

Digital Financial Services (DFS) Workshop

27 to 28 April 2017
Trinidad and Tobago



UNITED NATIONS

ECLAC





Next generation funding models for emerging market startups and SMEs

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Quintessence
CONSULTING



SETTING THE STAGE

FINANCIAL SERVICES SECTOR

Impact on Development

Indigenous Financial Institutions have played the leading role in the Caribbean contributing to national identity, social transformation and economic development. They have introduced many products such as mortgages that traditionally was not available to locals.

Market Share

While the banks remain the most important intermediaries, they do not have the predominant share of loans to local corporate customers.

Trust

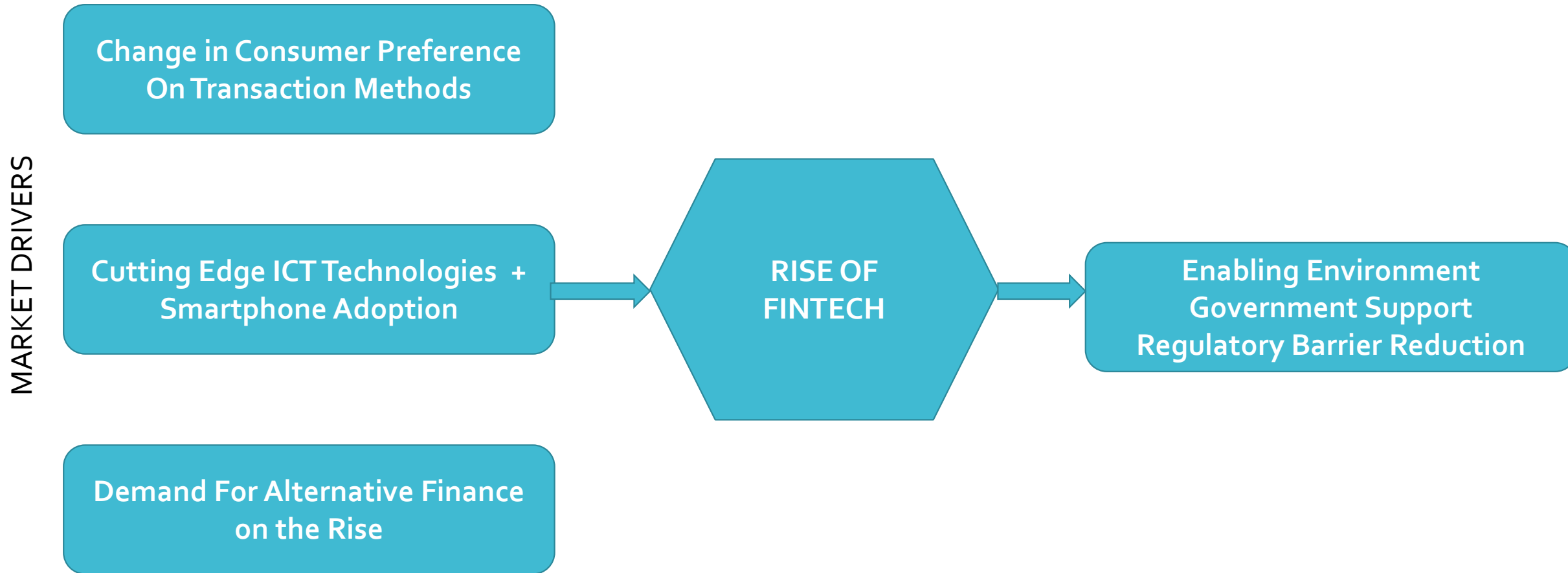
Perceptions of the nature of the banking service provided, and the safety of deposits are crucial in terms of competition by banks for 'other people's money'.

Efficiency Responsiveness and Flexibility

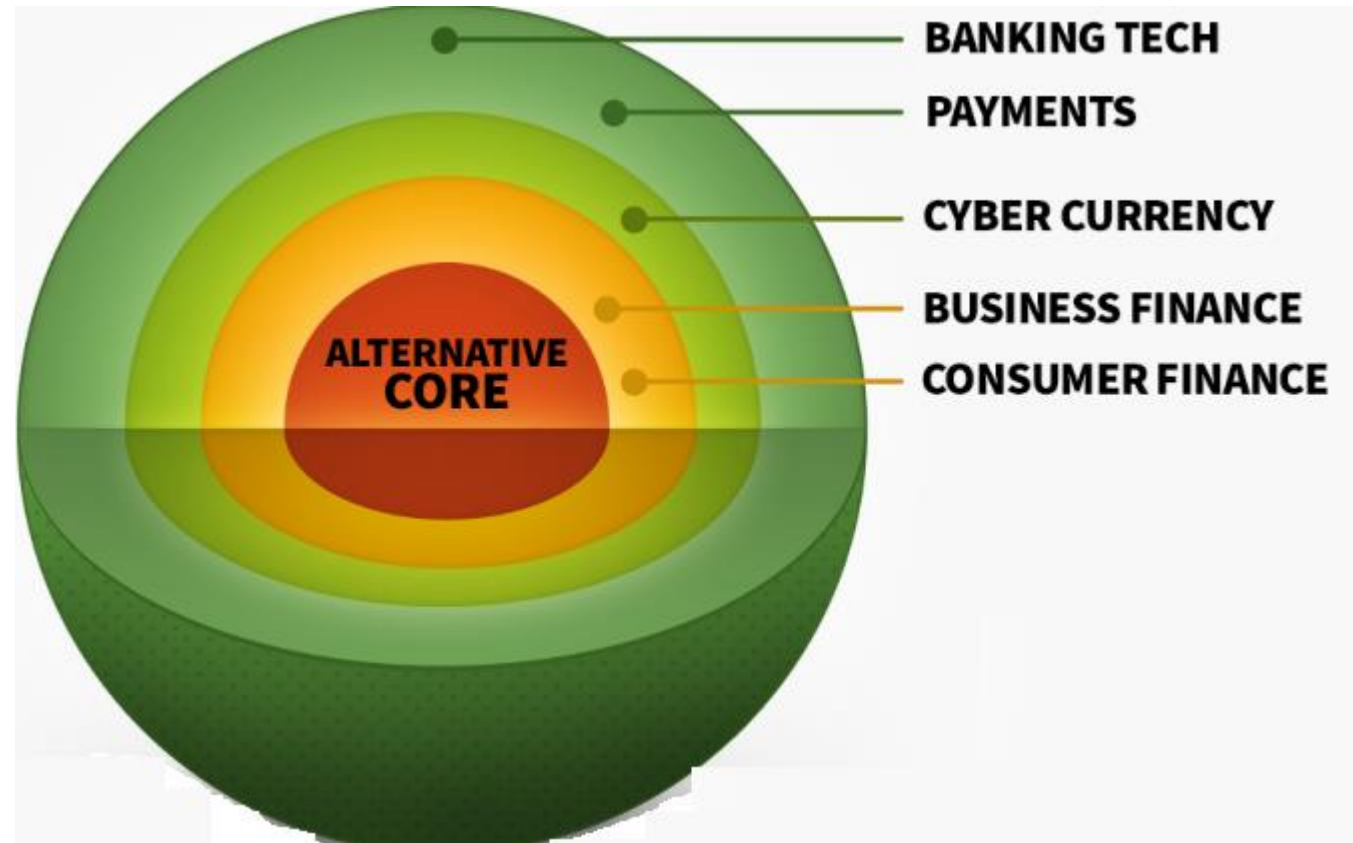
-Majority of institutions use legacy systems
-Numerous processes are still manual, and data is still housed in different systems not interoperable with the other

