Protecting Clients & Building Trust
Exploring responsible agent management in India

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1 Introduction

Agent networks play a critical role in increasing financial access by helping financial service providers broaden their reach without building more branches. According to the 2014 World Bank Findex, the global average for low and middle income countries is 10.4 commercial bank branches per 100,000 adults (looking at low income countries only, the average is even lower, at 3.1). Consequently, the number of people served by physical branch locations is limited. In contrast, GSMA’s 2015 State of the Industry Report notes there are 3.2 million registered mobile money agents globally. This number is not inclusive of all agents providing financial services (for banks, etc. beyond MNOs), yet gives an indication of how the use of agents has expanded the reach of financial service providers.

In order for an agent network to successfully extend access to financial services, the client must be able to trust the agent and perform transactions with confidence. Networks pursuing rapid growth are justifiably focused on growth as a metric for success, yet in the long term, sustainability of the network will require a deep commitment to quality assurance.

Indeed, improving client protection is integral to improving usage and the bottom line. Right now, agent network growth is driven by building out the infrastructure and increasing access points by adding agents. In the future, growth will also be driven by the quality of the services delivered through that infrastructure. It is critical to identify and address potential risks before they reach systemic levels and threaten future business viability. Indeed research conducted by the Helix Institute and others has shown that strong customer service and client protection practices are linked to profitability for both agents and agent network managers. Thus, with an ever-increasing array of providers, an investment in client protection has the potential to pay dividends.

A wide variety of entities recruit and manage agents: MNOs, service providers, aggregators, banks, microfinance institutions, etc. These institutions can offer mobile recharge, wallet services, money transfer, and bill pay. They can also offer correspondent banking services on behalf of financial institutions, such as account opening, savings deposits, and insurance. However, despite the variance in organizational design and services offered, there are common questions and issues all agent managers must grapple with, such as limited availability of qualified and capable agents. Many of these issues have client protection implications.

But what does responsible agent management look like in practice? To begin to answer this question, the Smart Campaign, in collaboration with Accion, carried out research in India to map its Client Protection Principles and standards against various agent models to develop a deeper understanding of the client protection risks and effective mitigating steps for agent managers. We are grateful to the two participating agent network managers for their willingness to join the study and contribute to industry thinking.

In order to vet the preliminary finding from the research, a workshop was conducted in Mumbai, India on May 11, 2016. The goals of this workshop were to raise awareness about the importance of integrating client protection into agent management and to generate feedback and discussion about

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2 This report uses the term “agent” to refer broadly to what in India is alternately known as agent, customer service point (CSP), business correspondent (BC), retailer, etc.


4 [http://www.helix-institute.com/blog/better-service-agents-provide-more-business-they-do](http://www.helix-institute.com/blog/better-service-agents-provide-more-business-they-do)

5 For more details on Accion and the Smart Campaign, see Annexes 1 and 2.

6 See Annex 3 for a list of the Smart Campaign Client Protection Standards.

7 See Annexes 8 and 9 for a workshop agenda and list of participants.
the early findings and possible recommendations. We asked participants whether the early findings in this report resonate with their experiences. We asked them to identify the most pressing risks to clients using agent services and to describe good practices within their own institutions to help mitigate risks to clients. We also asked them how they thought responsibilities for protecting clients ought to be shared between the agent network manager, the agents and other parties, depending on the business models.

We are grateful for all who contributed in the workshop and shared their feedback on the relevance and feasibility of the preliminary recommendations, and have updated this report based on the feedback received during the workshop.

This research marks a first step for the Smart Campaign globally in engaging agent network managers to share their current practices and contribute to shaping industry guidelines. The Campaign intends to leverage the insights from India to conduct similar mappings in other geographies, Africa in particular. In the longer term, and with knowledge from additional mappings and industry consultations, the Campaign plans to move from risk mapping and suggestions of good practices to more concrete recommendations, standards and potentially even a Client Protection Certification module for agent networks. This progression from risks and early recommendations to standards and benchmarks reflects a desire to not move to standards too quickly, but develop guidelines and standards with industry feedback – and mirrors the Campaign’s approach in the microfinance space. Thus, the analysis, results and recommendations presented in this report should be taken in the spirit of mutual discovery and early learning.

2 Executive Summary

Agent network managers are ultimately responsible for the actions of the agents they employ. However, in an agent model, managers often have less ability to control agent behavior – and hence assure quality – than they would have with regular bank staff. This research sought to begin to identify the practices network managers could put in place that would constitute adequate standards of care and result in reliably positive client experiences.

Our research took as a starting point the work done to date to map out the risks involved in delivering digital financial services (see Annex 6 for full bibliography). The main risks are summarized in the table below.

<table>
<thead>
<tr>
<th>Client Protection Principle</th>
<th>Key Potential Risks</th>
</tr>
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| Appropriate Product Design and Delivery | • Inability to transact due to network/service downtime  
• Insufficient agent liquidity or float, which also affects ability to transact  
• User interfaces that many find complex and confusing |
| Transparency | • Nontransparent fees and other terms  
• Clients do not make informed decisions due to inadequate information from providers |
| Responsible Pricing | • Nontransparent fees and other terms |

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8 See Annex 5.
<table>
<thead>
<tr>
<th>Client Protection Principle</th>
<th>Key Potential Risks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>• Unauthorized fees, abusive prices charged to clients</td>
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<tr>
<td>Fair and Respectful</td>
<td>• Fraud that targets customers</td>
</tr>
<tr>
<td>Treatment of Clients</td>
<td>• Agent’s misconduct against clients</td>
</tr>
<tr>
<td>Privacy of Client Data</td>
<td>• Inadequate data privacy and protection</td>
</tr>
<tr>
<td>Mechanism for Complaints</td>
<td>• Inadequate or lack of client care channel/recourse mechanism (e.g., client support, client helpdesk, dispute resolution, and complaint mechanisms)</td>
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The research team identified current practices of the agent network managers, and evaluated the extent to which the agent network managers are doing everything they can to 1) prevent harm and the risks listed above; 2) monitor client protection performance; 3) address issues adequately as they arise; and 4) put in place corrective actions to prevent them from happening again. This approach requires a holistic analysis of the institution’s policies, procedures, manuals as well as management interviews and field visits. We structured the analysis against common Client Protection Principles to facilitate the implementation of client protection standards down the line. Indeed, although originally developed for Financial Service Providers, the client protection standards can be adapted as needed to address the new risks emerging from delivering digital financial services, and having a common framework of analysis facilitates the delineation of responsibilities for protecting clients between the different parties involved in the various business models used to deliver digital financial services.

Our research found that while network managers already have many policies and procedures on their books regarding appropriate agent behavior, the training, oversight and monitoring systems to ensure that agents indeed follow these procedures were insufficiently robust and in some cases missing. Policies were often applied inconsistently across geographies and languages. We found inconsistent application of policies related to transparency, products and product features, pricing, training, and customer support.

Based on the gaps identified, we recommend several action areas to help identify and manage client protection risks; strengthening these areas may increase transaction volume at agent locations. The full set of findings and recommendations – to both the financial service provider (bank) and the agent network manager, based on the operating model of shared responsibility – can be found in Annex 5.10

Transparency, in particular, could be significantly improved by providing more training, creating incentives for agents and monitoring the quality of their services. Another area for improvement is the implementation of a mechanism for complaints resolution that is well understood and recognized by everyone in the network – customers, agents and agent network manager staff.

We welcome industry feedback on these early recommendations.

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10 The recommendations in Annex 5 reflect the feedback received during the May 11, 2016 workshop in Mumbai. Annex 4 contains the full set of original recommendations that were discussed in the workshop.
3 A Framework for Building Responsible Agent Networks

The Smart Campaign standards were developed based on the traditional banking business model relying on in-house core staff and processes rather than decentralization and partnerships. There are issues of accountability and division of responsibilities that are emerging from business models relying on agent networks. All of the Client Protection Principles (CPPs) are important for building client trust in financial services, but some processes may be more or less relevant, and some key processes may be missing. This study interpreted the Client Protection Principles and applied the associated standards in the context of two different business models deployed by agent network managers in India.¹¹

A number of issues must be kept in mind when analyzing the relevance of the CPPs to agent networks:

- **Limited or no control over product design.** In India, for example, agent network managers without a Payment’s Bank license can only offer financial services such as simple transaction accounts with a limited maximum storage capacity. Therefore most agent network managers depend on the regulated and licensed financial institution (e.g., product “manufacturer”) for product design and specific product definitions.

- **Limited or no control over product pricing.** We recognized that agent network managers providing business correspondent services for banks have limited influence on the manufacturing bank’s product and service pricing.

- **Part-time, contract base vs. full time staff.** Agents are not full-time staff and can work for multiple entities. This lower touch model than that exercised by banks on their sales staff limits agent network managers’ control over their salesforce, and underscores the increased importance to manage incentives and risks of third parties.

These issues were taken into consideration when we defined the expected level and type of client protection responsibility for the Client Protection Principles, especially for Appropriate Product Design and Delivery Channels or Responsible Pricing. While we did not undertake a comprehensive comparative analysis of overall market pricing, we verified whether listed prices were being respected.

This framework is a preliminary commentary vis-à-vis how CPPs could be applied to all entities that are agent network managers and provide business correspondent services to banks and other entities, or financial service providers that intend to use agent networks. This will help agent network managers provide a high level of service to clients whilst protecting the clients’ interests and ensuring a higher level of trust and therefore adoption of services.

Annex 3 lists each of the relevant CPPs and their core conceptual tenets in detail. These criteria formed the basis of our assessment of the agent network managers analyzed during the course of this project. CPP2 (Prevention of Over-indebtedness) is not included because the agent network managers that we surveyed do not currently extend credit products through their networks. We hope to replicate this exercise in additional markets where a broader suite of products is offered through agent networks.

4 Assessment Methodology

The following methodology was used to assess two selected Indian agent network managers against the Smart Campaign Client Protection Principles.

