unions and ATMs continues even now during a global pandemic.

Services such as Apple Pay, PayPal and Google Pay are now giving financial institutions in the Caribbean options away from the problem of expensive correspondent banking relationships.

ATMs can play a vital role in digital transformation and increased efficiency in financial activities. Most financial institutions allow the paying of bills, mobile top-ups and other types of cashless transactions directly from the ATM. No need to withdraw moneys to go to ten different places to conduct business when a single stop at an ATM can accomplish this. With some banks offering drive thru ATM services, all of this can also be performed from the comfort of your vehicle. Do you question the security of your device (phone, computer or tablet) , the ATM can be used as a secured alternative. Set your daily cash limit to $100.00 and perform your transactions electronically thus putting the burden of security on the bank who are highly regulated to ensure the security of your money. Not only will they be required to refund your money, but the regulators (FSRC, ECCB and SWIFT), through hefty fines and sanctions will ensure that you are not defrauded once you follow the rules stipulated for using these services.

Payroll heists was becoming a regular occurrence in Antigua and Barbuda until businesses started sending salaries and wages directly to their employee's financial institutions. Payroll services and direct deposits made it possible to pay employees directly and eliminated the need for security or pay packet stuffing. Payroll can now be handled by a single individual and not an entire department. The option is available, yet some businesses continue to use the manual, expensive and dangerous pay packet method. Some business owners proudly proclaim that they have been doing business the same way for decades. Have operating costs and increased efficiency been considered? Is this a reflection of the many businesses that we grew up with ceasing operations and disappearing from the landscape?

The benefits of Digital Financial Services cannot be overemphasized in a changing world where globalization has now linked the world into a single market. Purchasing, selling or even accessing services that would not normally be available in Antigua and Barbuda or even the wider Caribbean due to economies of scale would be all but impossible without the use of the DFS made available through a number of FINTECH. Services such as Apple Pay, PayPal and Google Pay are now giving financial institutions in the Caribbean options away from the problem of expensive correspondent banking relationships. Overall, digital financial services have given Antigua and Barbuda a tool that can increase efficiency, reduce oper ating costs and increase financial inclusion, all of which, if utilized can have a tremendous effect economic growth and development.

Whether cash or card, you need to budget

What is a budget plan?

A budget plan is a chart that shows you the flow of money in your everyday life. A budget can help you determine where you are overspending as well as help you adjust bad spending habits. By making slight adjustments to your budget, you may have the ability to save more or make larger payments on your debts.

Why do i need a budget plan?

Every day, thousands of consumers face financial crises. These can be caused by personal or family illness, or loss of job, but the most common cause is overspending. By tracking your spending you will know exactly where your money is going.

How to create a budget plan

Start by keeping track of all your monthly living expenses and other monthly bills. Creating a budget can be done by simply using a spreadsheet on a computer, or recording on a piece of paper.

How do i maintain my budget plan?

You need to control your emotions and impulses that stimulate your desire to spend money. You should keep close track of what you spend every day. Ask yourself "Do I really need to buy this? Maybe I should bring my lunch instead of eating out." Try to cut back on your "fixed" monthly expenses. You should always be able to cut back on your personal care, hobbies, and entertainment.

8 reasons budgeting can improve your life

1. A budget is a guide that tells you whether you're going in the direction you want to be headed in financially. You may have goals and dreams but if you don't set up guidelines for reaching them and you don't measure your progress, you may end up going so far in the wrong direction you can never make it back. Can you imagine the government or a major corporation operating without a budget? No, and neither should you.

2. A budget lets you control your money instead of your money controlling you.

3. A budget will tell you if you're living within your means. Before the widespread use of cards, you could tell if you were living within your means because you had money left over after paying all your bills. The use of cards has made this much less obvious.

Ms Condacy Christian, Sr. Executive Officer, PCAD.

4. A budget can help you meet your savings goals. It includes a mechanism for setting aside money for savings and investments.

5. Following a realistic budget frees up spare cash so you can use your money on the things that really matter to you instead of frittering it away on things you don't even remember buying.

6. A budget helps your entire family focus on common goals and can improve your family life. A good budget is not just a spending plan; it's a communication tool. Done right, a budget can bring the family closer together as you identify and work towards common goals and reduce arguments about money.

7. A budget helps you prepare for emergencies or large or unanticipated expenses that might otherwise knock you off your path financially.

