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BUILDING CONSUMER RESILIENCE IN DIGITAL FINANCE

FOREWORD

Across the world, digital finance is transforming how consumers spend, save, send and borrow money. As access expands, this has enabled innovation and reshaped markets. Yet for too many people, this progress comes without sufficient protection. Consumers face rising exposure to fraud, gaps in redress and services that do not meet their needs. Inclusion without protection cannot deliver resilience.

At this moment for consumers, who are facing compounded technological and environmental challenges, we must ensure that digital finance works for everyone. That means designing systems with consumers in mind from the outset, embedding protection and security measures into product and policy, and making outcomes the benchmark of success.

This report offers a vision for that future. It draws on unique, first-hand consumer research, regulatory analysis across diverse country contexts, expert interviews and analysis, and perspectives from consumer advocates and their networks. The report leverages the perspectives of multiple consumer organisations. Consumer organisations serve as critical infrastructure for resilience. They surface risks, shape solutions and connect people to power by bridging information gaps, opening doors to decision-makers and representing consumer voices. Consumer advocates are helping build a financial system that is more inclusive, transparent and accountable.

This analysis offers both a warning and a path forward. The gap between protection on paper and outcomes in practice is real – but that gap can be closed if we empower consumer organisations to evolve and become partners in agile and accountable systems; recognise and embed real consumer resilience as the foundation for financial inclusion and growth; proactively integrate the consumer voice into product and policy innovation; and strengthen and modernise financial supervision and enforcement while sharing strategies on regulatory and consumer challenges across borders.

In providing a guiding star for resilience by design, we hope to support governments, businesses and consumer advocates in building a true consumer voice in digital finance.

Helena Leurent
Director General, Consumers International

EXECUTIVE SUMMARY

Digital finance has expanded access to financial services. Yet for millions of consumers – especially in low- and middle-income countries – access has not delivered resilience. Consumers face rising exposure to fraud, inadequate redress, weak data protections and mounting risk from emerging technologies. The protections that exist on paper often fail to deliver meaningful outcomes.

This report sets out to close that gap. Drawing on regulatory analysis from thirteen jurisdictions, consumer experience research in eight countries, perspectives through interviews and workshops from consumer advocates and leaders around the world, it reveals a widening divide between the implementation of consumer protection frameworks and the lived experiences of digital finance consumers. In some markets, up to 75% of consumers are highly exposed to financial shocks. Many report an inability to compare providers or resolve problems when they arise.

We describe how most countries are measuring progress in terms of laws passed or structures created, but not consumer outcomes. Few regulators track consumer risks in real time or measure financial resilience. Meanwhile, many businesses are innovating faster than rules can respond, and consumer advocates – although showing how they can evolve and adapt to a changing market – remain underpowered, with untapped potential to shape markets, strengthen protections and bring the consumer perspective into decisions around policy and practice.

But promising approaches are emerging, and this report showcases examples of resilience by design, where protection, inclusion and trust are built into the architecture of digital finance.

To guide future action, the report presents a "guiding star" framework grounded in consumer voice and outcomes. It highlights four national pathways toward more resilient financial systems and calls on all actors – governments, financial service providers and consumer organisations – to align around a shared vision for inclusive, people-centred digital finance.

> "Digital finance brings new opportunities – but also new risks that can lead to unfair outcomes for consumers. Digital finance can increase the likelihood that the most vulnerable are left behind."
>
> – **Ashim Sanyal**, COO, Consumer VOICE India

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1. WHY THE CONSUMER VOICE MATTERS NOW

Digital finance is expanding, but so are the risks – leaving consumers less resilient

Access – measured in terms of account uptake – has long been a central measure of success in financial inclusion. Gains in this area have been remarkable. According to the 2025 Global Findex survey, 79% of adults now hold a financial account, up from 74% in 2021 and 51% in 2011[1]. Much of this growth is due to digital payments, which have become a key on-ramp to financial inclusion: in developing economies, 61% of adults – or 82% of account owners – made or received a digital payment in 2024, a 27 percentage point increase from 2014, making digital payments the most widely used formal financial service.

With the rise of digital finance, the financial sector has also experienced an injection of competition and innovation. The number of fintech providers doubled between 2017 and 2021, and digital transaction volumes followed suit[2]. Open finance models, embedded services and digital public infrastructure (DPI) are reshaping the financial landscape. Countries like Brazil and India are held up as examples of how instant payment systems can be rapidly rolled out to accelerate inclusion of people into formal systems, even as questions persist about the experience of vulnerable consumers within DPI[3].

This progress is worth celebrating. But only considering access to digital finance hides an underlying vulnerability among many consumers.

The first sign of this is just how many consumers can be considered fragile in today's digital environment. Consumers International research has found that many more consumers qualify as financially vulnerable than traditional definitions might suggest. In fact, as many as 75% of consumers can be considered vulnerable to some degree.

Using data gathered via a survey of over 3,000 people in eight countries[4] around the world, consumers' exposure to temporal shocks (e.g. a health expense or unexpected loss of income), recurring conditions (e.g. physical disabilities) and contextual factors (e.g. caring responsibilities, informal employment, or low digital capability) is shown to materially influence the financial outcomes faced by consumers, including their vulnerability to scams and their ability to obtain redress. For example:

- 52% of higher vulnerability consumers report falling victim to scams, compared to 19% of lower-vulnerability consumers
- 61% of higher vulnerability consumers have difficulty seeking redress in digital finance, compared to 38% of lower vulnerability consumers.

1 World Bank. (2025). *The Global Findex Database 2025: Connectivity and Financial Inclusion in the Digital Economy.* World Bank. https://doi.org/10.1596/978-1-4648-2204-9

2 CGAP. (2022). *Rethinking Consumer Protection: A Responsible Digital Finance Ecosystem.* https://www.cgap.org/blog/rethinking-consumer-protection-responsible-digital-finance-ecosystem