![Assessment Methodology Diagram]

1. **Development of Questionnaires**: Based on the Smart Campaign Client Protection Principles, the team developed questionnaires with a field guide to aid mystery shoppers when conducting agent visits. These materials were used to prepare the discussion prior to walking into an agent location and to capture observations post-agent visit; they were not used in front of the agent. The team also reviewed global codes of conduct for responsible digital finance and external resources and case studies, in addition to Smart Campaign materials.\(^{12}\) This literature review of global best practices informed creation of the field questionnaire and subsequent assessment of findings and recommendations, detailed in section 5.

2. **Desk Research**: In addition to initial management team calls with the agent network managers, the team requested from the agent network manager any documentation linked to the processes and systems of managing agents, such as training materials, process frameworks, escalation matrices and customer support logs. Based on these inputs, the questionnaires were further adjusted.

3. **Mystery Shopping**: It was decided that the best way to test the effectiveness of the processes in the field was to conduct mystery shopping visits of agents across the country. Given time and resource constraints, a total of 80 agent visits were conducted during the months of December 2015 and January 2016, across two different agent network managers. Language barriers were overcome using Accion and Smart Campaign’s local teams and trusted third parties. All due consideration was given to maintaining anonymity of the mystery shoppers, but in some cases,

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\(^{12}\) See Annex 5 for a list of resources consulted.
visits were conducted in an interview format. Agent visits were conducted in the following states: New Delhi, Tamil Nadu, Odisha, Gujarat and Maharashtra. In order to build a representative sample of the breadth of abilities of the agents at each network, a list of potential agents to be visited was drawn up from each provider in the study, which included a mix of best and worst performing agents, based on the 3-month average of their 30-day transaction volume. This study’s small sample size does not permit us to draw statistically significant conclusions from our results. However, our agent sampling methodology provided a diverse set of data points that, taken together with the qualitative insights from our focus group discussions with customers and management interviews, offers a client protection lens from which to begin to evaluate common agent network management practices. Preliminary observations and findings were recorded and initial suggestions developed, wherever possible comparing policies and procedures with practices observed in the field.

4. **Customer Focus Groups**: Focus group discussions were conducted in the same cities, towns and villages visited by the Accion and Smart Campaign teams. Sometimes, these discussions were conducted at the agent location and at other times at a central meeting location. These discussions were organized by the agent network managers’ regional representatives. In total, 20 focus group discussions were conducted. Insights from these discussions are integrated with mystery shopping field observations and captured in the recommendations.

5. **Management Discussions**: In order to ensure a good understanding of the business model and operational design of the agent network managers, Accion and the Smart Campaign conducted initial management (operations, product managers, regional heads of distribution, service delivery, etc.) interviews with each at the start of the project, during the desk research phase. Once the field research was completed, follow up discussions were conducted to cross-check the team’s understanding of and reactions to the observations gathered during the mystery shopping and focus group discussions.

6. **Analysis and Recommendations**: Data was synthesized and further analysis conducted to create a final assessment of agent network management based on the Smart Campaign’s Client Protection Principles, which has resulted in the creation of this report.

![Figure 2: Locations of agents surveyed](image)
Key Findings and Recommendations

The findings are organized by Client Protection Principle; first by presenting conceptually how the principle translates into practice for agent network managers, then noting key findings from the field and recommendations. Each section incorporates the recommendations from the workshop.

Perhaps the most important finding and recommendation cuts across all the Client Protection Principles: in all areas there is a need for strong policies and processes for agent networks, and a need for improvement and monitoring of information flows, both between the agent network and its agents and between agents and customers. It is the absence or weakness of policies and processes, coupled with insufficient provision of knowledge and information to agents that gives rise to many of the customer risks that arise with agent banking.

Annex 5 summarizes the recommendations and prioritizes actionable takeaways according to their potential for impact and ease of implementation.

Appropriate Product/Service Design and Delivery Channels

Application to Agent Managers

Given that the role of banking agents is product delivery rather than design, we focus here not on product design and suitability but on delivery quality. Relevant aspects of agent performance include sales practices and financial service advice. Agent network managers influence the quality of delivery by creating effective service delivery structures (e.g., cash management, device management, front-end, back-end, integration into the bank). Agent network managers need to develop systems for operations, training and quality assurance to equip agents for quality product delivery.

At the two networks surveyed we found that these policies and procedures were in place:

1. Policies describing selection, initial training, refresher training, quality assurance, operational processes.
2. Working with the partner banks to ensure that clients understood information about the products.
3. Documented cash management systems to track liquidity requirements and availability on a real-time basis, integrated across the network.

Findings

The agent network managers analyzed during the course of this study had similar operating models. Both operated outsourced agent networks, and although they worked with multiple banks, agents were exclusive to one bank in any given region in our sample. However, our conversations with the agent network managers’ staff revealed that one agent could also have relationship with multiple banks. They differed in the level of own-branded services offered.

The agent network managers in our study had some control over the design of the products offered by their partner financial institutions, insofar as new product development included discussions with among the bank product team and agent network manager product team. The agent network had particular influence on delivery flow, for example the product ‘feel’ on the technology platform. Based on the scope and size of the product, a market survey may be conducted and used by the process/product approval committee at the bank and agent network manager.

In general, we found that central management systems and procedures related to appropriate product and delivery were in place and functioning. For example, in order to maintain a high level of service availability (for example, to address liquidity management challenges), agent network managers provided commissions upfront to their agents, later reimbursed by the bank; the agent
network managers thus were bearing liquidity risk for their agents - especially in times with predictable large-scale cash outs, such as when monthly pension payments are delivered.

However, systems and procedures that were applicable to the field operations revealed many gaps and mismatches between policies and realities on the ground. We found that service delivery was inconsistent across regions, and there was little evidence of quality assurance. For example, according to the agent network managers surveyed, their policies and procedures included staff or super-agent weekly visits to agents, and refresher trainings every 6 months or whenever a new product was introduced. However, based on our mystery shopping and field research, agents claimed that they had received little to no follow-up training, and many agents were unaware of the training resources and hotlines intended to support them. There were inconsistencies between the reference documents available to agents and what was being told to them orally. In addition, the information was being communicated orally in the vernacular language, while available in writing in English.

Agents reported frequent problems with bank servers and lack of response/engagement/ consistent treatment from bank staff, across all states and both agent network managers. Some agents also complained of lack of back-end support from the agent network managers. In addition, agent network managers highlighted that if agents were linked to multiple banks, it created additional challenges (e.g., different procedures about when clients’ funds would be available).

In some regions the main responsibility of the agents is the activation of cards and the distribution of funds from government schemes (e.g. NREGA, LPG subsidies)\(^\text{13}\). The agents had very poor knowledge about the types of products being offered by the banks and through these government schemes. As a result, agents cannot carry out expected functions (listed on the website of the bank or the agent network manager) such as opening various types of accounts for the bank partners or providing financial education. We also found that not all agents have employee identification cards, which has led in some cases to unfavorable views of the agents – or even suspicion – by the villagers, no doubt limiting their efficacy in providing financial education to clients. None of the agents surveyed had any written material with them; however, most showed willingness to have some written materials to share with clients. Agents that visited clients directly expressed interest in a fixed place to operate so that they would be viewed favorably by local people.

Several agents had not been paid for long periods of time. They reported that they continued to work on the expectation that loyalty could ultimately lead to a better job. Management noted, ‘If the agent has not met the minimum criteria of billings/transactions/products, etc., he would not be eligible for payouts,’ but the agents who hadn’t been paid were continuing to serve clients. This raises questions about appropriate compensation packages. Clearly, agents cannot be expected to provide quality services if they are not adequately compensated. Many payout schemes consist of a mix of fixed and variable components, but pricing models may still be insufficient for agent sustainability. For example, our research revealed that some agents were not interested in promoting more complicated products (e.g. bill play or upgrade of account types) because they felt the effort was not worth the commission. Such cases deprive customers of product choice. On the other hand, variable commissions based only or mainly on transactions or billings can promote aggressive and unsuitable sales.

According to management interviews, agent network managers do not consider monitoring of client adoption and uptake of services part of their mandate. However, understanding of the factors

\(^{13}\) National Rural Employment Guarantee Act (NREGA) and Liquefied Petroleum Gas (LPG) are the acronyms commonly used to denote two large-scale government subsidies for which qualified persons receive regular monthly payments, through the use of business correspondents.
influencing client adoption would allow agents to increase their revenue and make the agent network more profitable, so it is in the best interests of the networks to take some responsibility for proactively seeking and using such information.

Workshop feedback

- Agents with a larger fixed component of compensation are easier to replace, giving agent network managers more control. This must be balanced against the higher costs.
- When performing quality assurance activities, it must be possible to isolate which component is lacking, to better target corrective action.
- Participants noted that “pull” mechanisms to proactively gather feedback on customer satisfaction with products and services delivered at agents are largely uncharted territory but recognized as important. While some participants had experience using Interactive Voice Response (IVR) surveys, they noted practical difficulties such as customers having trouble understanding the accent of the voice in the recording.

Early Recommendations for Agent Managers

- Have a policy in place that defines how products and services are to be offered and sold by the agent network and how suitability is monitored.
- Define agent liquidity and network availability requirements and expectations and contingency plans in the event of system failures.
- Define agent KPIs to include indicators on transaction volume and quality of service. Align compensation and incentives of agents to performance against the KPIs.
- Require agents to pass a test demonstrating adequate knowledge of all policies and procedures before they are officially approved as part of the network, and at regular intervals after refresher trainings.
- Explore mechanisms to gather feedback on client satisfaction with products, services and delivery.

Transparency

Application to Agent Managers

In order to build trust and increase adoption of branchless banking services, it is important to have a clear and transparent approach to interactions with clients – this includes transparency of fees and charges, product terms, conditions (full disclosure, through appropriate channels, and with accurate and timely information).

As part of our mystery shopping, we rated agents on how well they provided information on fees and charges, including explaining the time required to process various common transactions. At a minimum, agents should disclose fees verbally, and provide clients information on the terms and conditions of the products and services.