- Excess Liquidity
- Highly regulated
- Traditional Business Models

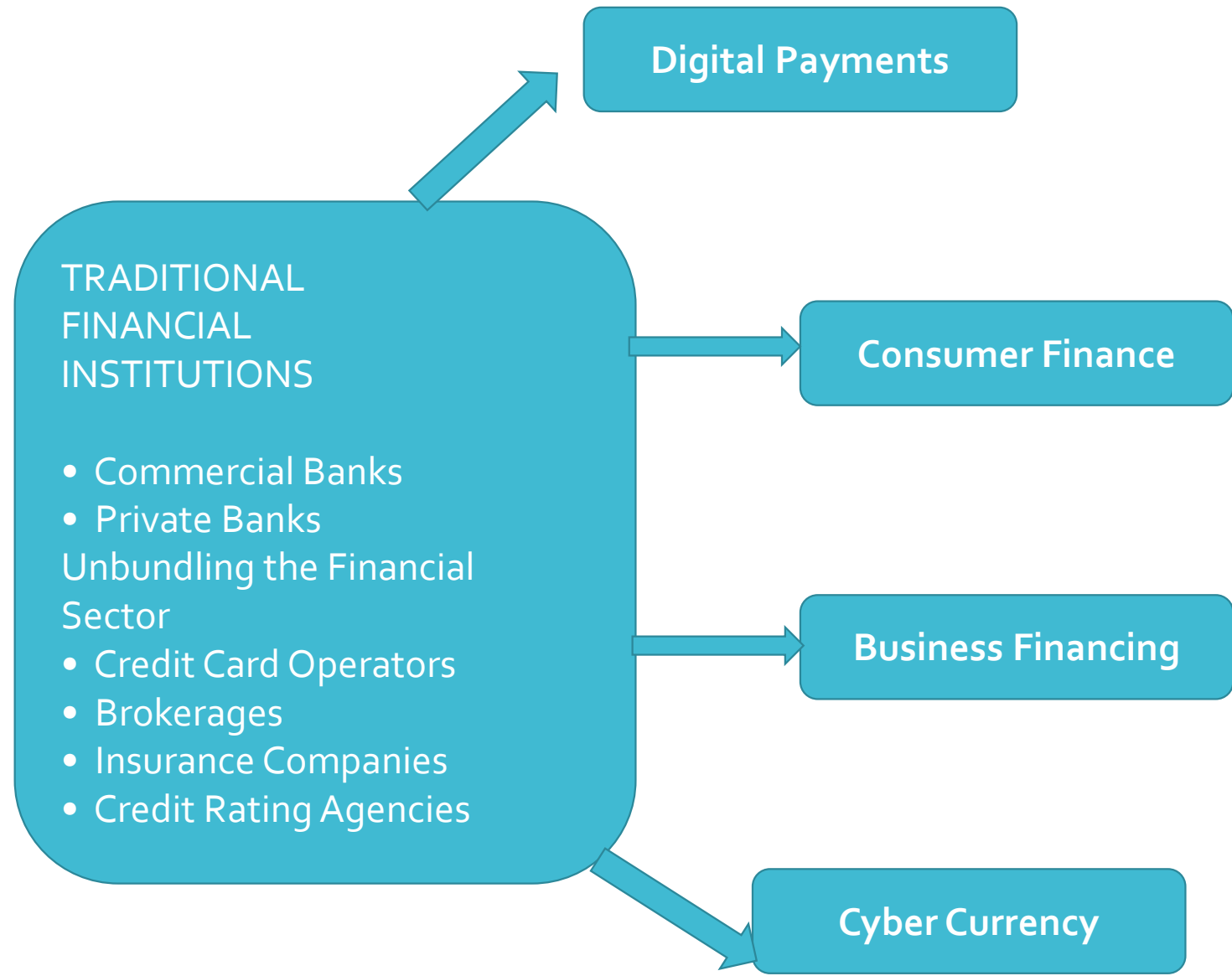
KEY TRENDS DRIVING FINTECH