8. A budget can keep you out of debt or help you get out of debt.

Source: consumercredit.com

Keep Your Debit Card Transactions Safe

While many consumers choose to use a debit card to avoid accumulating credit card debt, you may not be aware that you could lose more hard-earned money through debit card fraud than if you used a credit card for a purchase.

As you probably know, when you make a purchase with a debit card, the money is taken instantly from your account. If someone fraudulently uses your debit card number, you could be responsible for some or all of those charges.

Mrs Sonia Francis, Price Control Inspector, PCAD.

KEY TAKEAWAYS

- Check your bank statements on a regular basis and report any suspected fraudulent activity to the bank immediately.
- The faster you report a problem, the more quickly you can cancel your debit card and prevent additional charges.
- If you lose your card or suspect it has been stolen, report it immediately to your bank and cancel the missing card.
- Change your personal identification number (PIN) and password every few months.

RULES FOR KEEPING YOUR DEBIT CARD SAFE

1. Check your bank statements often

As time is of the essence to receive full fraud protection from your bank, make it a habit to review your bank account online at least once a week or even daily.

2. Protect your PIN number

Don't give your personal identification number (PIN) to anyone who asks, and don't keep it written down anywhere in your purse or wallet.

3. Consider avoiding debit card use online

Some consumers choose to use only credit cards online, because a fraudulent credit card transaction takes more time for your bank to process and can become an item of dispute rather than an instant removal of cash from your account. The Division recommends checking for a security symbol, such as an unbroken key or a padlock, on each website before you order anything because these symbols mean your information will be encrypted and therefore should be safer.

4. Don't use public wireless access for financial transactions

Make sure you are using a password-protected wireless signal to check your bank account balance, pay bills, and shop, so that hackers have less chance to capture your password and account information.

5. Report problems immediately

While you would certainly report it right away if your wallet were stolen and your credit and debit cards were missing, you should also report any unauthorized transactions immediately.

6. Create your own security profile

As long as you remember the answers, you can make up anything you want for your security questions. Using a pet's name or your mother's maiden name makes it too easy for cons to get into your account. The answers just have to be consistent; they don't have to be true.

The Bottom Line

While you may find constantly using a debit card to be a great convenience, it won't be so convenient if someone manages to drain your account. A little vigilance and some new habits can go a long way toward preventing a damaging debit card experience.

Source: www.investopedia.com

Statistics on Digital Finance and Its Impact on Global Economy

The finance technology industry continues to expand and disrupt various markets. Because of the COVID-19 pandemic in 2020, the fintech market saw huge growth and helped provide financial access to individuals and businesses in a world that was put on pause and in isolation.

Moreover, many digital finance players made money management more accessible for people, especially since there's an influx of individuals using finance apps during the pandemic. Businesses started offering various online payment options as an alternative besides bank transfer and cash, and other companies implemented blockchain technology into their operations.

As you can see, fintech is the future, and the digital economy in this industry will only continue to move forward from here. Take a look at some interesting figures and data that prove how big of an impact fintech has on the world.

General Statistics

The global financial services market is projected to rise from $20.4 trillion in 2020 to $22.5 trillion in 2021 at a compound annual growth rate (CAGR) of about 9.9%. (The Business Research Company, 2020)
This expected growth is based on the efforts of businesses adjusting their operations as they recover from the pandemic's impact and operational challenges. By 2025, the fintech market is also expected to reach $28.5 trillion.

