Alliance of Digital Finance and Fintech Associations

Thematic Forum Charter

Cross-Border Scaling & Regulatory Readiness

Forum Lead(s)

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Forum Purpose

Finance Forum, 2025), including about USD 331 billion in Sub-Saharan Africa (IFC and SME Finance Forum). National estimates illustrate the scale: USD 4.8 billion in Ghana (Bank of Ghana, 2026), USD 21.9 billion in the UEMOA region (aggregate of IFC estimates for its eight member states), USD 8.8 billion in Uganda (IFC, 2021) and USD 2.8 billion in Bangladesh (IFC, 2023).

Alternative data has expanded MSME lending, but mostly through nano loans (USD 10 to 300) and micro loans (USD 300 to 3,000), often with tenors of 15 to 30 days, offered by fintechs and lending platforms, often in partnership with electronic and mobile money issuers. Some of these providers are licensed and supervised by central banks, as in Ghana, but few are professional lenders, and their business models keep tickets small and tenors short. MSME needs go well beyond these amounts and tenors. Closing a gap of this scale requires the balance sheets of commercial banks and other professional lenders such as factoring and leasing companies. Yet their MSME exposure remains low, constrained by information asymmetry, the lack of eligible collateral, and the impact of MSME risk on their solvency ratios and non-performing loans.

The Forum explores the question: how can open finance frameworks and digital public infrastructure support the transformation of these institutions so that they lend more to MSMEs, at the amounts and tenors MSMEs need, with lower collateral requirements? The Forum aims to offer practitioners and international organisations active in MSME finance practical recommendations and guidance.

Forum Scope

The Forum focuses on commercial banks and specialised financial institutions (such as factoring and leasing companies) subject to prudential rules based on Basel II and III.

Included: credit and financing instruments offered to MSMEs by these institutions: overdrafts; short-, medium- and long-term loans; cash advances; discounting and guarantee (aval) of bills of exchange; factoring; and leasing. Also included: open finance and data-sharing frameworks; digital public infrastructure; alternative data and cash-flow-based credit assessment; learning from declined credit applications; eligible and alternative forms of collateral; and the regulatory and prudential conditions that affect MSME exposure (solvency ratios, provisioning, non-performing loans). Mobile money operators and fintechs are in scope as data and origination

partners. The nano and micro loan definitions above are working definitions open to discussion within the Forum. Geography: low- and middle-income countries, drawing on experience from Africa and South Asia.

Excluded: investment instruments such as equity and subordinated debt (unless Forum members agree to consider them), consumer credit, payment interoperability as an end in itself, crypto-assets, and promotion of products or services.

Forum Participants

Open to AllianceDFA Member Associations, their members, and digital financial services providers (commercial banks, specialised lenders, microfinance institutions, fintechs and mobile money operators), with regulators, academics and other specialists invited as guests. The Forum builds on a core group of eight experts already engaged. In line with AllianceDFA guidance, the Forum will have between 10 and 30 participants. Every application is subject to approval by the Forum Leads. Selection will favour applicants whose experience adds value to the debate and strengthens the credibility of the Forum's outputs. Working language: English.

Proposed Time Frame and Frequency of Sessions

- Start Date: December 2026
- End Date: June 2027
- At least 4 sessions to be held every 6-8 weeks, 90 minutes per session

Where Will the Forum Be Held:

Online – Google Meet.

Initial ideas of what the Forum may produce

The Forum may produce as many outputs as its members agree, in whatever formats they find most useful: for example, briefing notes, white papers, webinars, practical resources, case studies or research ideas. Initial ideas include a briefing note on what it takes for banks and professional lenders to finance MSMEs beyond micro amounts with lower collateral requirements; a cross-country comparison of eligible and alternative collateral and data-sharing practices; and a practical resource on learning from declined MSME credit applications.