Disruption Layers in Fintech

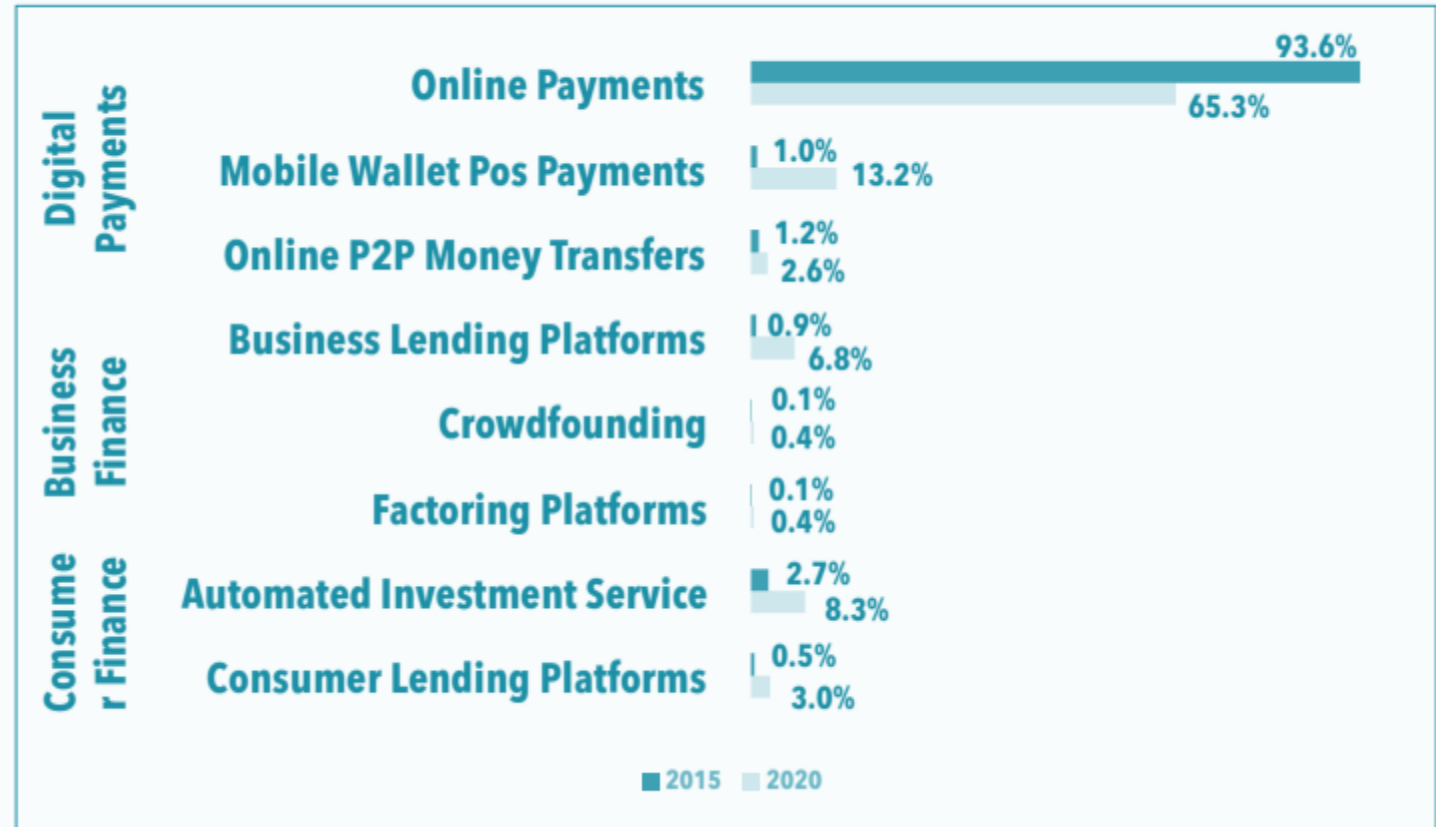
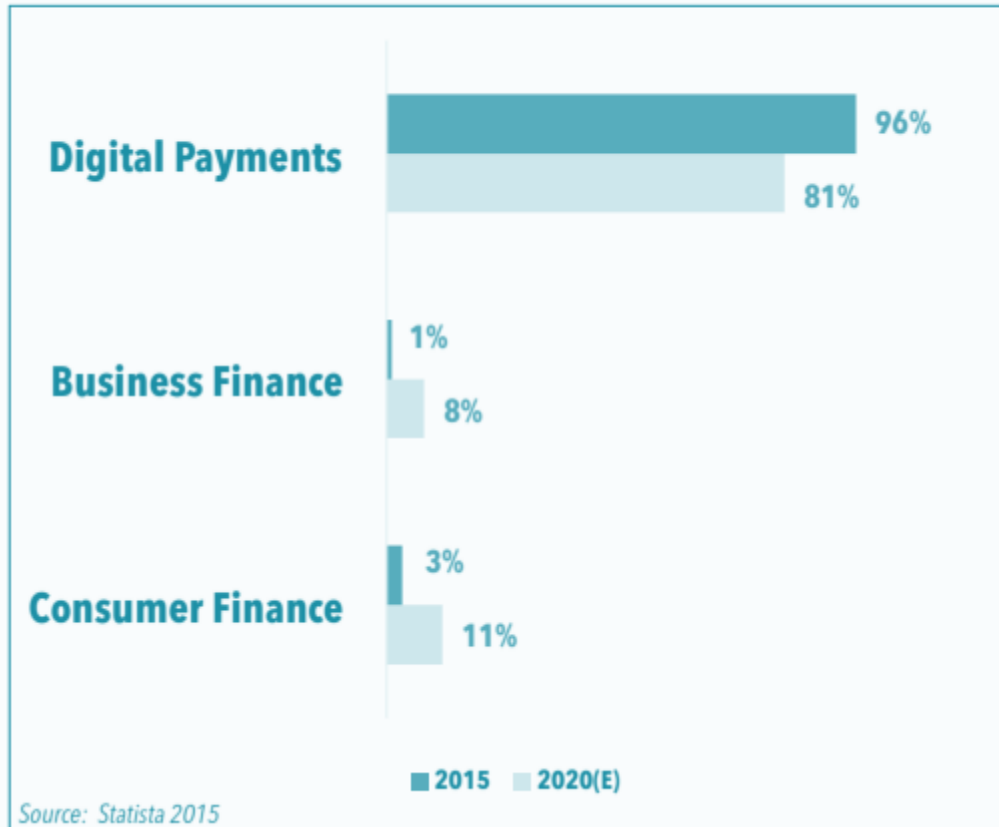