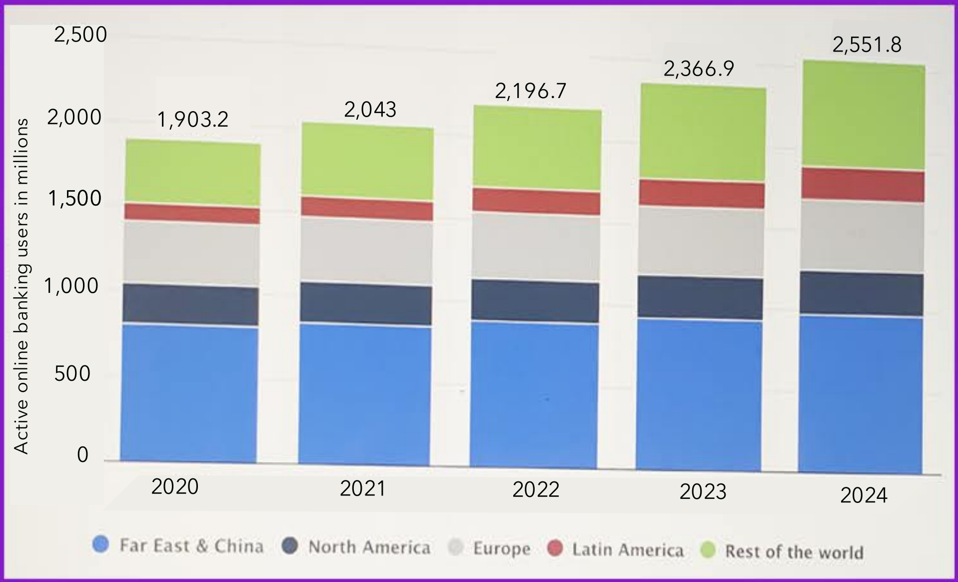
COVID-19 spurred the adoption of fintech, such that 73% of Americans view fintech as part of "the new normal." (Plaid, 2020)
During this challenging time, when the world saw the worst economic crisis after the Great Depression, fintech allowed people to manage their money without going to the bank. It provided some control in a time when everything is uncertain. The survey respondents say they will continue to use digital management even when the health crisis blows over.

Ms Cemone Williams,
Consumer Affairs Officer (Ag.), PCAD.

A survey shows that 39% of companies are making fintech adoption a high priority, highlighting the worldwide demand for a more innovative financial landscape. (JD Spura, 2020)
Many decision-makers across the accounting, banking, financial services, investment, and insurance industries rank data and analytics as their primary reason for fintech adoption, stressing the significance of analytical data around financial performance, trends, and developments.

Fintech firms in digital asset exchanges, payments, savings, and wealth management reported growth in transaction numbers (13%) and volumes (11%) in 2020. (World Bank, 2020)
According to a survey that gathered 1,385 firms, the fintech industry has been significantly resilient and adaptable despite the global health crisis. Many fintech services contributed to pandemic relief operations and served businesses of all shapes and sizes. The pandemic increased the demand for and accelerated how people use digital finance.

In the U.S., 60% of credit unions and 49% of banks believe fintech partnership is important. (TIPALTI, 2020)
Fintech collaborations provide benefits for all parties involved. The use of mobile devices and online services, cloud development, and data security are some of the technological changes that reflect on people's banking behaviors. With these continued partnerships, the financial services industry and technology sector will keep expanding in the future.



Use of online and mobile banking is estimated to increase steadily between 2020 and 2024, with the Asian market being the largest. As the graph shows, in 2020, Far East and China already accounted for over 800 million active online banking users. This figure is expected to reach nearly one billion by 2024. As of 2020, as many as 1.9 billion individuals worldwide actively used online banking services with that the number forecast to reach 2.5 billion by 2024 (Statista, 2022)

Mobile Banking Statistics

Digital banking users are expected to exceed 3.6 billion by 2024. (Juniper Research, 2020)

A new study finds that the total number of people who use digital banking systems will reach 3.6 billion come 2024—a dramatic increase (54%) from 2.4 billion in 2020. The significant growth will be propelled by the upswing of digital-only banks and established financial institutions' current efforts to keep up with the digital transformation.

On average, users have 2.5 finance apps installed on their smartphones. (Google, 2016)

We are living in a mobile-first era. Naturally, companies, including financial entities, realize that smartphones serve as a convenient and essential tool that links them to consumers.

Having finance apps on smartphones is like having their banks as constant companions. They can check their accounts, monitor the status of their investments, review their transaction history, automate their bill payments, and send and receive money.

The value of digital payments increased from $4.1 trillion in 2019 to $5.2 trillion in 2020. (Fortunly, 2021)

One of the biggest fintech products is digital payment; it is the driving force of the fintech market. Digital payment services provide a platform for the unbanked and underbanked population since many of these services are being offered by non-bank entities. Many tech players create services (food delivery or ride-hailing services) backed by e-wallets or other digital payment methods. At the same time, some businesses partner with digital wallet services for customer acquisition.