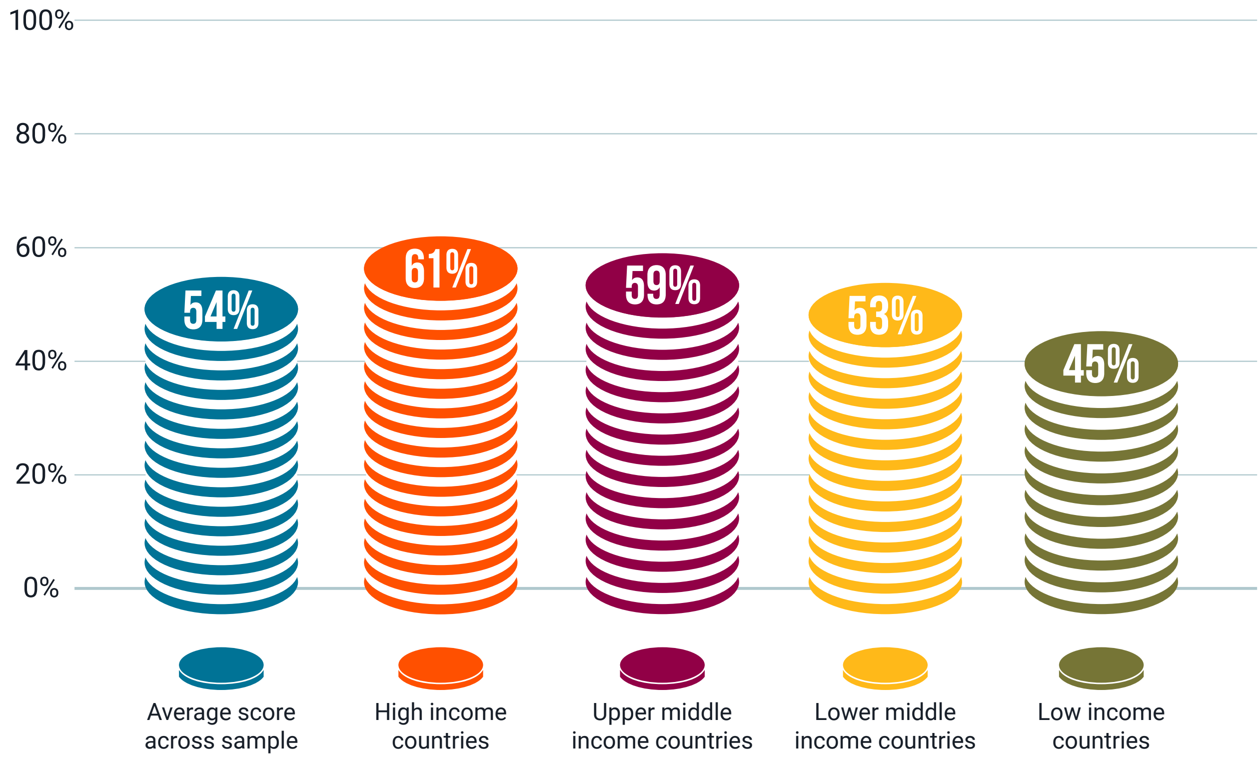
3 See for example: https://dvararesearch.com/building-an-effective-upi-in-app-grm-for-indias-consumers/

4 The research surveyed urban consumers in Brazil, India, Kenya, Mexico, Nigeria, Pakistan, the United Kingdom and the United States on their attitudes, perceptions, behaviours and usage of digital financial services.

> "It is crucial that all stakeholders work together to create an environment where digital finance is truly inclusive and accessible to all, particularly those who have traditionally been excluded from the financial sector."
> – **Jorum Odiemo**, Head of Program, Kenya Consumer Organisation

The resilience of consumers remains a key concern. Findex defines resilient individuals as those who say they could come up with emergency funds within thirty days without much difficulty. The 2025 results show that a large share of consumers do not pass even this basic test. In low-income countries, under 50% of individuals surveyed report that they could meet the thirty day threshold, as illustrated in Figure 1.

Figure 1. Percent of individuals aged 15+ reporting that it is somewhat difficult or not difficult at all to access emergency funds within 30 days, by country income group[5]



Source: Findex; Consumers International

5 98 countries are included in the sample depicted here, of which 6 are high-income countries (HICs), 36 are upper middle-income countries (UMICs), 40 are lower middle-income countries (LMICs) and 16 are low-income countries (LICs).

Worryingly, financial risks are intensifying faster than consumers can keep up, as the technologies that have expanded financial access are introducing fast-evolving problems. For example, between 2015 and 2020, data breaches surged by over 4,500%, far outpacing the growth in data generation (314%), smartphone penetration (4.6%) and mobile money account ownership (17%) over the same period[6].

These challenges reflect the reality reported by consumer advocates on the ground. In a 2023 survey of consumer bodies[7] in lower middle-income countries (LMICs):

- 75% identified fraud and scams as a top threat facing consumers;
- 70% flagged data misuse as a significant challenge; and
- 90% reported that consumers lack access to fair, effective redress.
- Transparency is also falling short: 57% cited opaque fees and charges as a core barrier to trust.

> "Financial privacy is the biggest challenge, particularly around protecting sensitive information like mother's name, date of birth and mobile number."
>
> – **Nadeem Iqbal**, CEO, The Network for Consumer Protection in Pakistan

The result is a system where financial services exist, but do not meet the daily needs of consumers. This is evidenced by the persistent share of accounts that are totally inactive, which stands at 8% in 2025. These are used to receive income, only to be withdrawn as cash[8]; in many developing countries, cash continues to dominate daily transactions even among the digitally included[9]. This usage gap remains notable among women: the gender gap in account ownership has stagnated at 4%, and women remain less likely than men to use digital payments. The biggest gap is in South Asia, where among account holders, women are 15 percentage points less likely to use digital payments than men[10].

6 CGAP. (2021). *The Evolving Nature and Scale of Consumer Risks in Digital Finance*. https://www.cgap.org/blog/evolving-nature-and-scale-of-consumer-risks-in-digital-finance

7 Consumers International. (2024). *Digital finance index shows progress in services - But not where consumers need it most*. https://www.consumersinternational.org/news-resources/news/releases/digital-finance-index-shows-progress-in-services-but-not-where-consumers-need-it-most/

8 For example, a study by Simatele & Maciko report that, in 2019, 69% of social grant recipients in South Africa used their G2P account only as a mailbox, despite digital payment functionality. Mailbox account usage is also picked up consistently in FinScope financial inclusion surveys in Africa. https://doi.org/10.3390/jrfm15090376

9 See, for example, McKinsey (2022). *The future of payments in Africa*. https://www.mckinsey.com/industries/financial-services/our-insights/the-future-of-payments-in-africa. However, the rise of instant payments is making rapid inroads to chance transaction behaviour, and it is projected that, globally, the role of cash will continue to decline, even if unevenly so. See: McKinsey. (2022). *The future of payments in Africa*. https://www.mckinsey.com/industries/financial-services/our-insights/the-future-of-payments-in-africa

10 World Bank. (2025). *The Global Findex Database 2025: Connectivity and Financial Inclusion in the Digital Economy*. World Bank. https://doi.org/10.1596/978-1-4648-2204-9

> "People with disabilities often feel overwhelmed by digital finance technology, excluded due to accessibility issues, and unsure about the security and ease of use. Limited access to devices and past negative experiences has also contributed to their hesitation to use digital financial services."
> – **Chiso Ndukwe-Okafor**, Executive Director, CADEF Nigeria

The cost of inaction is too high: this challenge will be made more urgent when considering the shocks that consumers and economies are likely to face in the coming years. For example, research from the Center for Financial Inclusion shows that in climate-vulnerable economies, 58% of adults lack financial resilience, compared to 25% in less climate-vulnerable economies[11], while the use of un- or partially regulated digital assets could meaningfully displace bank deposits in the domestic financial system, making monetary policy less effective and circumventing controls on cross-border capital flows[12].