UNBUNDLING OF THE FINANCIAL SECTOR



BREAKDOWN OF DIGITAL TRANSACTIONS

GLOBAL TRANSACTION VALUE AND SHARE OF SEGMENTS

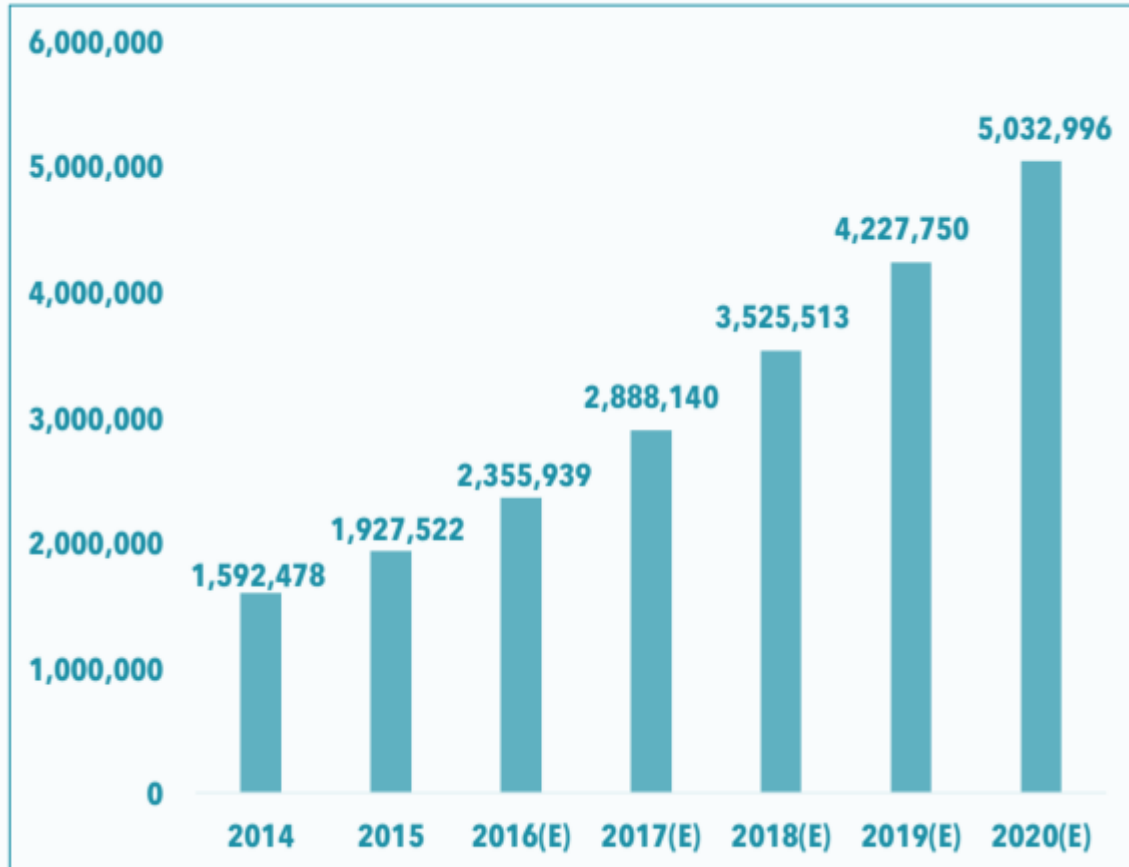


SME



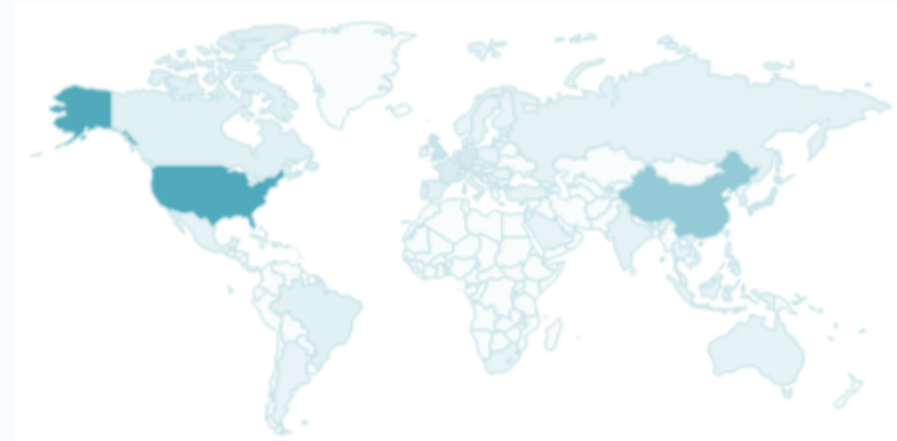
Growth of Consumer & Business Finance Volumes

MARKET SIZE BY TRANSACTION VOLUME (millions of USD)