Findings

The main finding was the inconsistency across the agent networks in verbal explanations of product terms and conditions by their agents. Agents were either able to explain satisfactorily across all queries, or were unsatisfactory on all counts; there were fewer instances where an agent performed well on one question but poorly on another. For example, those agents who properly explained fees and charges for money transfer also tended to correctly explain time required to process. Similarly, quality of information provided on deposit processing time strongly correlated with information provided on withdrawal processing time. Likewise, questions about bill pay with card went largely unanswered in Gujarat, Tamil Nadu and Maharashtra, indicating perhaps bill payment is not well understood, explained, requested by clients enough or even offered by agents in certain
geographies. These results suggest that a standard level of knowledge across agents and customers is not being consistently attained, maintained, or verified.

Furthermore, availability and quality of written or visual materials such as posters displaying branding and product information varied and was not always up-to-date. For example, we observed on multiple occasions that agents had handwritten over posters to indicate changes in fees and charges.

Workshop feedback

- There was consensus that ideally, banks would “own” financial literacy training, but at the very least they should cooperate with agent network managers and other stakeholders.
- Given the breadth of information to cover, it is also important to decide which information is most critical to convey, and prioritize to avoid information overload. Financial literacy must go beyond disclosure of terms and conditions. Workshop participants recommended establishing a central authority to invest in and lead client education (to promote clients rights and responsibilities more broadly). They suggested leveraging the central pot of unused money from dormant accounts to fund this initiative. The Center for Financial Inclusion (CFI)’s principles of financial capability\(^{16}\) can provide guidance on how best to package information to ensure retention.
- There is a need to develop training modules that can be delivered remotely or in nontraditional ways leveraging technology platforms to drive down costs for both induction and refresher trainings; in-person training is not sustainable at the level and frequency needed to maintain Q&A across national networks of thousands of agents.

Early Recommendations for Agent Managers

- Have a policy in place to require transparency on product terms, conditions and pricing from all customer-facing staff and agents. Information of any payment service provided at agents, such as money transfers, bill payments, airtime top-up, and deposit withdrawal should be readily available and accessible to customers and list all fees, terms, taxes, and cancellation conditions.
- Provide legal contractual documents, in the local language, to agents and enforce these to increase accountability.
- Leverage technology to develop training modules that can be used effectively to train agents across vast and remote networks. Train staff and agents to explain pricing, terms and conditions to clients, and verify client understanding in accordance with policies.
- Continue to explore ways to increase clients’ financial capability. Collaborate with financial service providers to determine shared responsibilities.

Responsible Pricing

Application to Agent Managers

Responsible Pricing is about ensuring fees from the use of services of digital channels (e.g. money transfers, cash-in, cash-out, loan disbursement, loan repayment, top-up) are authorized and not excessive, pricing is market based and covers costs to ensure institutional sustainability. This requires the institution to regularly analyze cost factors of its products and operations and consider the implications of that analysis on pricing and fees.

We recognize the limited control that agent network managers have in terms of pricing for the end consumer when it comes to delivering services for their partners. Responsible pricing can be

\(^{16}\text{For more information, see: }\url{http://www.centerforfinancialinclusion.org/fi2020/roadmap-to-inclusion/innovations-in-financial-capability}\)
analyzed with the lens of whether agents are offering products within the range authorized by their partners, and whether the agent network’s own branded financial services are responsibly priced.

**Findings**
In practice, our small sample of 80 agents across two networks showed one agent in Maharashtra charging higher fees intentionally. This agent admitted to charging above the official fees posted by the agent network manager for money transfer, but openly explained this to our mystery shopper, perhaps indicating more widespread acceptance of such practices. Furthermore, as mentioned above, many agents had hand written materials – for example re-writing new prices on top of printed posters, etc. – making it difficult to verify whether the changes were officially sanctioned or reflected arbitrary pricing implemented by the individual agent, hence increasing the risk of quality assurance of both transparency and responsible pricing.

**Workshop feedback**
- Pricing discussions centered on the realities of price wars, recognizing widespread overcharging in less competitive markets, and in more saturated markets, undercutting of competitors.
- A commonly expressed belief was that there is currently no differentiated value proposition beyond delivery of service, e.g. speedy completion of the transaction.
- Fraud, overcharging, reputation risks, compliance risks, and loss of business were cited as concerns.
- Launching an industry transparency initiative was recognized as a useful and important step but one that requires much cooperation and coordination – work that can be facilitated by Smart Campaign. Participants acknowledged that without a crisis there is less urgency to act.

**Early Recommendations for Agent Managers**
- Ensure that clients are charged according to authorized fee schedule and that they receive confirmation of transactions free of charge.
- Regularly analyze costs and revenues at the agent level to see where efficiencies can be attained and where prices can be reduced.
- Explore launching a transparency initiative.

**Fair and Respectful Treatment of Clients**

**Application to Agent Managers**
Fair and Respectful Treatment of Clients requires the Agent Network Managers to have policies and processes to avoid fraud from agents and prevent agent’s misconduct against clients. Certain behaviors should always be prohibited and sanctions determined and applied (i.e., for using abusive language; using physical force; limiting physical freedom; shouting at the client; publicly humiliating the client; discriminating based on ethnicity, gender, sexual orientation, religious belief, political opinions, disability; participation in corruption, taking kickbacks, theft; sexual or moral harassment, etc.).

**Findings**
We found that policies and codes of conduct around Fair and Respectful Treatment of Clients were lacking or weak. A code of conduct and resultant sanctions for agents providing own branded services at one agent network manager were outlined in its agent agreement, but provided only in English. There was no mention of a code of conduct for other agents, and only quarterly audits were in place to identify fraud. A weak or non-existent code of conduct, as well as a lack of sanctions for misconduct, leaves clients open to harm without repercussions for the agent. This could damage client trust in the agent network manager and/or financial service provider.
The field surveys showed that on average, agents were fair and respectful in their treatment of customers; however, this did mask some inconsistencies. For example, at least one agent was described as “very rude, and if asked a question would simply point towards the posters and ask me to read on my own.” Further, in Gujarat, several agents in urban areas (Surat and Ahmedabad) were not friendly or helpful to female mystery shoppers, exposing potentially discriminatory practices across protected categories such as gender. On the other hand, client relationships with agents can be strong, especially in rural areas, where they are seen as trusted advisors. Agents in some cases demonstrated creativity and flexibility in customer service, for example if they were not able to tender the exact change for the transaction, the agent performed an airtime transfer/sale for the value of the difference.

At times with slow or irregular server connectivity, agents told our mystery shoppers that they let them know when the service is available again. They further described cases when the customers leave funds with the agent to carry out the transaction once the service is available. The agent then sends the customers a message or calls them when the transaction was successful. Across focus group discussions, trust in agents manifested strongly. This high trust in agents, highlights the networks’ reliance on agents’ good behavior to maintain this high level of trust, and underscores the need for a strong code of conduct and regular quality assurance auditing.

Workshop feedback
- An internal control process to verify uniform application of policies and procedures related to fair and respectful treatment of clients was recognized as important, yet difficult to implement in the field.
- Discrimination issues emerge due to lack of clarity and information on “dos and don’ts” with customers, especially when codes of conduct are not written or formal penalties are lacking.
- Participants noted that women are not typical remittance clients, raising issues of fair treatment regarding agent expectations of their typical customer profile, versus how to treat customers who don’t fit that profile. On average, participants estimated female agents compose 10-20% of access points across networks.
- There is a need to raise expectations among customers regarding what they are entitled to with respect to fair treatment, through financial capability, text, Interactive Voice Response (IVR), etc.
- Additional suggested recommendations included incentivizing agents for receiving positive client feedback regarding fair and respectful treatment.

Early Recommendations for Agent Managers
- Have a code of conduct that clearly spells out the organizational values and standards of professional conduct that are expected of all staff and agents. Spell out what to do in case of a breach of the code of conduct or fraud.
- Ensure that all agents are trained on the code of conduct, and that there are clear “do’s and don’ts” for agents, especially in the way they treat clients, including non-discrimination in behavior irrespective of gender, ethnicity, age, caste or religion. Incentivize agents.
- Have an internal control process to verify uniform application of policies and procedure related to fair and respectful treatment of clients.
- Increase awareness of clients’ rights and include feedback mechanisms from clients.

Privacy of Client Data
Application to Agent Network Managers
There must be a data privacy and security policy in place to govern the gathering, processing, use, distribution and storage of client information to maintain its confidentiality, safety and integrity. In addition, the policy should provide a clear list of actions to take when staff or agents are terminated.
to safeguard client privacy. And in practice, there should be penalties for exposing or revealing client data to third parties without prior client consent (including family not party to the account).

**Findings**

In our discussions with the networks, we found that data privacy policies were in place, and banks’ audit teams are responsible for conducting regular audits of their third party financial service providers. One network had also achieved ISO 27001:2013 certification for its technology platform.

Agent network managers explained their three-pronged approach as such: the system should be robust, agents should be well trained on client data protection policy, and spot checks should be conducted for quality assurance. However, management discussions revealed the assumption that because each unit of data (name, address, phone number, account number, etc.), if individually acquired, is in itself not useful to an agent, then a system designed to not provide more than one data point at a time to an agent automatically mitigates any data protection related risks. The underlying assumption is that systems built on technology platforms remove all elements of human risk, but in a world of intermittent data connectivity, such an assumption is perhaps overconfident. In addition, networks consider it the responsibility of the customer to protect their own data by not providing an agent with two factors of authentication at any one point in time – informing customers of the importance of keeping their data secret.

In the field, we found that agents indeed did not have access to bank customer financial data (for example, by using biometric Point of Sale (POS) devices that connect directly to the core banking system). A full IT audit must be conducted to diagnose system vulnerabilities, which was beyond the scope of this study.