Without urgent action, this fragility will undermine the very foundations of financial inclusion and the outcomes that expanding access was supposed to deliver: stable livelihoods, household security and inclusive growth[13]. With this realisation comes a need to strengthen existing models for financial consumer protection. The responsibility to do this falls on the entire ecosystem: policymakers and regulators, established and emerging financial service providers, technology platforms, and consumer advocates.

> "The importance of placing the consumer at the head of digital financial services policy cannot be overstated."
> – **Damien Ndizeye**, Executive Secretary, ADECOR Rwanda

The question is how. To assist, this report sets out a guiding star to orient national strategies and regulatory practice towards resilience by design, informed by case studies on what is working and what success leads to from the consumer perspective.

11 https://www.centerforfinancialinclusion.org/climate-vulnerability-and-financial-exclusion-go-hand-in-hand-what-can-be-done

12 The use of un- or partially regulated digital assets could meaningfully displace bank deposits in the domestic financial system

13 For example, a 2024 study drawing on panel data for 142 countries over the period 2002 to 2022 found that financial vulnerabilities yield significant coefficients to influence economic volatility, and therefore are a significant contributor to the Economic Vulnerability Index. See: Oyadeyi, O. O., Ibukun, C. O., Arogundade, S., Oyadeyi, O. A., & Biyase, M. (2024). Unveiling economic resilience: Exploring the impact of financial vulnerabilities on economic volatility through the economic vulnerability index. *Discover Sustainability*, 5(1), 253. https://doi.org/10.1007/s43621-024-00438-5

2. THE PROTECTION-OUTCOMES GAP

What's written in law is not showing up in consumers' lives

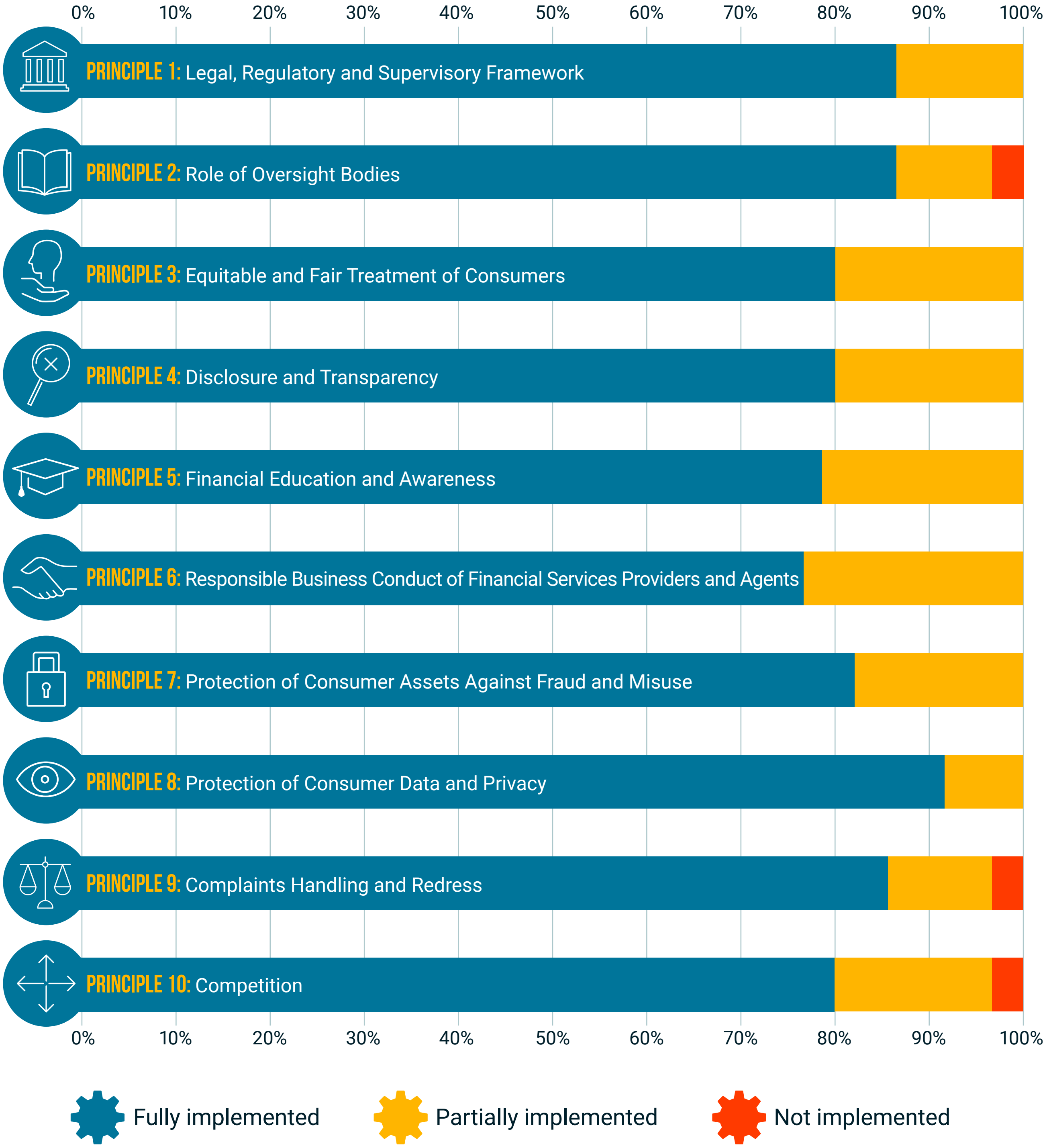
Policy, regulation and supervision are the foundation for consumer outcomes. The starting point for building a more resilient system is to assess their role and effectiveness: are protections in place, and are they even fit for purpose? Currently, policies are only starting to reflect and respond to the need for consumer resilience.