Source: Statista 2015

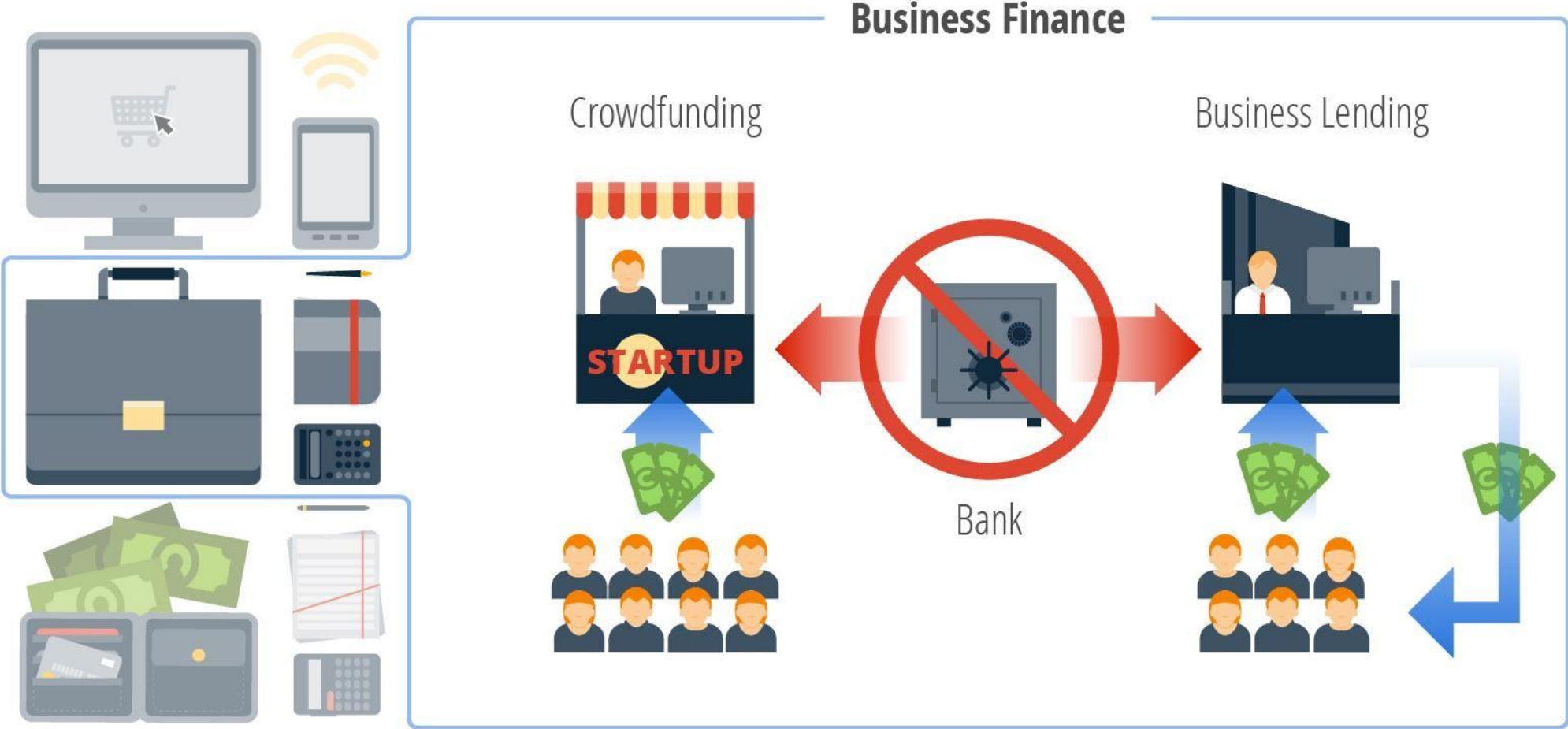
TRANSACTION VOLUME BY COUNTRY



Country	Transaction Volume
United States	\$769,323.4 M
China	\$441,017.1 M
United Kingdom	\$168,521.7 M
Japan	\$138,191.2 M
Germany	\$121,017.9 M

ALTERNATIVE FINANCE

70% 70 percent of all MSMEs in emerging markets lack access to credit.





CROWDFUNDING

NEXT GENERATION FUNDING MODELS





DONATIONS

Philanthropic donation or gift, no return expected

REWARDS

Contribution in exchange for a perk or a pre-order of a product

LENDING

Capital repayment most often with interest

EQUITY

Investment for an ownership stake in the business

ROYALTY

Crowdfunders invest in campaign owners and receive a share of revenue earned in return for their investment

● Non-financial Return Crowdfunding

● Financial Return Crowdfunding (or securities-based Crowdfunding)

DONATION & REWARDS BASED CROWDFUNDING

KICKSTARTER

INDIEGOGO.

BUILDING THE CARIBBEAN TOGETHER
WITH CROWDFUNDING!





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FundRiseHER™

Crowdfunding Grants For Women Entrepreneurs

Proof of concept for crowdfunding for the
Commonwealth

Pitchandchoose.com



- P2P lending Platforms don't lend their own funds- they act as a platform to match borrowers who are seeking a loan with investors who purchase notes or securities backed by notes issued by the P2P platforms
- P2P platforms run entirely online and require little personal interaction or shared personal information
- One of the major advantages of P2P lending is that interest rates tend to be better than what traditional banks offer.
- Investors tend to receive higher returns than traditional lending opportunities

Over 1.7 Billion Pounds Sterling since 2005

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MAIN NAVIGATION

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- My Profile
- My Accounts
- My Requests
- Lend
- Borrow
- Logout

Dashboard Control panel

Home > Dashboard

1,654,860.00
Total Requests
[View requests history](#)

1,422,160.00
Total Loans
[Create a loan request](#)

273
Total Memberships
[View memberships](#)

3
Members Online
[View members online](#)

My Account Summary

Cash Account	933.79	view
Bid Account	0.00	view
Online Lendings	3306.29	view
Online Loans	(23825.97)	view

My Bidding Activity

Active Bids	0.00	view
Successful Bids	3500.00	view
Unsuccessful Bids	2900.00	view

My Message Center


[view all](#)

No messages found



Active Loan Requests



Loan Type	Description	Details	Credit Rating	Expires	Funding	
 home improvement	I am completing two apartments for rental. To obtain the funding of \$27,000	EC\$ 45000.00 @ 15.00% for 4 YEARS 66.67000% (\$30001.5) funding or higher required.	A	7 days 18 hrs 13 mins 09 sec	10.00 % funded 	view
 debt consolidation	To consolidate credit card and P2P debt as I	EC\$ 31000.00 @ 18.00% for 5 YEARS 90.32258% (\$28000) funding or higher required.	C	2 days 18 hrs 13 mins 09 sec	30.97 % funded 	view
 vehicle purchase	To assist in the purchase of a vehicle	EC\$ 30000.00 @ 17.00% for 5 YEARS 100% funding required	B	2 days 18 hrs 13 mins 09 sec	52.67 % funded 	view
 debt consolidation	I am young single mother starting out on own.	EC\$ 21000.00 @ 18.00% for 5 YEARS 85.71429% (\$18000) funding	C	2 days 18 hrs 13 mins 09 sec	28.57 % funded 	view



A new way to get a loan that's right for everyone.

Loan Calculator

Get an indicative quote of your loan cost

How much would you like to borrow?

B\$ 15000

How long would you like to pay back?

Months 36

Monthly cost:- B\$ 484.01

APR:- 10% (*)

* - Illustrative Terms only. Subject to individual assessment

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[Why You Should Borrow](#)

[Why You Should Invest](#)

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TRADE

DATA

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SIGN UP

Invest in growth companies.
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Funderbeam is the first and only platform in the world where growth companies are funded and traded across borders.