However, it must be noted that relying purely on technology (and on the integrity of a bank’s server and data protection procedures) does not protect the privacy of client data at the customer service point for own branded products that agent network managers offer directly (e.g. wallet top up or bill pay, as opposed to business correspondent services such as opening accounts, accepting deposits and processing withdrawals), nor does it protect clients when the system is down. Given the high trust in agents, especially in rural areas, it is possible that if a customer were told the server was down, they might feel comfortable leaving cash with an agent who promises to complete the transaction once the server comes back online. Indeed, agents described such scenarios as standard practice to our mystery shoppers. Thus, trust in agents combined with the de facto informality of the grievance redress process limit network managers’ ability to control the messaging that agents relay to clients regarding data protection.

**Workshop feedback**

- Significant investment in infrastructure is needed to put in place systems to protect the confidentiality, security, accuracy and integrity of clients' personal, transactional and financial information.
- Given that customer adoption of digital financial services is still nascent in India among the base of the pyramid segment, a preference was stated for fostering strong data protection without excessive publicity of data breaches.

**Early Recommendations for Agent Managers**

- Elaborate and implement a policy to maintain the confidentiality and accuracy of clients’ personal, transactional and financial information, taking into account the current limitations and challenges due to technology (i.e., network downtime, etc.). Document standard procedure for times when the system is down; no technology is fool-proof.
• Include content in the training program to ensure that agents understand and have the skills
to implement the policies and processes related to privacy of client data, such as a
requirement that agents inform clients of the importance of protecting Personal
Identification Numbers (PINs).

**Mechanisms for Complaint Resolution**

**Application to Agent Network Managers**

Ensuring proper mechanisms for complaint resolution entails that clients are aware of how to submit
complaints, and that complaints are handled adequately. This requires designing and implementing a
system that clearly lays out who is responsible for what, how it will get implemented, and how agent
network managers will verify that it is correctly executed. It also requires building in feedback
mechanisms to adjust the system as needed.

**Findings**

Both networks surveyed had detailed procedures for complaint resolution, hand-off from bank to the
agent network, and vice-versa. They also had separate, dedicated call center lines for agents and
end-customers with toll-free numbers (or ‘missed calls’ that lead to the call center calling the agent
or customer back). Agents are informed of the toll free number via SMS, sent in English, Hindi, and
Tamil, and when they call in, support is provided in the appropriate language. Other access channels
for agent support include SMS and email. Procedures described include relevant agent network
manager staff proactively soliciting feedback from agents by calling them once a month to discuss
transactions, products, and any concerns. Weekly calls are also conducted between the channel and
product teams to consolidate agent feedback collected from sales officers and any complaints logged
in customer care records. The toll free hotline generates an automated report with agent phone
number, date, and time. These alternative channels and processes are designed to support agents,
whereas the primary channel for customer support was described by management as the customer
hotline.

In practice in the field, we found agents’ behavior did not correspond with the procedures explained
by management and/or outlined in policies. There was confusion and general lack of awareness of
customer support processes, at least as explained to customers and experienced by the mystery
shoppers. Responses varied from silently pointing out the phone number on a poster to asking clients
to work directly with the agent himself to resolve issues, rather than lodging a formal complaint. One
agent stated that he does not share the bank’s customer care number due to a “previous bad
experience with the bank.” In Gujarat, at one of the networks, only one agent displayed a poster with
a number for complaint resolution, but when called, it did not work. Rural locations experience lower
call center volume than urban areas for the same set of services, according to agent network
managers. This supports the field evidence suggesting that customers, especially in rural areas, trust
agents to find a solution to their problems, and so do not feel compelled to use (or perhaps remain
unaware of) a customer hotline. Conversations with network managers revealed that average
customer call volume was 30-40 calls per day – in a network that serves millions of customers –
indicating that direct customer to agent network manager communication is an underutilized
channel for complaint resolution.

Customer complaint resolution is thus largely handled informally, despite existence of formal
channels. When asked a question, one agent said he did not know, but walked personally to the local
bank branch manager to ask. However, we were told by management that while the local bank
branch can help customers with debit card or PIN issues, or provide a new passbook for recording
transactions, the branch is unable to help a customer resolve a failed transaction that happened at
an agent. In Gujarat in particular, the agents were not aware of specific complaint resolution
processes other than escalation to the local bank branch. In some cases, agents guided clients to go
to the bank branch instead of providing a hotline number. In other cases, the agent asked the client to come back after “a while” to check whether the problems had been resolved. Official policies and procedures appear unknown, not adhered to, or applied inconsistently.

In most agent locations visited, posters are the main mechanism informing customers of what to do in cases of complaint. It is assumed that illiterate customers will understand that a series of numbers written on a poster with agent network manager branding indicates a phone number that can be dialed for assistance in case of need. In case of failed transactions, some agents explained that customers receive a text message with a one-time-passcode to complete the transaction. In many cases, however, explanations of what to do in case of problems were nonexistent, vague, or even contradictory.

**Workshop feedback**
- Q&A gets diluted down the chain of command, yet the agent is the public face of the brand.
- Once participant tried black listing agents based on feedback indicating poor performance, but it led to loss of their business, as other agent network managers subsequently acquired their former agents.
- Training on complaints management can have high impact, but agent network managers need guidance on how best to deliver such content.
- It is important to differentiate complaints beyond transaction failure, in order to properly categorize and resolve according to the defined complaint escalation matrix. The majority of complaints currently logged concern transactional issues or technology challenges. There is a lack of review and analysis of other complaints. In some cases, agents follow up, but there are issues beyond their control (i.e., systems failures).
- Customer channels to lodge a complaint against the agent providing the service are not clear. Direct channels for customer complaints are needed.
- There is a lack of proactive mechanisms to collect feedback directly from customers. Call back systems could be used to survey random customers (i.e., 5% sample size) to proactively seek customer satisfaction and gather feedback more cost effectively.
- A common question is who will pay for customer feedback.

**Early Recommendations for Agent Managers**
- Put in place proactive mechanisms to collect complaints and feedback directly from customers.
- Define agent KPIs to include decreasing call center complaints over time, or percentage of complaints handled in timely fashion, etc. Align compensation and incentives of agents to performance against the KPIs.
- Build feedback loops to the agent network manager and financial service provider based on analysis of complaints data, satisfaction surveys and reason for drop-outs to improve operations and services at the network level. Differentiate between different types of complaints.
Next Steps and Role for the Smart Campaign

A number of next steps and role for the Smart Campaign were identified as a result of the workshop. There was consensus among participants that banks see agency banking as a compliance requirement, rather than a profitable part of their core business. As suggested, a next step is to further engage banks to advocate building a business case for client protection as an integral part of customer service that will drive transaction volume and long-term sustainability.

The Business Correspondents Federation of India (BCFI) was highlighted as a potential forum to carry this work forward and engage with the Reserve Bank of India (RBI) and industry stakeholders through the association. Engagement with India Bankers Association (IBA) should also be considered, from the policy and training perspective. The Smart Campaign can work with regulators and industry associations to develop compliance standards for agent networks.

Divided responsibilities and the fragmented nature of the space make it difficult for any one single player to drive forward the agenda on client protection, and the involvement of banks is critical, but there is willingness among participants to continue to broaden the conversation. Further, customer needs will evolve over time, especially as adoption of digital financial services continues to grow; hence all stakeholders (banks, payment banks, agents, agent network managers, technology providers, etc.) need to continually evolve with their customers.

Today, agent network managers view agents as the end point of their networks and therefore of their responsibilities – the discourse needs to shift to recognize that the client is ultimately the end-customer as the user of the service. Customers see agents as banks, thus the reputation risk to the entire industry rests on agents as the public face of the brand, underscoring the need for transparency and quality assurance down the line of command.

In the short to medium term and as a follow-up to the May 2016 workshop in Mumbai, the Smart Campaign will reach out to banks and regulators to share results and recommendations from the research. The Smart Campaign will further engage banks to advocate building a business case for client protection as an integral part of customer service that will drive transaction volume and long-term sustainability.

In addition, the early recommendations highlighted in this report will need to be refined with broader analysis with other agent networks, and incorporate both best practices around putting in place adequate systems for protecting clients (at all levels including policies, training, internal audit and monitoring of results), while addressing the specific challenges and risks identified with working with wide networks of agents.

We welcome further comments on this report and look forward to expanding the research to other markets and collaborating with partners to develop guidance and standards to strengthen responsible agent management practices.
Annex 1: About Accion

Accion is a global nonprofit dedicated to building a financially inclusive world. We work to create economic opportunity by connecting people to the financial tools they need to improve their lives. Begun as a grassroots community-development initiative in 22 shantytowns in Venezuela, today we are one of the premier microfinance organizations in the world, with a network of lending partners that spans Latin America, Africa, India, China, and the United States. We work in communities where even the smallest dollar amount has a deep and lasting impact. Through our network of partners, we help serve millions of enterprising clients in nearly two-dozen countries. By building strong microfinance institutions, pushing the frontier of financial services through innovation and investment, and developing high industry standards that center on the needs of clients, we’re striving to reach the two billion people worldwide who still need these crucial financial services.

Accion’s Strategic Focus

We are building the next generation of top-tier microfinance institutions (MFIs):
• Using our 50 years of experience to help smaller MFIs achieve greater scale, sustainability, and efficiency;
• Helping MFIs expand their products and services to address their clients’ full range of needs; and
• Focusing on un- and under-served regions, such as India, China, Myanmar, and sub-Saharan Africa.

We are pushing the frontiers of financial inclusion beyond MFIs:
• Accelerating the development of new business models, technologies, and channels; and
• Providing seed funding and assistance for promising start-ups and adjacent technologies through impact investment initiatives.

We are helping to build a strong financial inclusion industry with high standards and broad engagement:
• Redoubling industry commitment to consumer protection through the Smart Campaign;
• Providing platforms for industry collaboration, through the Microfinance CEO Working Group, the Red Accion, and the Financial Inclusion Equity Council; and
• Promoting consumer protection, transparency, and social-performance measurement by working on initiatives such as the Social Performance Task Force, and others.

Accion Channels & Technology

Accion’s Channels & Technology group seeks to leverage innovative channels and digital technologies to advance financial inclusion in a sustainable and effective manner.