Among the most comprehensive frameworks are the G20/OECD High-Level Principles on Financial Consumer Protection. Adopted in 2011, they bring together various elements of financial consumer protection in ten principles. According to a survey by the OECD[14], the majority of financial regulatory authorities have fully implemented all the core principles. Even those principles that were lagging – such as financial education and responsible conduct – were reportedly fully implemented by over 70% of jurisdictions[15].

14 The sample comprises 35 OECD members, as well as eight non-OECD G20 countries (Argentina, Brazil, India, Indonesia, People's Republic of China, Russian Federation, Saudi Arabia and South Africa), two non-OECD/G20 Financial Stability Board jurisdictions (Hong Kong, China, Singapore), plus another ten jurisdictions that are not formally adherents of the Recommendation of the OECD Council on High-Level Principles On Financial Consumer Protection (Croatia, Ecuador, Kazakhstan, Malaysia, Peru, Philippines, Bulgaria, Mauritius, Sri Lanka, Thailand). https://doi.org/10.1787/48cc3df0-en

15 OECD. (2022). *Report on the implementation of the recommendation of the council on high-level principles on financial consumer protection*. https://one.oecd.org/document/C(2022)7/en/pdf

Figure 2. Implementation status of the 2011 High-level Principles as reported by public authorities[16] across 55 jurisdictions



16 Note: question text was "Please select the option that in your view best describes the implementation status of Principle 1 in your jurisdiction". https://one.oecd.org/document/C(2022)7/en/pdf

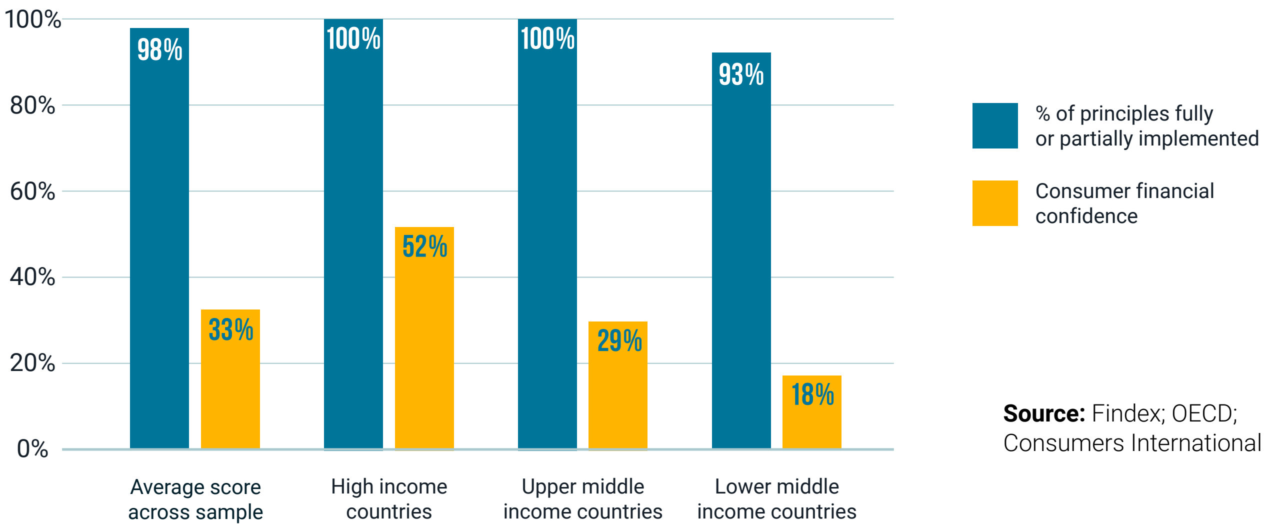
But the development of regulation alone is not sufficient or indeed the goal: Consumer and household outcomes must actually improve. Many assessments of the effectiveness of consumer protection then focus on the negative: calculating detriment[17], measuring risk exposure or quantifying the costs of harm[18]. While important, such efforts do not reflect the full suite of factors necessary to evaluate success.

> "New technologies are fast changing the way people live, do business, collaborate, and consume goods, services and information… consumer protection frameworks must mitigate the risks and maximize the potential of technologies to humanity."
> – **Kimera Henry**, CEO, CONSENT Uganda

Consumers International's 2024 Digital Finance Index analyses the strength in LMICs of the consumer experience of digital finance, ranging from the existence of protections in regulation to consumers' lived experience (covering elements such as usage, trust and satisfaction). It shows that, even as progress is made in implementing regulations, consumers' ability to protect themselves is falling short[19].

This reveals a gap between policy intent and practical outcomes. This discrepancy is clear in Figure 3. It contrasts the perception – reported to the OECD by financial regulators – that the G20/OECD High-Level Principles have been successfully implemented, against a proxy measure of financial confidence among consumers in the same countries[20]. **There is a pronounced gap, even for higher-income countries.**

Figure 3. Implementation success versus consumer financial confidence



Source: Findex; OECD; Consumers International

17 OECD. (2020). *Measuring consumer detriment and the impact of consumer policy*. OECD. https://www.oecd.org/en/publications/measuring-consumer-detriment-and-the-impact-of-consumer-policy_0c2e643b-en.html

18 Such as some of the empirical research by the Innovations for Poverty Action (IPA) Consumer Protection Research Initiative. For example, IPA has compiled a transaction cost index to measure the "true" cost of digital financial services.

19 Consumers International. (2024b). Digital Finance. The Consumer Experience in 2024. https://www.consumersinternational.org/media/522017/digital-finance-the-consumer-experience-in-2024.pdf

20 Note that the sample for the OECD survey comprises mostly OECD and G20 countries, hence the set of countries included in the analysis in Figure 2 is skewed towards higher-income (34) and upper-middle income (16) countries. Only four countries are lower middle income, and none are low income. The financial confidence proxy is calculated from Findex 2021 as the average of respondents answering "not worried at all" to questions on: ability to pay for medical costs in case of a serious illness or accident, having enough money for monthly expenses or bills, having enough money for old age and not being able to pay school fees or fees for education. These questions were not asked in Findex 2025.

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Emerging signs of reorientation to inclusive quality and well-being: In recognition of these challenges, in 2022, the G20/OECD revised the High-Level Principles, through a consultative process which included inputs from consumer bodies[21]. The update recognised the need for a more holistic approach to financial consumer protection by adding a principle for product quality — mandating that financial services must meet the real needs and objectives of the people they serve. In addition, the revised principles placed financial well-being at the heart of the framework as a cross-cutting theme that all protection efforts must aim to advance.