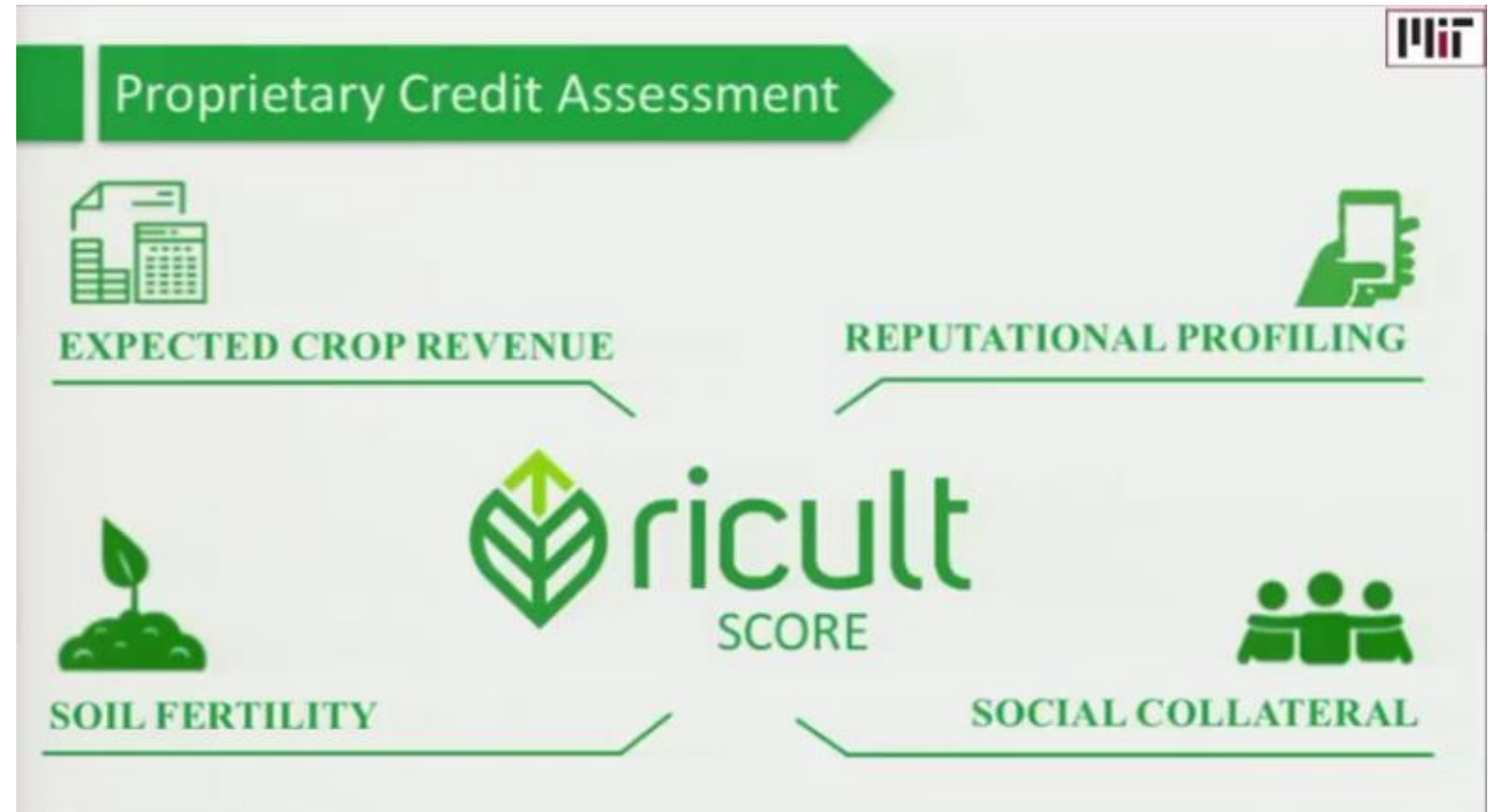
SIGN UP

HOW EQUITY INVESTING
AND TRADING WORKS



BIG DATA & REGTECH

Risk Based
Mechanisms
e.g Ricult



Risk Based Mechanisms e.g Ricult

Farmers love us because...

30% Lower Cost on Better Seeds and Fertilizers

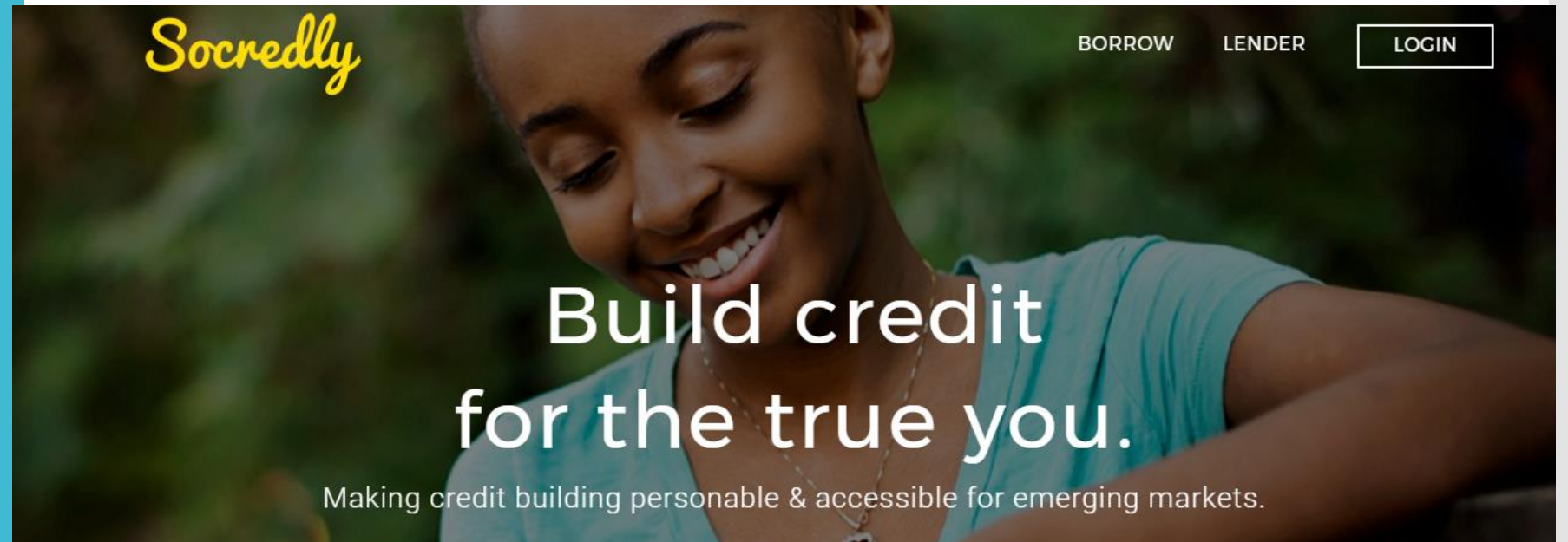
Easy Credit Access that Matches Crop Cycle

5X Lower Interest Rate

WiiT

The infographic features a green background with a grass texture. At the top, a green arrow points right with the text 'Farmers love us because...'. Below this, three icons are arranged horizontally: a seedling growing from soil, a clock with a circular arrow, and a hand holding a stack of money. Each icon is accompanied by a text block describing a benefit. The 'WiiT' logo is in the top right corner.