The group provides advisory services to Financial Institutions serving the base of the pyramid, and early and growth stage Fintech companies, helping them scale sustainably and serve customers more efficiently. To that end, we help clients plan, implement, scale and enhance technologies and models that can reduce bottlenecks which prevent the growth and scaling of financial services.

We work with organizations in emerging markets across Latin America, Africa and Asia. We have experience on a variety of solutions, and particular expertise in digital financial services, such as mobile and agent banking. Drawing on best practices from years of combined experience and engagements, we have developed a Channels Methodology with customized tools to guide clients through each step of strategy, planning, and deployment. We contribute to industry development through case study work and research, such as this report, knowledge sharing, as well as training and capacity building through partnerships.
Annex 2: About the Smart Campaign

The Smart Campaign is a global effort to unite financial inclusion leaders around a common goal: to keep clients as the driving force of the industry. The Smart Campaign works with financial inclusion leaders from around the world who believe that protecting clients is not only the right thing to do but the smart thing to do. The Smart Campaign builds on the social commitment that prompted the founding of micro-finance institutions and that continues to be a guiding motive throughout the micro-finance community.

In response to a strongly recognized need to assure safe and responsible treatment of micro-finance clients, micro-finance industry leaders from around the world came together in 2008 to launch a campaign to establish the Client Protection Principles. To put the principles into action, the Smart Campaign was launched in October 2009. Today, it is a global effort with over 4,500 signatories, a wealth of tools and resources, and an ambitious action agenda. It is changing the way financial institutions which serve the bottom of the pyramid protect their clients.

The Client Protection Principles

Responsible financial service providers to low-income people, including microfinance institutions (MFIs), credit unions, and others- implement the following seven Client Protection Principles:

1. Appropriate product design and delivery channels
2. Prevention of over-indebtedness
3. Transparency
4. Responsible pricing
5. Fair and respectful treatment of clients
6. Privacy of client data
7. Mechanisms for complaint resolutions

Putting the Principles into Practice

To genuinely embed the Client Protection Principles in industry practices, the Campaign works first to win endorsers and then help them diagnose and improve their practices through assessments, tools and training. The Campaign also works with leveraged partners such as national micro-finance associations, investors, technical assistance providers and regulators to help build a healthy and supportive client protection ecosystem.

To date, the Campaign has signed memorandums of understanding (MOU) with more than 30 national and regional associations of micro-finance institutions in Africa, Latin America, Asia, the Middle East and Eastern Europe. These efforts leverage the Campaign’s influence and have allowed the message of client protection to be heard and accepted around the world.

An ultimate aim is for retail providers to work towards becoming Client Protection Certified. Building off of the seven Client Protection Principles (CPPs), Smart Certification provides an independent, objective seal of confidence.
Standard Setting and Tool Creation

One of the Campaign’s key roles is to act as a standard-setter for the financial inclusion industry. The Client Protection Standards were created to operationalize where the financial inclusion industry sets the bar in terms of the minimum behaviors clients should expect from institutions with which they do business. Building off of the seven Client Protection Principles (CPPs), the Client Protection Standards specify what ‘doing no harm,’ must entail in practice. The client protection standards represent the output of several years of industry collaboration and input, managed by the Smart Campaign. For the standards released in January 2013 as part of the Client Protection Certification Program, the Smart Campaign worked with a Task Force of over 30 experts representing various stakeholders to develop and vet the standards. The standards are truly a public good for and by the industry.

Standards that reflect social norms and expectations of an evolving industry must be dynamic. Therefore, the Campaign is continuously working to improve and refine the standards, which are updated at three-year intervals. The most recent update of the standards will be launched in June 2016. This version of the standards aimed to streamline and reduce redundancy as well as to reflect a dynamic financial inclusion space through new guidance on insurance, agent banking and savings.

The client protection standards are the technical foundation for dozens of tools, trainings and guidance created to operationalize the principles for financial service providers. Our tools, which range from guidance on protecting clients during credit approval/underwriting process to how to design a grievance redress mechanism, have been used and downloaded thousands of time. Our resources are available in English, Spanish, French, Russian and Arabic, among other languages.

Client Protection Certification

Self-reporting on client protection cannot provide confidence that the Client Protection Principles are actually being followed. Smart Certification provides an independent, objective seal of confidence that a financial services provider is doing everything it can to treat their clients well and protect their clients from harm. The Campaign has licensed specialized rating agencies to conduct certification missions.

Certification helps investors, donors, regulators, and others distinguish financial institutions that put clients first. By setting the bar on client protection, certification measures institutions against an industry-wide standard, distinguishing the good players and incentivizing others to improve. Organizations meeting all the certification standards will be able to advertise themselves as certified and will be listed on the Smart Campaign website. Since the beginning of the program, 50 financial institutions that cover over 25 million clients have been Smart Certified.

Please visit our website at www.smartcampaign.org/certification to learn more about the certification standards, how certification works and see a registry of certified organizations.
Annex 3: Smart Campaign Client Protection Standards

This annex lists the key tenets of the Client Protection Principles and Standards, which were applied to agent management in this report.15

**CPP 1: Appropriate Product Design and Delivery Channels**

The institution supports the design of suitable products:
- A policy (approved by board) is in place for defining, assessing and monitoring product suitability.
- An effective training program is in place for staff and third parties to fully understand the suitability policy, as well as features of the products that they offer to their customers and the implications of these features on the financial lives of customers.
- The institution seeks client feedback for product design and delivery.
- There is an internal control process to verify uniform application of policies and procedures related to product suitability.
- Management reviews key results (i.e., client engagement, internal control, performance indicators) related to product/service design and delivery. Measures for improvement are discussed, implemented and monitored (records exist).

Products and services are delivered responsibly:
- Policies and documented process are in place to impede aggressive sales techniques and forced signing.
- Key staff is trained not to use aggressive sales techniques and to respect clients’ right to refuse products.
- There is a mechanism in place to raise ‘red flags’ about aggressive sales and activate internal control/actions.
- Third party providers are selected taking into account the Client Protection Principles.
- There is a system to track agent liquidity and availability.

**CPP3: Transparency**

The institution fully discloses prices, terms and other information:
- Policy and documented process are in place to require transparency on product terms, conditions and pricing (full disclosure, through appropriate channels, and with accurate and timely information).
- Documentation informs clients of cooling off periods, cancellation rights, and other relevant rights under contract.
- Clients receive documentation that summarizes key contractual information in simple language.
- Agents and third parties are required to disclose fees to clients – at a minimum verbally.
- All forms of communication about pricing, terms and conditions are consistent and transparent.
- Documentation is accessible for clients of any payment service provided at the institution’s agent such as money transfers, bill payments, airtime top-up, and deposit withdrawal). Lists all fees, terms, taxes, and cancellation conditions.

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15 They are based on Smart Campaign Standards 1.0. In June 2016 the Smart Campaign released Client Protection Standards version 2.0 which are available here: [http://www.smartcampaign.org/storage/documents/Standards_2.0_English_20150711.pdf](http://www.smartcampaign.org/storage/documents/Standards_2.0_English_20150711.pdf)
• Product information is displayed and visible in partner financial institution branches (e.g., posters, brochures, pamphlets), read aloud to clients or verbally communicated to clients.
• Pricing information is disclosed in the public domain (e.g., website, branches) in a way that facilitates comparability across offerings for clients.
• Client receives email or paper receipt, a text message (SMS) once a transaction is performed, no matter what channel is used.

The institution communicates proactively with clients in a way that they can easily understand:
• Staff and agents are trained to explain and verify client understanding of pricing, terms and conditions of any product they handle, both initially and in annual refreshers.
• All information related to the product is communicated to clients before signing, in their language and understandably at appropriate time, and clients are given opportunity to ask questions.
• The institution gives clients adequate time to review the terms and conditions of the product, ask questions and receive additional information prior to signing contracts.
• Product information and verbal communication is provided in the language of target clients with accommodation if many clients are illiterate.
• There is an internal control process to verify the constant and uniform application of policies and procedure related to transparency.

**CPP 4: Responsible Pricing**

The institution is managed effectively to offer responsible pricing:
• The institution is sustainable (or approaching sustainability) and efficient
• Prices are market based and cover costs
• Fees from the use of services of digital channels (e.g. money transfers, cash-in, cash-out, loan disbursement, loan repayment, top-up) are not excessive.
• The institution regularly analyzes cost factors of its products and operations and considers the implications of that analysis on pricing and fees.
• Policy defines that ethnicity, gender, sexual orientation, religious belief, political opinions, or disability will not be taken into account when setting prices.

**CPP 5: Fair and Respectful Treatment of Clients**

Clients are treated in a fair and respectful manner:
• Policy and documented process clearly spell out in a code of conduct (i.e. code of ethics, book of staff rules) the organizational values and standards of professional conduct that are expected of all staff.
• The code of conduct (or equivalent) has been reviewed and approved by the board.
• The following behaviors are always prohibited (at a minimum) and sanctions are determined: using abusive language; using physical force; limiting physical freedom; shouting at the client, entering the client’s home uninvited; publicly humiliating the client; violating the client’s right to privacy; discriminating based on ethnicity, gender, sexual orientation, religious belief, political opinions, disability; participation in corruption, taking kickbacks, theft; sexual or moral harassment.
• Policy and documented processes related to fair and respectful treatment of clients are effectively communicated to staff.
• The staff signs a document by which they acknowledge that they will abide to the standards of professional conduct and not engage in the prohibited behaviors mentioned in the code of conduct (or equivalent).
• There is an effective and continuous training system in place to train all staff on appropriate and ethical conduct.
• The institution's managers and supervisors review adherence to the code of conduct, ethical behavior, professional conduct and the quality of interaction with customers as part of employee and agent performance evaluations.
• Clear and effective measures exist to select and monitor contractors in line with the Client Protection Principles.
• Third party providers are required to abide to the institution's code of conduct (e.g., through service level agreements).
• Describes the sanctions that will be taken in case of violation that can result in termination of employment or agreement with third party providers.