In terms of users, 97% of millennials say they use mobile banking; 91% of Gen X-ers and 79% of baby boomers say they see the benefits of mobile banking services. (Business Insider, 2021)

Sending and receiving money from one account to another, depositing a check, and paying off loans and utility bills—these are some of the standard features of mobile banking and e-wallets. Because of the convenience, speed, and end-to-end customer experience (e.g., personalized alerts) these tools offer, it's no wonder why people of different age groups are drawn to go paperless and use these channels.

59% of Americans are utilizing more fintech applications to handle their finances than pre-COVID-19 days (Plaid, 2020)

Using these digital apps and relying on them for their day-to-day financial needs during the toughest times prove that money management can be easier and more manageable. The respondents say they wouldn't have been able to keep up with their finances amid the pandemic without digital apps, products, and services.

Source:https://blog.pawnhero.ph/digital-finance-statistics

Keep your receipt

Whenever you withdraw money, make a purchase or even when you dine out, the seller will give you an acknowledgment of the payment in the form of a receipt. Though it may be annoying to look for the important stuff in a purse or wallet full of scrap paper, keeping your receipts is, in fact, a good habit.

At the store, you would usually get two receipts - one from the seller and another from the POS machine for the card transaction. The merchant would only ask for the sale receipt at the time of redress, however, you should still hold on to both the receipts should there be any issues with the fund transfer.

FAIR DIGITAL FINANCE

Word Search by Consumer Liaison Officer, Mrs Ronette Stanford

Find and circle each of the words from the list below. Words may appear forwards or backwards, horizontally, vertically or diagonally in the grid.

E	U	I	C	U	I	O	U	E	Y	U	O	S	D	E	A	S	R	Z	E	E	C	A	E	F	O
K	P	B	E	B	O	A	M	V	R	V	U	N	G	U	I	A	D	N	Z	D	A	U	Q	D	C
A	P	E	L	A	O	T	X	R	I	U	A	O	S	N	S	E	S	N	A	T	C	P	Q	X	N
U	I	E	E	N	Y	U	R	S	E	M	C	T	R	E	I	O	O	Z	V	F	C	I	O	P	F
U	W	N	B	K	F	G	I	A	E	M	N	E	E	Y	U	T	C	O	A	U	O	H	C	R	U
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D	O	E	A	N	N	C	E	I	M	S	D	S	Q	P	T	L	R	O	E	T	N	R	A	T	J
I	I	C	T	G	A	U	P	Y	V	Q	P	N	N	O	W	A	B	O	H	T	T	E	L	E	X
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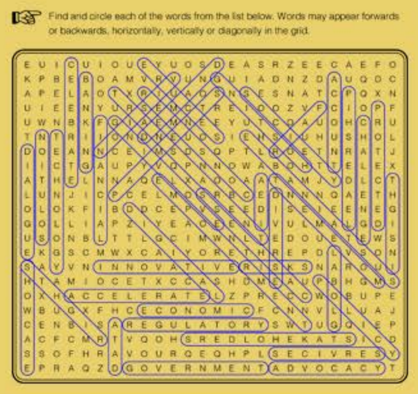
W	B	U	G	X	F	H	C	E	C	O	N	O	M	I	C	F	C	N	N	V	L	L	U	A	J
C	E	N	B	I	S	A	R	E	G	U	L	A	T	O	R	Y	S	W	T	U	G	Q	I	E	P
A	C	F	C	M	R	T	V	Q	O	H	S	R	E	D	L	O	H	E	K	A	T	S	I	C	D
S	S	O	F	H	R	A	V	O	U	R	Q	E	Q	H	P	L	S	E	C	I	V	R	E	S	Y
E	P	R	A	Q	Z	D	G	O	V	E	R	N	M	E	N	T	A	D	V	O	C	A	C	Y	T

DIALOGUE EVOLVING PAYMENTS CASHLESS ECONOMIC SOLUTION FINANCIAL SERVICES SOCIETY BANKING HOSTING DEMAND ACCOUNT SECURE DIVERSE RISKS MOVEMENT SHOWCASE ADVOCACY CONSUMER CELEBRATE INNOVATIVE TECHNOLOGY GOVERNMENT EMPOWERMENT TRANSPARENT STAKEHOLDERS REGULATORY SUSTAINABLE LEADERSHIP ACCELERATE PROTECTED CHALLENGE DIGITAL RIGHTS POLICY IDEA DATA INSIGHT FAIR VISION GLOBAL



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