Risk Based
Mechanisms
e.g Socredly

The image shows a banner for the Socredly website. On the left, the Socredly logo is written in a yellow, cursive font. In the top right corner, there are three navigation links: 'BORROW', 'LENDER', and 'LOGIN'. The 'LOGIN' link is enclosed in a white rectangular box. The background of the banner is a photograph of a young Black woman with her hair pulled back, smiling warmly and looking down. The text 'Build credit for the true you.' is overlaid in large, white, sans-serif font. Below this, a smaller line of text reads 'Making credit building personable & accessible for emerging markets.'

Socredly

[BORROW](#) [LENDER](#) [LOGIN](#)

**Build credit
for the true you.**

Making credit building personable & accessible for emerging markets.



Connect with Facebook to start scoring

Enter e-mail

By using this service you agree for our [terms and conditions](#) and [privacy policy](#)

Track Spending

Lorem ipsum dolor sit amet, consectetur adipiscing elit, sed do eiusmod tempor incididunt ut labore et dolore magna aliqua. Ut enim ad minim veniam, quiz

GET SCORE

SEE PURCHASE HISTORY

Enter your purchases

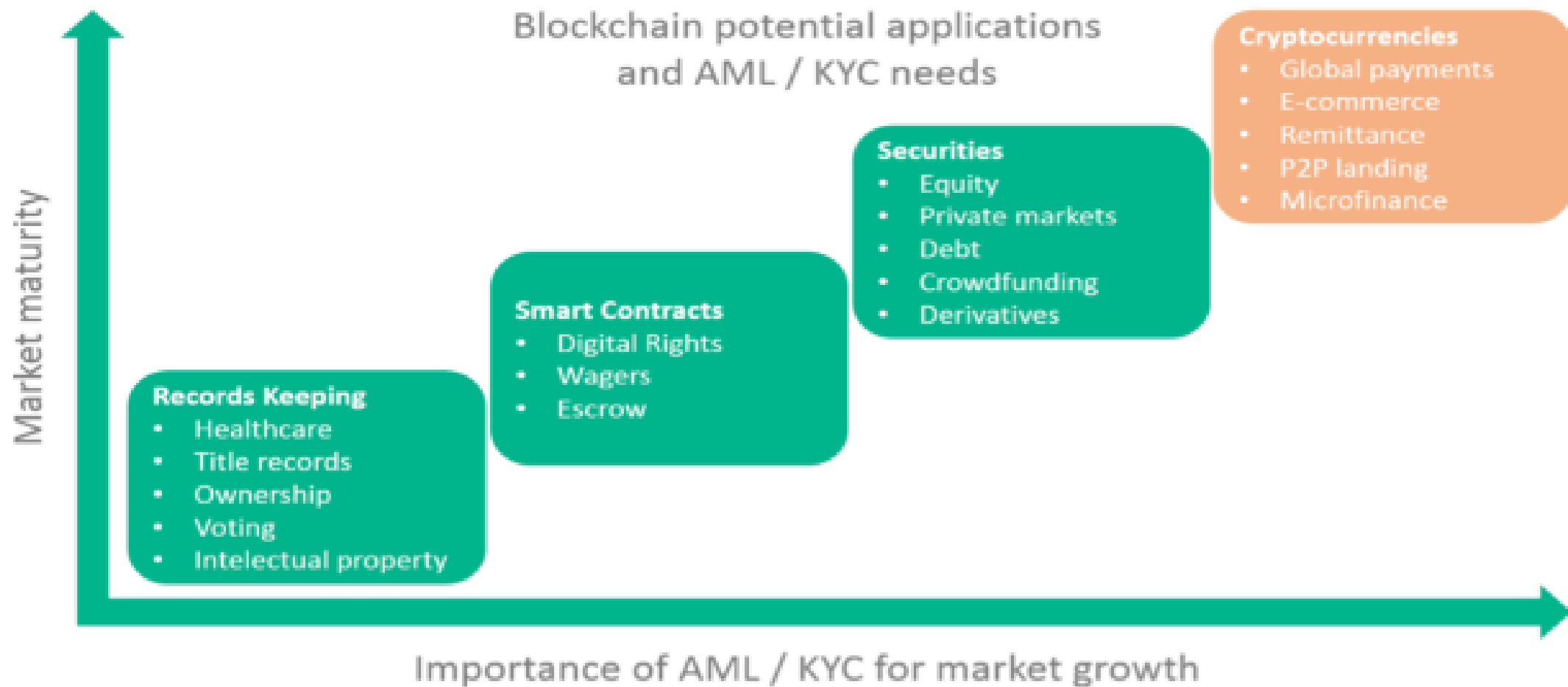
Amount	Type	Description	✓
Amount	Type	Description	✓
Amount	Type	Description	✗
Amount	Type	Description	✓
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Amount	Type	Description	✓