The institution does not discriminate in client selection or treatment:
• Policy and documented process in place to avoid discrimination.
• Policy defines that term and conditions will not differ based on ethnicity, gender, age (except for insurance), disability, political affiliation, sexual orientation, and religion, among others and that these will not be taken into account when serving clients.

The institution implements policies to promote ethical behavior and prevent fraud:
• The institution's HR policies on recruitment and training are aligned around the institution’s code of conduct.
• There is a data security policy in place to mitigate client data and identity theft risks; to protect against security breaches, fraudulent access, and misuse of client’s information; and to provide notice of security breaches, and other protection.
• There are systems in place to perform account monitoring and other controls to identify and discourage fraud.
• There is a mechanism in place to raise red flags' and activate internal control actions whenever client feedback indicates a violation with the code of conduct.
• Management reviews key results (i.e. Client engagement, Internal Control, Performance Indicators) related to fair and respectful treatment. Measures for improvement are discussed, implemented and monitored (records exist).

CPP 6: Privacy of Client Data

Client data is protected:
• Data privacy and security policy in place to govern the gathering, processing, use, distribution and storage of client information to maintain its confidentiality, safety and integrity. The policy covers current and former staff and third party providers that interact with the institution's IT systems.
• The policy provides a clear list of actions to take when staff is terminated to safeguard client privacy.
• There are penalties for exposing or revealing client data to third parties without prior client consent (including family not party to the account).
• There are processes, people, and systems in place (including secure IT) to protect the confidentiality, security, accuracy and integrity of customers’ clients' personal, transactional and financial information.
• The IT systems in place have password protection systems that are changed periodically with different access levels according to the position of the staff member accessing the data.
• Infrastructure ensures secure access to client data (e.g., VPN, different server for database and software).
Systems are backed-up daily:

- The security of the IT has been validated through an external audit within the last year.
- There is a data security policy in place to mitigate client data and identity theft risks; to protect against security breaches, fraudulent access, and misuse of client's information; and to provide notice of security breaches, and other protection.
- There is a disaster recovery plan and a downtime recovery plan in place.
- The provider's contract with third parties requires respect of confidentiality of clients' data.
- An effective training program is in place focused on client privacy, confidentiality, security, accuracy and integrity of customers' personal and financial information and use of information systems (IT).
- If client files are stored in physical format, they are in a secure location, within the branch or headquarters that has 1) restricted access only to selected persons; 2) is kept in a facility secure from theft and flood.
- There is a record of who requests access to client files.
- There is an internal (or external) control process to verify privacy protection in the IT system.
- Clients are informed and give consent to share their data.
- Policy in place to describe how to talk to clients about client privacy.
- Staff signs a document recognizing the confidentiality policy upon employment.
- The privacy and data security policy are effectively communicated to staff, third parties and all clients, in plain language and not hidden in legalese or in small print.
- Staff informs clients on their right to privacy at the beginning of the product delivery process as well as how data is distributed, reported or shared to competitors, donors, etc.
- Staff informs clients on importance of protecting Personal Identification Numbers (PINs).
- Written client consent is required to share personal information with any external audience, including credit bureaus, insurance agents, collections companies, or for marketing material and other public content.

CPP 7: Mechanisms for Complaints Resolution

Effective client feedback mechanisms are in place and used:

- Clients are informed about their right to complain and informed on how to do so.
- Information on how to submit a complaint is displayed and visible in branch offices and/or included in product documentation.
- Front line staff informs clients on how to submit a complaint during the product application process.
- There is a system to collect and analyze client satisfaction and reasons for client drop out/non-use.
- Analysis of complaints data contributes to improving operations and services.

Clients are aware of how to submit complaints, and complaints are handled adequately:

- A documented process is in place to describe how to resolve complaints.
- The complaints mechanism defines that complaints must be resolved within one month (some exceptions may be due to complexity), and prioritizes complaints based on their severity.
- Complaints and complaints resolution are taken into account in bonuses or performance evaluations.
- There is a clear and secure system in place to ensure that complaints from branches and (if applicable) agents reach complaints handling staff and/or management.
- Clients receive notifications when complaints are received and when they are resolved.
- The institution’s dedicated staff induction training includes a session on how the complaints mechanism works, the roles of various staff members in the process and how to appropriately manage complaints until they are completely resolved.
- Dedicated complaints handling staff and third party providers are adequately trained on receiving, handling and resolving complaints.
- Transactions unable to be completed or incorrectly completed are handled appropriately.
- There is an internal control process to verify the constant and uniform application of policies and procedure related to the appropriate functioning of the complaints handling mechanism.
- Internal audit or other monitoring systems verifies a sample of clients (at least 10%) who have submitted a complaint to see if complaints have been resolved, and if the client has been informed of the outcome.
- Management reviews key results (i.e. % of complaints handled successfully) related to the effective functioning of the Complaints Handling Mechanism. Measures for improvement are discussed, implemented and monitored (records exist).
Annex 4: Summary Preliminary Recommendations

We recognize the complexity of managing distribution networks and the difficulty of implementing any change in a network that is already operating. Thus, we proposed initial recommendations and used our experience working with agent networks to ascribe the feasibility of implementing a change and the consequent benefit of making that change. Scale for Feasibility (feas.) (complexity, cost, and time required) used is 1-10, 1 being very easy and 10 being extremely difficult; for Benefit of implementing, scale is 1-5, 1 being somewhat beneficial to 5 being extremely beneficial. At the workshop, we asked participants to prioritize our recommendations along a simplified two-by-two matrix of feasibility and benefit, to ascribe their own rankings in juxtaposition to ours, in order to further test and validate these early recommendations. Hence the first two columns labeled feasibility and benefit represent the researchers’ scoring, and for comparison’s sake, in the final two columns, we have converted the relative prioritization of the same recommendations according to into a simplified scoring on a 1-5 scale for both feasibility (feas.) and benefit.

<table>
<thead>
<tr>
<th>CPP</th>
<th>ID</th>
<th>Recommendations</th>
<th>Feas. (1-10)</th>
<th>Benefit (1-5)</th>
<th>Feas. (1-5)</th>
<th>Benefit (1-5)</th>
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<tbody>
<tr>
<td>Appropriate Product Design and Delivery</td>
<td>1.1</td>
<td>Have a policy in place that defines how products and services are to be offered and sold by the agent network and how suitability of advice is monitored. This could include developing a process-mapping document that visually depicts all of the touch-points at which agent network manager staff interact with agents, clarifying what individuals are responsible for which processes, how often, and how compliance is verified.</td>
<td>3</td>
<td>5</td>
<td>3</td>
<td>5</td>
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<td></td>
<td>1.2</td>
<td>Define agent liquidity and network availability requirements and expectations and contingency plans in the event of system failures.</td>
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<td></td>
<td>1.3</td>
<td>Define agent KPIs to include indicators on transaction volume and quality of service.</td>
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<td>5</td>
<td>4</td>
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<td></td>
<td>1.4</td>
<td>Align compensation and incentives of agents to performance against the KPIs.</td>
<td>6</td>
<td>5</td>
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</tr>
<tr>
<td></td>
<td>1.5</td>
<td>Provide training to agents on product suitability, including guidance on assessing and documenting customer needs and product information provided when new products are marketed or sold by agents to end customers. Encourage banks to lead or co-facilitate periodic trainings on new products as well.</td>
<td>7</td>
<td>5</td>
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<td>5</td>
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<td></td>
<td>1.6</td>
<td>Define minimum requirements for retraining.</td>
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<td>3</td>
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<td></td>
<td>1.7</td>
<td>Require agents to pass a test demonstrating adequate knowledge of all policies and procedures before they are officially approved as part of the network, and at regular intervals after refresher trainings.</td>
<td>5</td>
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<td>1.8</td>
<td>Perform regular audits and quality assurance to verify that training is sound and existing policies and procedures are consistently applied.</td>
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<td>1.9</td>
<td>Maintain an integrated database for agent quality assurance activities, noting when and how often audit checks and trainings are performed, and tracking against agent KPI performance over time, and making this information accessible to agents for dispute resolution.</td>
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1.10 If agents are required to provide financial education to customers as part of the service delivery, provide them with standardized tools to deliver information, for example fliers or other visual materials, such as flipcharts, to help agents explain products and concepts to customers, and/or leaflets for customers to take home. Ensure that these tools are understandable and informative for the target customers taking into account language, illiteracy and other barriers. Encourage and monitor agents’ adequate usage of this information material.

1.11 Conduct annual satisfaction surveys or other systematic “pull” methods of proactively gathering feedback on client satisfaction with products and services delivered at agents, such as conducting regular polls, using IVR or SMS campaigns, etc. Conduct annual performance reviews and satisfaction surveys of agents. The surveys could be used to determine how many clients have dropped out and agents can be encouraged to conduct exit surveys of sample drop out clients on products and services. Feedback needs to be consolidated and shared with management to improve products and services.