BOX 1. WHAT IS FINANCIAL WELL-BEING?

At the end of 2024 the G20, under the Brazilian presidency, published a policy note on financial well-being to establish a consensual concept of what financial well-being is and a preliminary roadmap for how to measure it. The document notes that financial well-being is an evolving concept that may differ based on an individual, household, society or country's needs and context. Nevertheless, it can generally be described as:

> **"a state in which individuals are able to smoothly manage their financial needs and obligations, can cope with negative shocks, can pursue aspirations, goals and capture opportunities, and feel satisfied and confident about their financial lives, keeping in mind country specific circumstances."** [22]

This definition has an objective component (being financially resilient, able to meet financial needs and obligations and able to pursue goals) as well as a subject assessment (feeling satisfied and confident).

There are examples that show momentum behind this shift from around the world (see Box 2). At the same time, an understanding gap remains of precisely what to measure and how. For example, a review of thirteen sample countries[23] by Consumers International shows that only a handful have implemented dedicated mechanisms to identify and respond to consumer vulnerability. This is evidenced by research from the OECD, which demonstrates that a majority (62%) of countries do not have an accepted definition of consumer vulnerability, and that the top challenges cited for why are difficulties in identifying its drivers and outcomes[24].

21 OECD. (2022). *G20/OECD High-Level Principles on Financial Consumer Protection 2022*. OECD Publishing. https://www.oecd.org/en/publications/g20-oecd-high-level-principles-on-financial-consumer-protection-2022_48cc3df0-en.html

22 A recent publication spanning direct consumer research in seven countries to assess the subjective score, overlaid with banking data analysis for the objective measure, adds an additional dimension, namely pleasure – the ability and mindspace to do things and afford activities for pleasure. Riitsulu, Atkinson, & Pello. (2025). *Report: Beyond Money – Exploring Financial Well-Being through a Human Lens*. https://www.erstestiftung.org/en/publications/beyond-money-exploring-financial-well-being-through-a-human-lens/

23 Countries sampled: Australia, Brazil, Denmark, India, Japan, Kenya, New Zealand, Mexico, Morocco, Nigeria, Pakistan, United Kingdom, United States of America.

24 OECD. (2025). *Understanding and responding to financial consumer vulnerability*. OECD. https://www.oecd.org/en/publications/understanding-and-responding-to-financial-consumer-vulnerability_111daec8-en.html

“The Pakistani banking system lacks recognition of vulnerable consumers, necessitating the evolution and incorporation of a comprehensive definition. This definition should encompass not only the traditional vulnerable groups, including women, transgender individuals, and persons with disabilities, but also other marginalised communities that require special consideration.”
– **Nadeem Iqbal**, CEO, The Network for Consumer Protection in Pakistan

BOX 2.
GOOD-PRACTICE EXAMPLES: A REGULATORY AND MARKET PERSPECTIVE ON THE QUALITY PRINCIPLE

The Australian Securities and Investment Commission (ASIC) has implemented Design and Distribution Obligations whereby regulated entities are required to design products with a focus on positive consumer outcomes, ensuring that products are appropriate for their target market. This includes considering the needs and vulnerabilities of different consumer segments[25].

In the UK, Monzo integrates user research and feedback from the early stages of product development. They prioritise inclusive design and positive friction to empower customers and ensure that products meet the needs of vulnerable users. From idea inception to product launch, Monzo embeds user researchers in product teams, conducts early testing with the community, and gathers feedback through formal research and the Labs section of their app. They also perform governance checks to ensure compliance with consumer duty regulations[26].

25 Key informant interview with a representative from the Australian Securities and Investments Commission (ASIC), stakeholder consultation, personal communication, 2024

26 Key informant interview with a representative from Monzo digital bank, stakeholder consultation, personal communication, 2024

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3. A GUIDING STAR FOR PROGRESS

From compliance to outcomes: resilience by design

There is a growing consensus that consumer protection must evolve, and what appears as a crisis of consumer protection, vulnerability and exposure to shocks in digital finance is also an opportunity to reimagine financial consumer protection systems around consumer outcomes. Doing so calls for a shift from reactive safeguards to proactive design, where resilience is embedded from the outset.

A resilient-by-design digital financial system spans five design elements:

- **Voice:** Consumer voice and outcomes are proactively embedded in both public policy and business practice.
- **Consumer wants and needs:** Financial products and services are responsive and designed to meet real consumer needs, supported by fair, accessible and effective redress.
- **Representation and engagement:** Consumers and their representatives are empowered and engaged throughout the policy and product design process, from testing to oversight.
- **Supervision:** Enforcement and supervision are strengthened, robust and coordinated, with shared learning across borders.
- **Consumer impact measurement:** Consumer outcomes on quality, resilience and financial well-being are the core indicators for tracking progress.

> "Financial consumer protection is one of the key elements for achieving financial inclusion. The existence of a comprehensive framework for financial consumer protection leads to increased trust and competitiveness in the financial and banking system, thus improving the quality of financial services provided to consumers."
>
> – **Fadl Mansour**, Chairman, Yemen Association for Consumer Protection

These elements come together in a guiding star framework to inform national and global strategies:

Understand and recognise real **consumer resilience** as the **critical foundation** for **financial inclusion** and **economic growth**

WHO: Policymakers, financial providers, consumer organisations

WHAT: Build visibility and acknowledgement of the public and private interventions that work to improve consumer resilience.

HOW: Establish a global framework to map and measure the indicators of financial wellbeing, shocks and risks consumers face in digital finance to inform the effectiveness of policy and innovation.

Proactively **embed the consumer voice into product and policy innovation** and practices

WHO: Policymakers, financial providers

WHAT: A mindset change that consumer protection can be a driver of innovation as much as a safety tool.

HOW: Create structured and ongoing mechanisms for understanding the challenges and opportunities that regulators and providers face, which enables consumer representation and input into financial services and regulatory design, including the strengthening of redress mechanisms. Leverage regulatory sandboxes to test emerging digital financial services in controlled environments, ensuring that risks are identified and mitigated before products reach mass adoption.

Strengthen and modernise financial supervision and enforcement, and share information and strategies on regulatory and consumer challenges across borders

WHO: Policymakers, consumer organisations

WHAT: Provide consumer protection authorities with the tools to track both financial sector compliance and consumer outcomes, ensuring that enforcement includes fair and effective redress systems.

HOW: Align measurement and policy agendas with consumer protection outcomes by tracking risk and wellbeing metrics, as well as drivers of systemic instability.