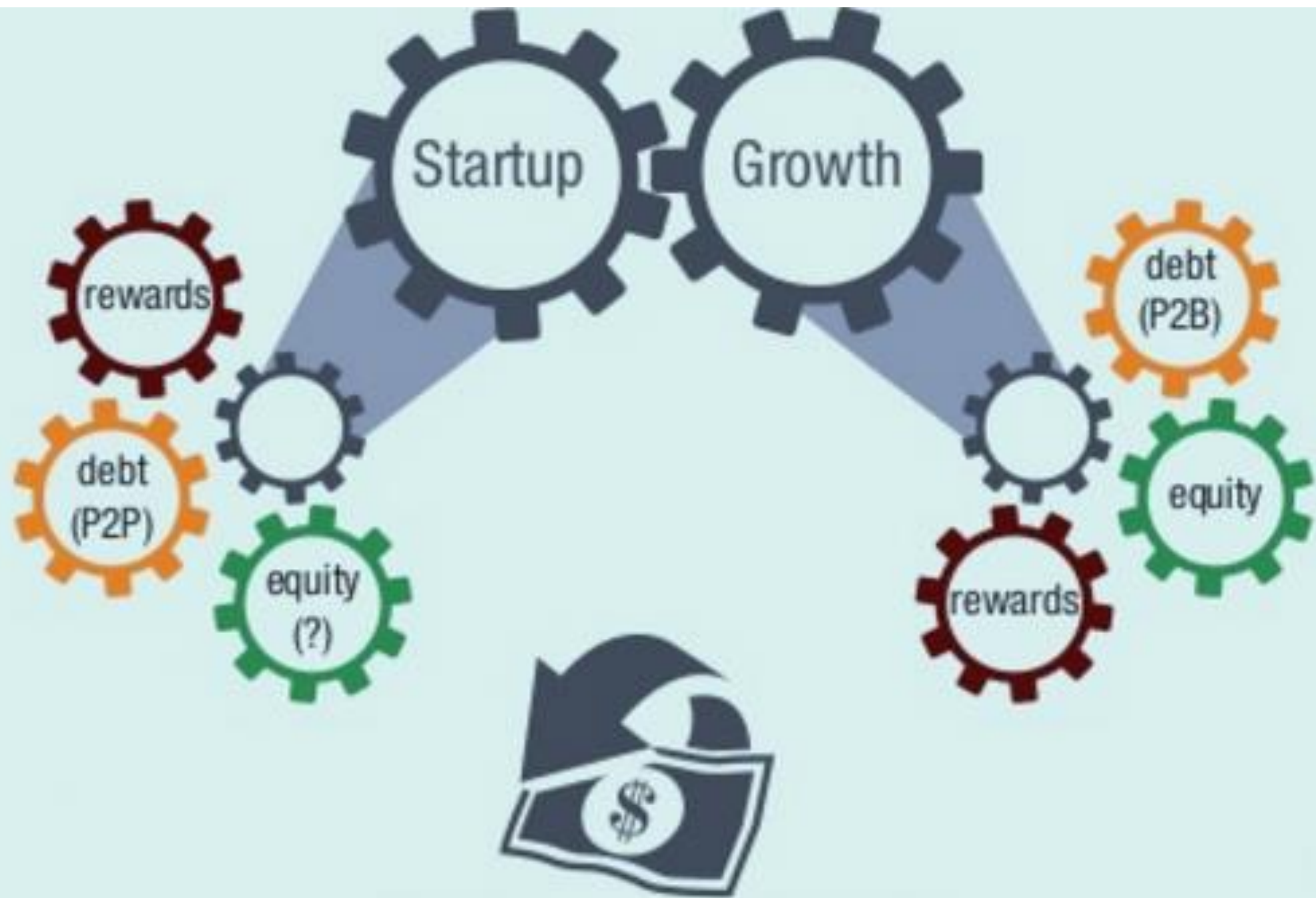
SAVE

Psychometrics Test

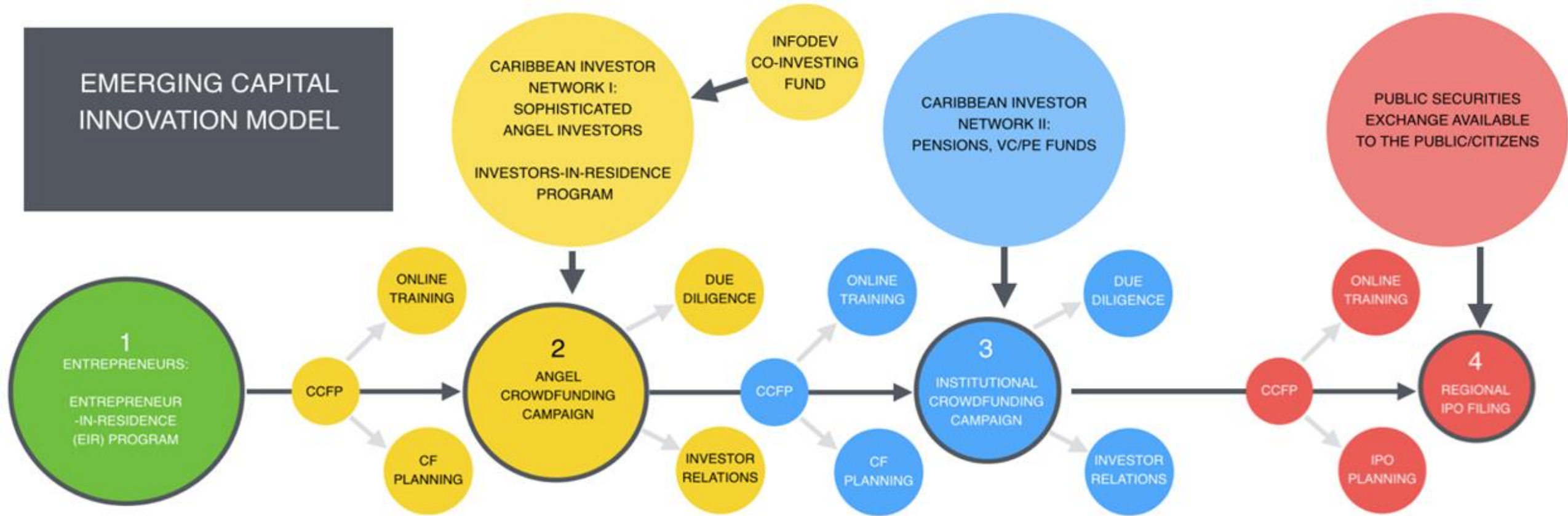
Where do spend?	Do you shop online?
Are you a saver?	Do you have money stress?
What's your money belief?	Do you spend money you don't have?
How many international trips you take per year?	
What are your money fears?	Are you single?
Do you have kids?	Do you have a joint bank account?
Do your kids receive an allowance?	

GET SCORE





EMERGING CAPITAL INNOVATION MODEL





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<http://www.linkedin.com/tvonu>

Thank You



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