1.12 Incorporate key results from monitoring activities (e.g., client satisfaction surveys, transaction reports, product pilot outcomes, focus group discussions, etc.) at least annually into management discussions to improve products, services, and operations. Maintain records of measures to design, implement, and measure these actions.

| Transparency | 3.1 | Put policy and documented processes in place to require transparency on product terms, conditions and pricing (full disclosure, through appropriate channels, and with accurate and timely information). The policy needs to be detailed and needs to have clear guidance on what needs to be done. | 2 | 3 | 5 | 4 |
| | 3.2 | Provide legal contractual documents to agents in written form in the local language. | 1 | 5 | 5 | 5 |
| | 3.3 | Train staff to explain pricing, terms and conditions to clients and verify client understanding in accordance with policies, and demonstrate this understanding in practice. | 5 | 5 | 2 | 5 |
| | 3.4 | Provide refresher trainings annually and put in place mechanism to test knowledge of agents. | 7 | 5 | 4 | 4 |
| | 3.5 | Make written information of any payment service provided at agents, such as money transfers, bill payments, airtime top-up, and deposit withdrawal readily available and accessible to customers and list all fees, terms, taxes, and cancellation conditions. | 7 | 5 | 5 | 5 |
| | 3.6 | Visibly display basic information on product and service features, including pricing, at agent locations (e.g., posters, brochures, pamphlets). | 3 | 4 | 3 | 4 |
| | 3.7 | Agent network managers should be held responsible for providing up-to-date information and new posters at agent locations when products or charges are revised, coordinating with banks to ensure ongoing transparency on pricing and services offered. | 5 | 5 | 2 | 4 |
| | 3.8 | Ensure agents communicate all information related to products, services and policies to clients in the local language and at an appropriate level given financial literacy limitations. For less literate clients, agents should supplement written information with verbal communication. When terms and conditions have | 8 | 5 | 1 | 5 |
been changed, agents are to inform customers about these changes and the implications of these for their use of the service.

| 3.9 | Develop and use an internal control process to verify uniform application of above policies and procedures related to transparency, including conducting regular audits, mystery shopping and implementing sanctions and/or additional training to address non-compliance. | 7 | 5 | 1 | 5 |
| 3.10 | Agent network managers collectively should consider launching an industry transparency initiative. Incentivizing agents for transparency or recognizing them publicly could also be an influencer. | 10 | 5 | 1 | 5 |

| Responsible Pricing | 4.1 | Include a comparison of pricing with that of the competitors’ where applicable. | 5 | 4 | 3 | 1 |
| 4.2 | Expressly prohibit the practice of overcharging in policies and training materials (unless justified in certain regions due to the business case for agent profitability, in which case any differential pricing that is permitted should be made very clear and distinguishable from prohibited practices). | 8 | 5 | 1 | 5 |
| 4.3 | Implement and enforce fines or disciplinary procedures for infractions. It is even more critical that these measures be taken for proprietary products and pricing directly under agent network managers’ control. | 5 | 5 | 5 | 1 |
| 4.4 | Ensure that clients receive confirmation of transactions and balances for free, and that fees for other transactions are acceptable and market based, including for repeated balance or receipt requests over a stated frequency. | 4 | 5 | 5 | 5 |
| 4.5 | Regularly analyze costs and revenues at the agent level to see where efficiencies can be attained and where prices can be reduced. | 8 | 5 | 4 | 4 |

<p>| Fair and Respectful Treatment of Clients | 5.1 | Have a code of conduct that clearly spells out the organizational values and standards of professional conduct that are expected of all staff and agents. This should also spell out what to do in case of a breach of the code of conduct or fraud. | 2 | 5 | 5 | 5 |
| 5.2 | All agents should be trained on the Code of Conduct, and there should be clear do’s and don’ts for agents, especially in the way they treat clients, including non-discrimination in behavior irrespective of gender, ethnicity, age, caste or religion. | 3 | 4 | 4 | 5 |
| 5.3 | While inducting agents the network should ensure that it selects agents that are ethical and meet the Code of Conduct standards. | 4 | 4 | 1 | 5 |
| 5.4 | Have agents sign a document by which they acknowledge that they will abide by the standards of professional conduct and not engage in the prohibited behaviors mentioned in the code of conduct. | 7 | 4 | 2 | 4 |
| 5.5 | Inform clients of the standards of professional conduct and the prohibited behaviors mentioned in the code of conduct, as well as how to notify network managers in case of breach. | 10 | 5 | 1 | 4 |</p>
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<tbody>
<tr>
<td><strong>5.6</strong></td>
<td>Review adherence to the code of conduct, ethical behavior, professional conduct and the quality of interaction with customers as part of agent performance evaluations.</td>
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<tr>
<td><strong>5.7</strong></td>
<td>Have an internal control process to verify uniform application of policies and procedure related to fair and respectful treatment of clients.</td>
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<tr>
<td><strong>5.8</strong></td>
<td>Have an internal auditor or manager charged with the responsibility to document evidence/records of monitoring/reporting of corrective measures taken in case of partial or incorrect implementation of the policies and procedures to ensure an adequate compliance in the practice.</td>
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<td><strong>5.9</strong></td>
<td>Document a process to manage transactions that are unable to be completed or incorrectly completed, including mechanisms to reverse transactions if a funds transfer or similar electronic transaction is made to the incorrect account.</td>
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<tr>
<td><strong>5.10</strong></td>
<td>Review key results of client feedback (e.g., client satisfaction survey, complaints handling summary) related to fair and respectful treatment of clients. Discuss, implement, and monitor measures for improvement, and maintain a record of these actions.</td>
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### Privacy of Client Data

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<td><strong>6.1</strong></td>
<td>Elaborate a policy and document processes to maintain the confidentiality and accuracy of clients’ personal, transactional and financial information. These should cover gathering, processing, use, distribution and storage of client information. Ensure that all actors in the value chain for delivering agency banking adhere to these agreed policy and documented processes. Document standard procedure for times when the system is down; no technology is fool-proof.</td>
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<td><strong>6.2</strong></td>
<td>Put processes, people, and systems in place (including secure IT) to protect the confidentiality, security, accuracy and integrity of clients’ personal, transactional and financial information. Ensure systems protect against theft or misuse of client data or identity; security breaches, and fraudulent access.</td>
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<td><strong>6.3</strong></td>
<td>Include content in the training program to ensure that agents understand and have the skills to implement the policies and processes related to privacy of client data, such as a requirement that agents inform clients of the importance of protecting Personal Identification Numbers (PINs).</td>
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<td><strong>6.4</strong></td>
<td>Conduct audits to verify compliance and institute fines or disciplinary measures for non-compliance.</td>
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<td><strong>6.5</strong></td>
<td>Maintain files in a secure system, whether electronic or in physical format, with protections from inappropriate access, theft and damage. Prohibit paper note taking and informal workarounds when the system is down.</td>
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<td><strong>6.6</strong></td>
<td>Inform customers about eventual data breaches and possible consequences and risks thereof.</td>
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<td><strong>6.7</strong></td>
<td>Offer customers the possibility to verify their information and having it removed or changed.</td>
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<tr>
<td><strong>6.8</strong></td>
<td>Remove and eliminate the information on dropped out customers three years after they stopped using the ANMs or partner bank’s services and products.</td>
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<tr>
<td>Mechanism for Complaints Resolution</td>
<td>7.1 Ensure that a clear and secure system to handle complaints is in place, including definition of escalation matrices and minimum response times required, as well as processes to notify clients when complaints are received and when they are resolved. The policy must enable clients to submit complaints to the agent network manager through someone other than their main point of contact for obtaining the product or service. Clients must also be able to submit complaints about business correspondents to the appropriate financial institution.</td>
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<tr>
<td>7.2 Maintain separate, dedicated hotlines for agents and end-customers. Ensure calls to the hotline are free of charge, and/or offer a callback function to save time. Consider other customer support channels such as SMS, live chats and email, where appropriate.</td>
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<tr>
<td>7.3 Train agents on how the complaints mechanism works, the role of complaints staff, how to appropriately manage complaints until they are completely resolved, and how to refer them to the appropriate person for investigation and resolution.</td>
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<tr>
<td>7.4 Ensure agents inform clients on how to submit a complaint as part of standard procedure for any transaction. Developing a script or basic guidelines could be a useful tool to help ensure agents are covering all required topics to an appropriate degree, perhaps also aided by illustrated flipbooks that detail step-by-step how to proceed in various scenarios.</td>
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<tr>
<td>7.5 Agent Network managers need to develop and enforce an internal control process to verify uniform application of policies and procedure related to complaints handling, including internal audit or other monitoring systems to verify a sample of clients (at least 10%) who have submitted a complaint to see if complaints have been resolved satisfactorily, and if the client has been informed of the outcome. Document evidence of corrective measures taken in case of partial or incorrect implementation of the policies and procedures, to ensure an adequate compliance with these in practice.</td>
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<tr>
<td>7.6 Take complaints and their resolutions into account in agent performance evaluations and penalize agents for complaints that are in their control.</td>
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<tr>
<td>7.7 Review key results related to complaints handling at the aggregate network level (e.g., % complaints resolved satisfactorily, average number of days for resolution of complaints) at least quarterly. Discuss, implement, and monitor measures to improve the complaints handling mechanism, and record these actions.</td>
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<tr>
<td>7.8 Define agent KPIs to include decreasing call center complaints over time, or percentage of complaints handled in timely fashion, etc. Align compensation and incentives of agents to performance against the KPIs.</td>
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<td>3</td>
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<tr>
<td>7.9 Build feedback loops to the agent network manager and financial service provider based on analysis of complaints data, satisfaction surveys and reason for drop-outs to improve operations and services at the network level.</td>
<td>4</td>
<td>5</td>
<td>4</td>
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</tbody>
</table>
Annex 5: Summary of Post-Workshop Prioritization of Recommendations

Part of the workshop activities, in addition to asking participants to rank all the suggested recommendations (see Annex 4), was to have them prioritize among those they felt were most feasible with the highest potential impact. These insights are reflected in the table below, along with a summary of key points that emerged during the group discussion of each Client Protection Principle.