Empower consumer organisations to evolve and become partners in agile and accountable systems

WHO: Policymakers, financial providers, consumer organisations

WHAT: Match consumer associations' demand for rapid and actionable research and advocacy on emerging risks.

HOW: Provide resources and training to develop expertise and capacity to advocate for consumer-appropriate digital finance products and policy.

4. WHAT IT TAKES

Building blocks for a more resilient digital finance ecosystem

Following the guiding star requires a concerted effort across the digital finance ecosystem. Policymakers, regulators, established and emerging market players, and consumer advocates all play a vital role as enablers of change. When these actors work in alignment, rather than in siloes, they can shape a system that is more responsive, inclusive and trusted.

> "Together, we must embrace a shared responsibility to create financial systems that are not only efficient but also inclusive and equitable. Through collaborative efforts between financial institutions, government, civil society, and the communities we serve, we can foster a digital financial ecosystem that benefits all."
> – **Seema Shandil**, CEO, Consumer Council of Fiji

POLICYMAKERS AND REGULATORS

Regulatory leadership is foundational to the guiding star. Evolving regulatory and supervisory frameworks to close remaining protection gaps and support innovation and inclusion is an essential first step. But it cannot end there. Regulators need better tools to anticipate risk and monitor outcomes:

- Surveys of national financial supervisors show that most (55-65%) focus on ensuring that compliance and reporting obligations are met by financial institutions. A minority integrate and track outcomes that impact consumers, such as cyber risks (20%), business model analysis (under 30%), or crypto asset monitoring (10%)[27]. This is confirmed in Consumers International's 13-country regulatory review, where most countries acknowledge the importance of outcomes-based principles, yet few have structured systems to monitor them and tracking often remains limited to compliance metrics.

- 2025 research from the OECD shows that the top challenges cited by regulators in addressing vulnerability are difficulty in identifying its drivers and outcomes[28].

The G20's Global Partnership for Financial Inclusion has begun to shift the narrative. Its policy note on financial well-being calls on regulators to measure what matters, and promotes outcomes-based regulation[29].

In this quest, inspiration can be drawn from several good practice examples for holding the market accountable to outcomes - see Box 3. Although these policy changes are recent, they provide a strong regulatory roadmap to incorporating consumer outcomes around financial well-being.

BOX 3. GOOD PRACTICE EXAMPLES: REGULATORS

Malaysia: The Malaysian Fair Treatment of Financial Consumers (FTFC) policy is centred on a principles-based approach to financial consumer protection. Each principle is supported by detailed stipulations, as well as real-life examples of good and bad practices, which firms can use to guide their implementation of the principles. In 2024, the policy was updated to include an additional principle related to vulnerability. Financial service providers are expected to develop policies, procedures and controls to ensure fair treatment of vulnerable consumers throughout the value chain for delivery of financial services - from product development, sales and distribution to complaints handling and redress[30].

27 Prenio, J., Pustelnikov, A., & BIS. (2024). Building a more diverse suptech ecosystem: Findings from surveys of financial authorities and suptech vendors. BIS. https://www.bis.org/fsi/fsibriefs23.htm

28 OECD. (2025). Understanding and responding to financial consumer vulnerability. OECD. https://www.oecd.org/en/publications/understanding-and-responding-to-financial-consumer-vulnerability_111daec8-en.html

29 GPFI. (2025). G20 Policy Note on Financial Well-being. GPFI. https://www.gpfi.org/news/g20-policy-note-financial-well-being

30 BNM. (2024). *Policy Document on Fair Treatment of Financial Consumers*. BNM. https://www.bnm.gov.my/-/pd-ftfc

UK: In July 2022, the UK's Financial Conduct Authority (FCA) introduced the Consumer Duty, a forward-looking policy that mandates financial service providers to deliver good outcomes for all consumers, including those with characteristics of vulnerability. The Consumer Duty builds on a long journey towards an outcomes, performance and risk-based approach to financial consumer protection, dating back to the launch of the Treating Customer Fairly framework almost two decades ago[31]. The Consumer Duty moves beyond process-based compliance (e.g. fair procedures) to focus on real consumer outcomes. It is designed to be technology agnostic, applying across traditional and digital business models. The Duty is proportionate: it allows firms to determine appropriate approaches based on their business model, size, and customer base, and enables dynamic application to emerging products, services, and innovations in an evolving financial landscape. Upon request, firms may need to demonstrate to the FCA how they are acting to deliver good outcomes for customers in vulnerable circumstances and provide supporting outcomes monitoring data[32,33].

Brazil: Brazil's Joint Resolution 8 of 2023[34] is an example of performance-based regulation focused on financial education and well-being outcomes. Financial institutions must develop internal policies and tools to support the resolution's objectives. These tools should be designed collaboratively with consumers to ensure user-friendliness and effectiveness in helping manage finances. Financial institutions must map the consumer journey to identify key touchpoints for providing financial education tools and content, such as loan application, credit recovery, and product enrolment. They must then set targets and develop indicators to measure the success of their financial education efforts for financial well-being. To complete the circle, they must collect data on financial well-being metrics, like percentage of consumers with at least three months of expenses in savings, which they must use to track education effectiveness, identify areas to improve and set targets for continuous improvement.

INNOVATORS AND BUSINESS LEADERS

Financial service providers, fintechs and technology platforms play a direct role in customer resilience. There are numerous examples of market players investing in innovations that build positive consumer outcomes, not just as a compliance requirement, but also because it makes business sense – see Box 4.

31 FCA. (2006). *Treating customers fairly - Towards fair outcomes for consumers*. FCA. https://www.fca.org.uk/publication/archive/fsa-tcf-towards.pdf

32 FCA. (2021). *Guidance for firms on the fair treatment of vulnerable customers*. FCA. https://www.fca.org.uk/publications/finalised-guidance/guidance-firms-fair-treatment-vulnerable-customers

33 FCA. (2024). Financial Inclusion TechSprint. FCA. https://www.fca.org.uk/firms/techsprints/financial-inclusion-techsprint

34 BCB. (2023). Exibe Normativo. Exibe Normativo. BCB. https://www.bcb.gov.br/estabilidadefinanceira/exibenormativo?tipo=Resolu%C3%A7%C3%A3o%20Conjunta&numero=8. Case study write-up also draws on policy review and key informant interview with BCB, 2024

BOX 4. GOOD PRACTICE EXAMPLES: MARKET PLAYERS

- **Barclays** integrates consumer research and principles like affordability, simplicity, and accessibility into its product design processes, particularly for consumers in vulnerable circumstances[35]. Education is integrated throughout the customer journey to ensure that support and adjustments are clearly communicated.