<table>
<thead>
<tr>
<th>CPP</th>
<th>Recommendations</th>
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</table>
| Appropriate Product Design and Delivery | - Have a policy in place that defines how products and services are to be offered and sold by the agent network and how suitability is monitored.  
- Define agent liquidity and network availability requirements and expectations and contingency plans in the event of system failures.  
- Define agent KPIs to include indicators on transaction volume and quality of service. Align compensation and incentives of agents to performance against the KPIs.  
- Require agents to pass a test demonstrating adequate knowledge of all policies and procedures before they are officially approved as part of the network, and at regular intervals after refresher trainings.  
- Explore mechanisms to gather feedback on client satisfaction with products, services and delivery. |
| Transparency | - Have a policy in place to require transparency on product terms, conditions and pricing from all customer-facing staff and agents. Information of any payment service provided at agents, such as money transfers, bill payments, airtime top-up, and deposit withdrawal should be readily available and accessible to customers and list all fees, terms, taxes, and cancellation conditions.  
- Provide legal contractual documents, in the local language, to agents and enforce these to increase accountability.  
- Leverage technology to develop training modules that can be used effectively to train agents across vast and remote networks. Train staff and agents to explain pricing, terms and conditions to clients, and verify client understanding in accordance with policies.  
- Continue to explore ways to increase clients’ financial capability. Collaborate with financial service providers to determine shared responsibilities. |
| Responsible Pricing | - Ensure that clients are charged according to authorized fee schedule and that they receive confirmation of transactions free of charge.  
- Regularly analyze costs and revenues at the agent level to see where efficiencies can be attained and where prices can be reduced.  
- Explore launching a transparency initiative. |
| Fair and Respectful Treatment of Clients | • Have a code of conduct that clearly spells out the organizational values and standards of professional conduct that are expected of all staff and agents. Spell out what to do in case of a breach of the code of conduct or fraud.  
• Ensure that all agents are trained on the code of conduct, and that there are clear “do’s and don’ts” for agents, especially in the way they treat clients, including non-discrimination in behavior irrespective of gender, ethnicity, age, caste or religion. Incentivize agents.  
• Have an internal control process to verify uniform application of policies and procedure related to fair and respectful treatment of clients.  
• Increase awareness of clients’ rights and include feedback mechanisms from clients. |
| Privacy of Client Data | • Elaborate and implement a policy to maintain the confidentiality and accuracy of clients’ personal, transactional and financial information, taking into account the current limitations and challenges due to technology (i.e., network downtime, etc.). Document standard procedure for times when the system is down; no technology is fool-proof.  
• Include content in the training program to ensure that agents understand and have the skills to implement the policies and processes related to privacy of client data, such as a requirement that agents inform clients of the importance of protecting Personal Identification Numbers (PINs). |
| Mechanism for Complaints Resolution | • Put in place proactive mechanisms to collect complaints and feedback directly from customers.  
• Define agent KPIs to include decreasing call center complaints over time, or percentage of complaints handled in timely fashion, etc. Align compensation and incentives of agents to performance against the KPIs.  
• Build feedback loops to the agent network manager and financial service provider based on analysis of complaints data, satisfaction surveys and reason for drop-outs to improve operations and services at the network level. Differentiate between different types of complaints. |
### Annex 6: Key Potential Risks with Digital Financial Services

<table>
<thead>
<tr>
<th>Key Potential Risks</th>
<th>Description of risk</th>
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<tbody>
<tr>
<td><strong>A</strong> Clients do not make informed decisions due to inadequate information from providers</td>
<td>1. Clients are not adequately communicated with nor trained on: (i) Service understanding (e.g., how the service works, how to use it, how to register, how to opt-out), (ii) Trust in the service (e.g., reinforce client confidence in the service, security of data), (iii) Client service (e.g., where to complain/call if the service does not work, if the transaction did not go through, if the agent does not provide adequate service, etc.)</td>
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<tr>
<td><strong>B</strong> Inadequate or lack of client care channel/recourse mechanism (e.g., client support, client helpdesk, dispute resolution, and complaint mechanisms)</td>
<td>2. Provider offers inadequate support, dispute resolution, and complaint mechanisms to clients. Thus, when issues occur: (i) clients do not know who to approach, (ii) these centers are not accessible, (iii) call centers/complaint line do not adequately deal with client queries and complaints, (iv) client’s concerns are not addressed in a timely and fair manner.</td>
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<td><strong>C</strong> Data protection and security</td>
<td>3. Client identity is stolen and may be used to open an account or perform transactions, which could lead to identity theft.</td>
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<td><strong>D</strong> Data privacy</td>
<td>4. Clients are not informed/misinformed on how their data and history is being used or shared. Hence: (i) client information could be inappropriately sold or tracked without client consent, (ii) client could start receiving abused/unauthorized advertising online and cross marketing.</td>
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<td><strong>E</strong> Clients are defrauded and/or lose their funds</td>
<td>5. When (i) Service presents faulty security that allows information to be stolen and misused, (ii) Clients share their PINs with another person, (iii) A non-client uses a friend or family member’s account (more than one user of the service) to perform unauthorized transactions instead of the registered client</td>
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<td>6. When the mobile money/branchless banking service has system downtime or some processes are manual, transactions performed by clients can be delayed, lost, or clients can even be victims of stolen payments.</td>
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<td>7. When an employee of the service provider commits fraud by manipulating data and transactions performed by clients.</td>
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<td><strong>F</strong> Clients cannot access their funds or float</td>
<td>8. Agents often have either cash or float when client is asking for other so they can’t get their money (float and liquidity management issues)</td>
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<td>9. Clients cannot redeem funds/perform transactions due agent’s to</td>
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<th>Key Potential Risks</th>
<th>Description of risk</th>
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<td>lack of liquidity.</td>
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<td>G Insufficient</td>
<td>10 Information on roles and responsibilities of the agent, product and service fees, prices, terms,</td>
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<td>transparency and</td>
<td>conditions, mechanism to address client's complaints, and timeliness of updates/changes are not properly</td>
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<td>disclosure of</td>
<td>disclosed to client.</td>
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<td>information</td>
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<td>H Unauthorized</td>
<td>11 Agents charge unauthorized fees or agent does not clearly disclose fees/prices to the client;</td>
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<td>fees, abusive</td>
<td>12 Clients are charged abusive prices due to market structure i.e., in non-competitive markets with a</td>
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<td>prices charged to</td>
<td>dominant player or a monopoly, the provider could abuse its position and charge abusive prices)</td>
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<td>clients</td>
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<tr>
<td>I Agent’s inability</td>
<td>13 Clients cannot access the service because agent does not know how to perform the transaction.</td>
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<td>leads to lack of</td>
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<td>service</td>
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<tr>
<td>J Agent’s misconduct</td>
<td>14 Clients are treated unfairly due to inadequate incentive structure rewards to agent</td>
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<tr>
<td>against clients</td>
<td>15 Agents persuade clients to avail of particular transactions and services not because those are in</td>
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<td></td>
<td>16 Female clients fear harassment from agents or are not served by agent</td>
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<td>17 Agent’s discriminate against clients due to security concerns (e.g., agent working in high-risk</td>
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<td>18 Agent performs/accepts transactions with counterfeit cash by himself or colluding with a third-person.</td>
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<td>neighborhoods can be target of thefts and robbery. This situation is aggravated when agents do not have</td>
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<td>Also, agent provides this money to clients</td>
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<td></td>
<td>any insurance provided by a bank, MNO, or provider; or are not self-insured;</td>
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</tbody>
</table>
Annex 7: Selected Bibliography


“Agent Networks In India---How Mandates Have Influenced the Landscape” (2015). Available at: http://www.helix-institute.com/blog/agent-networks-india-how-mandates-have-influenced-landscape


Annex 8: Workshop Agenda

Responsible Agent Management Workshop

May 11th, 2016

Sofitel Hotel at Bandra Kurla Complex, Mumbai, India

Agenda

10.00 – 10.15 a.m. Welcome and Introductory Remarks
Hema Bansal, India Director, Smart Campaign
Prateek Shrivastava, Vice-President, Channels and Technology at Accion

10.15 – 10.45 a.m. Introduction to Accion: Organizational Structure and Collaborative Culture
Abishek Agrawal, Accion India Director

10.45 – 11.15 a.m. Introduction to the Smart Campaign: Client Protection Standards
Hema Bansal, India Director, Smart Campaign

11.15 – 11.30 a.m. Tea Break & Networking

11.30 – 12.30 p.m. Presentation of Research Findings and Audience Questions
Prateek Shrivastava, Vice-President, Channels and Technology at Accion

12.30 – 1.30 p.m. Group Exercise:
Groups discuss the results of the research

1.30 – 2.15 pm Lunch

2.15 – 3.30 p.m. Group Exercise:
Groups discuss feasibility of recommendations and share best practices

3.30 – 4.00 p.m. Next Steps and Takeaways

4.00 – 4.15 p.m. Closing Remarks
Abishek Agrawal, Accion India Director
Annex 9: Workshop Participants

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<thead>
<tr>
<th>S.No</th>
<th>Name</th>
<th>Organization</th>
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<tr>
<td>1</td>
<td>Rashmi Singh</td>
<td>SKS</td>
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<td>2</td>
<td>Shradhha Jha</td>
<td>MCril</td>
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<td>3</td>
<td>Sasidhar TN</td>
<td>BASIX Sub K</td>
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<tr>
<td>4</td>
<td>Ashutosh Kheta</td>
<td>Oxigen</td>
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<tr>
<td>5</td>
<td>Gaurav Bammi</td>
<td>BASIX Sub K</td>
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<tr>
<td>6</td>
<td>Ankita Sirohi</td>
<td>IDFC Bank</td>
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<tr>
<td>7</td>
<td>Rajaram Kamath</td>
<td>Swadhaar</td>
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<td>8</td>
<td>Arun Bhandarkar</td>
<td>Equitas</td>
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<td>9</td>
<td>Veena Mankar</td>
<td>Swadhaar</td>
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<td>10</td>
<td>Indra Deo Pandey</td>
<td>Utkarsh</td>
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<td>11</td>
<td>Sarveish K</td>
<td>Suryoday</td>
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<td>12</td>
<td>Madhan Mohan</td>
<td>RBL Bank</td>
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<td>13</td>
<td>Saneesh Singh</td>
<td>Dia Vikas</td>
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<td>14</td>
<td>Amit Jain</td>
<td>FINO Paytech</td>
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<td>15</td>
<td>Suresh C</td>
<td>Ujjivan</td>
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<td>16</td>
<td>Mugdha Bhargava</td>
<td>Eko</td>
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<td>Shridhar I</td>
<td>Suryoday</td>
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<td>18</td>
<td>Radhika Agashe</td>
<td>Access</td>
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<td>19</td>
<td>Preeti Telang</td>
<td>Swadhaar FinAccess</td>
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<td>Gowrisankar Rao</td>
<td>RBL Bank</td>
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<td>21</td>
<td>Navtej Sigh</td>
<td>Reliance</td>
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</table>