- **Wise**[36] has developed an app feature that allows customers to verify that they are indeed interacting with Wise during a customer service interaction. This accepts that efforts to improve digital and financial literacy have fallen short and draws attention to attempts that are bolder and informed by behavioural science.

- Many banks use artificial intelligence (AI) to help customers manage their financial health, for example by explaining how users can improve their credit scores, manage transactions, and avoid risky financial behaviours. *For example:*

  - **BBVA** uses AI technologies, including neural networks, natural language processing and machine learning, to deliver personalised financial services. These tools help customers track their spending, make informed financial decisions, and boost savings. In the first quarter of 2024, 391 million transactions globally used these features[37].

  - **DBS** has a strategic focus on becoming an AI-fuelled bank. They are combining transactional with behavioural and location data to provide hyper-personalised nudges to help customers manage their safety and personal finances[38].

  - There are many examples of money management apps, such as **Cleo** or Bank of America's AI financial assistant **Erica**, that provide real-time guidance on budgeting, spending habits and saving strategies tailored to individual users.

- Industry-wide initiatives are also gaining ground. For example, GSMA and UK Finance have partnered to develop **Scam Signal**, a tool that uses real-time telecom and banking data to detect and stop fraudulent transfers[39].

35 Barclays (n.d.). *How can we help*. Retrieved 19 May 2025 from https://www.barclays.co.uk/important-information/vulnerability-services-information/ This content is also informed by key stakeholder interviews conducted in 2024.

36 Wise is a Business Associate of Consumers International's Change Network.

37 BBVA. (2024). *What AI algorithms does BBVA use to boost its customers' finances?* NEWS BBVA. https://www.bbva.com/en/innovation/what-ai-algorithms-does-bbva-use-to-boost-its-customers-finances/

38 DBS Bank. (n.d.). *AI-Powered Personalised Nudges & Investment Ideas.* DBS Bank. https://www.dbs.com/artificial-intelligence-machine-learning/index.html

39 GSMA. (2024). *Mobile and Banking Industries Join Forces to Fight Fraud*. Newsroom. https://www.gsma.com/newsroom/?p=21746

CONSUMER ADVOCATES

Consumer organisations are frontline actors, bridging the gap between citizens and systems. Their methods are diverse: from handling complaints and conducting market research to shaping legislation and participating in regulatory consultations[40].

Consumers International's initiatives show the potential of coordinated action. The Fair Digital Finance Accelerator equipped consumer bodies to engage in more effective consumer advocacy. Between 2022 and 2024, consumer organisations trained by the Accelerator have driven at least ten policy or industry reforms across six countries[41]. Where engagement between consumer groups and governments is stronger, systems tend to offer better redress, stronger public access to legal remedies, and improved consumer outcomes.

In short, meaningful engagement builds stronger, more resilient financial systems.

BOX 5. GOOD PRACTICE EXAMPLES: CONSUMER ORGANISATIONS

Building technology solutions

- **Tec-Check** in Mexico leverages APIs to analyse social media activity, offering real-time indicators and statistics that help protect consumers, prevent fraud, and support the Federal Agency of Consumer Affairs (PROFECO) in taking legal action against specific providers when necessary[42].

- **Consumer Reports** in the US has set up an Innovation Lab to find ways in which AI tools can fight for consumers[43]. In June 2024, they announced the launch of AskCR: an AI-powered advisor that answers consumers' questions based on CR's research and product data. This follows the launch in 2022 of "Permission Slip" – an app that shows consumers what kind of data companies collect on them and allows them to instruct a company to stop selling their data or delete their data entirely.

Supporting regulatory impact:

- The **Consumers' Rights Protection Organisation of Rwanda (ADECOR)** contributed to drafts of three major policies implemented since 2022: updated Digital Financial Services Guidelines for transparency, revised Electronic Payment Systems Regulation for data security, and new Mobile Money Services Regulation for fair and accessible services.

40 Consumers International. (2021). *The Role of Consumer Organizations to Support Consumers of Financial Services in Low and Middle Income Countries*. Consumers International. https://www.consumersinternational.org/media/368715/the-role-of-consumer-organizations-to-support-consumers-of-financial-services.pdf

41 Consumers International, forthcoming

42 Consumers International. (2024). Digital Finance. The Consumer Experience in 2024. Microsite. https://www.conpolicy.de/en/news-detail/digital-finance-the-consumer-experience-in-2024

43 Consumer Reports. (2025). AskCR - Innovation at Consumer Reports. https://innovation.consumerreports.org/initiatives/askcr/

- The **Instituto de Defesa de Consumidores (IDEC) in Brazil** successfully advocated for the adoption of Bill No. 3515 to address over-indebtedness that affects 66% of consumers, especially women. They did so by building strong ties with lawmakers and participating in Parliamentary hearings. This was the first update to the Consumer Defense Code for 31 years and strengthened protections for consumers in financial distress.

- The **Consumer Council of Fiji (CCF)** collected and analysed over 900 complaints related to online scams, leading the government of Fiji to establish a multistakeholder Anti-Scam Taskforce informed by the CCF to combat the surge in digital financial fraud. CCF provided policy recommendations through budget submissions to the Ministry of Finance, advocating for better mediation and dispute resolution in the financial sector. Their efforts contributed to the enactment of the Financial Services Ombudsman policy, enhancing consumer protection in digital finance.

- **CONSENT Uganda** works with and is acknowledged by the Uganda Communications Commission, the mobile money regulator, to raise awareness among consumers, particularly in rural areas, on handling fraud, misinformation, impersonation and digital financial safety.

- The **Citizen Consumer and Civic Action Group (CAG) in India** conducted a survey of needs and risks in digital finance for vulnerable and rural consumers in India. They submitted a Charter of Demands for Enhancing Digital Payment Systems in India to the Reserve Bank of India following the survey.

- The **Consumer Advocacy and Empowerment Foundation (CADEF) in Nigeria** collaborated with the Central Bank of Nigeria (CBN) and the Lagos State Consumer Protection Agency (LASCOPA) to strengthen regulations for digital financial services, especially for vulnerable groups like persons with disabilities.

"Advocacy for inclusive policies, such as financial inclusion for persons with disabilities, underscores the need for a multistakeholder approach. For us, collaborating with entities like the Central Bank of Nigeria has reinforced the value of partnerships in ensuring that underserved communities are not left behind."

– **Chiso Ndukwe-Okafor**, Executive Director, CADEF Nigeria

5. PATHWAYS FOR ACTION

Country pathways: Building resilience in practice

There are four real-world starting points for action:

Laying the foundations. Some countries are focused on the fundamentals: enacting data protection laws, strengthening redress mechanisms and building market conduct supervisory frameworks. For example, the Bank of Zambia has launched a dedicated consumer protection and market conduct supervision unit and is revising legislation to include standards on fair debt collection, advertising and the treatment of vulnerable consumers[44].

Advancing outcomes-based supervision. Others are ready to adopt risk-based, outcome-oriented approaches. For example, the Australian Securities and Investment Commission (ASIC) integrates consumer hardship data into its supervision strategy and consults directly with consumer organisations to shape responsive, evidence-based regulation[45].

Governance for digital public infrastructure. Countries deploying national-scale DPI are exploring safeguards from the outset. In Brazil, the Central Bank convenes a multistakeholder forum to govern PIX, its instant payments system. While this forum initially served to address fraud and redress concerns that emerged after the initial roll-out of PIX[46], recent events have exposed deeper vulnerabilities. A July 2025 cyber attack targeting PIX through third-party integrations revealed critical gaps in oversight and coordination. Brazil's experience serves as a warning: even well-intentioned governance structures can fall short without continuous stress-testing, transparency, and accountability mechanisms[47].

Ecosystem-wide collaboration. The final pathway is centred on building collaboration across the digital finance ecosystem to achieve better outcomes. In Côte d'Ivoire, regulators and market actors – under the Agency for the Promotion of Financial Inclusion – jointly tackled digital finance risks. A recent survey showed marked reductions in fraud and user frustration, thanks to collaborative efforts on complaints handling, infrastructure and transparency[48].

The destination is the same. Each country will navigate a different path, shaped by capacity, institutions and market maturity. But the destination is universal: a digital finance system where regulators, providers and consumer representatives work together to build resilience by design.

44 Key informant interview with a representative from the Bank of Zambia (BOZ), stakeholder consultation, personal communication, 2025
45 Key informant interview with a representative from the Australian Securities and Investments Commission (ASIC), stakeholder consultation, personal communication, 2024
46 Luciano, M. (2024). *The Pix Forum: Lessons for DPI Governance*. https://www.linkedin.com/pulse/pix-forum-lessons-dpi-governance-maria-luciano-rdgtf/
47 https://www.msn.com/en-us/money/markets/devastating-pix-payment-system-hack-drains-100-million-from-brazilian-banks/ar-AA1I6mRU?
48 CGAP. (2025). *3 Lessons From Côte D'Ivoire on Responsible Digital Finance Ecosystems*. https://www.cgap.org/blog/3-lessons-cote-divoire-on-responsible-digital-finance-ecosystems

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Organisation	Country
Australian Consumers' Association (CHOICE)	Australia
Brazilian Institute of Consumer Protection (IDEC – Instituto Brasileiro de Defesa do Consumidor)	Brazil
Consumer Advocacy and Empowerment Foundation of Nigeria (CADEF)	Nigeria
Consumer NZ	New Zealand
Consumer Reports	United States of America
Consumer VOICE	India
Consumers Council of Canada	Canada
Danish Consumer Council (Forbrugerrådet)	Denmark
Kenya Consumers Organisation	Kenya
National Federation of Consumer Associations Morocco	Morocco
Tec-Check Mexico	Mexico
The Network for Consumer Protection in Pakistan	Pakistan
Which?	United Kingdom

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GLOSSARY OF KEY CONCEPTS

Access and inclusion
The availability and uptake of digital financial services, especially among underserved groups. Since late 2022, access and inclusion are explicitly recognised as a principle of financial consumer protection.

Digital finance – used interchangeably with digital financial services
Digital finance refers to any financial services delivered through digital channels, such as mobile money, online banking, digital loans, mobile insurance, and financial technology (fintech) platforms.

Financial consumer protection
According to the 2022 G20/OECD High-Level Principles for Financial Consumer Protection, financial consumer protection refers to policies, laws and other measures "designed to ensure fair treatment of financial consumers, responsible conduct by financial service providers, and accurate and honest information about financial products and services, to protect people from misconduct and to ensure access to redress mechanisms when things go wrong".

Financial service provider
A financial service provider is a broad term encompassing any institution, company, or individual that offers any kind of financial services (such as banking services, investment services, insurance services, credit services, financial advice or other services such as brokerage services) to individuals or businesses. This includes both public and private entities that facilitate financial transactions and manage financial assets. The exact activities or functions for registered financial service providers are defined in regulation in a specific country context.

Financial well-being – used interchangeably with financial health
Financial well-being is defined in the 2024 G20 Policy Note on Financial Well-being as "[a] state in which individuals are able to smoothly manage their financial needs and obligations, cope with negative shocks, pursue aspirations and opportunities, and feel satisfied and confident about their financial lives, keeping in mind country-specific circumstances."

This definition encompasses both objective aspects (resilience to shocks, ability to meet obligations or plan for goals) and subjective dimensions (satisfaction and confidence).

Financial resilience
Financial resilience refers to a consumer's ability to withstand financial shocks—such as illness, income loss, or unexpected expenses—and to recover from them without long-term harm to financial well-being. It is both a measurable indicator (for example, having savings to cover three months of expenses) and a desired outcome of effective financial systems and consumer protection frameworks.

This report presents a measure of financial resilience as a proxy for the objective component of financial well-being.

Resilience by design
A central concept in the report, "resilience by design" refers to embedding consumer resilience into the architecture of financial products, services, and regulatory frameworks. This proactive approach ensures that systems are equipped to:

- prevent consumer harm
- address vulnerabilities early
- support well-being
- adapt to emerging risks

It stands in contrast to reactive or compliance-only models.

Consumer advocates
Consumer advocates (or consumer bodies) are organisations that champion consumer rights and interests. Their roles include:

- Sourcing consumer complaints
- Conducting market research
- Participating in public consultations and litigation
- Playing an advocacy role to shape regulatory and industry practices

Vulnerability
Though not uniformly defined across countries, vulnerability in the context of this report refers to the state of consumers who are more susceptible to financial harm or low financial resilience or well-being due to personal, situational, or systemic factors, such as low literacy or digital skills, age or disability, life stage events, economic shocks or climate risks.

Quality products
Financial products that are not just accessible but also:

- Suitably designed with the target market's objectives and interests in mind
- Transparent in cost and terms
- Easy to understand and use
- Contribute positively to financial well-being.

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Consumers International brings together over 200 member organisations in more than 100 countries to empower and champion the rights of consumers everywhere. We are their voice in international policy-making forums and the global marketplace to ensure they are treated safely, fairly and honestly.

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