

FINDEXABLE

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Global Fintech Rankings Report BRIDGING THE GAP

2021

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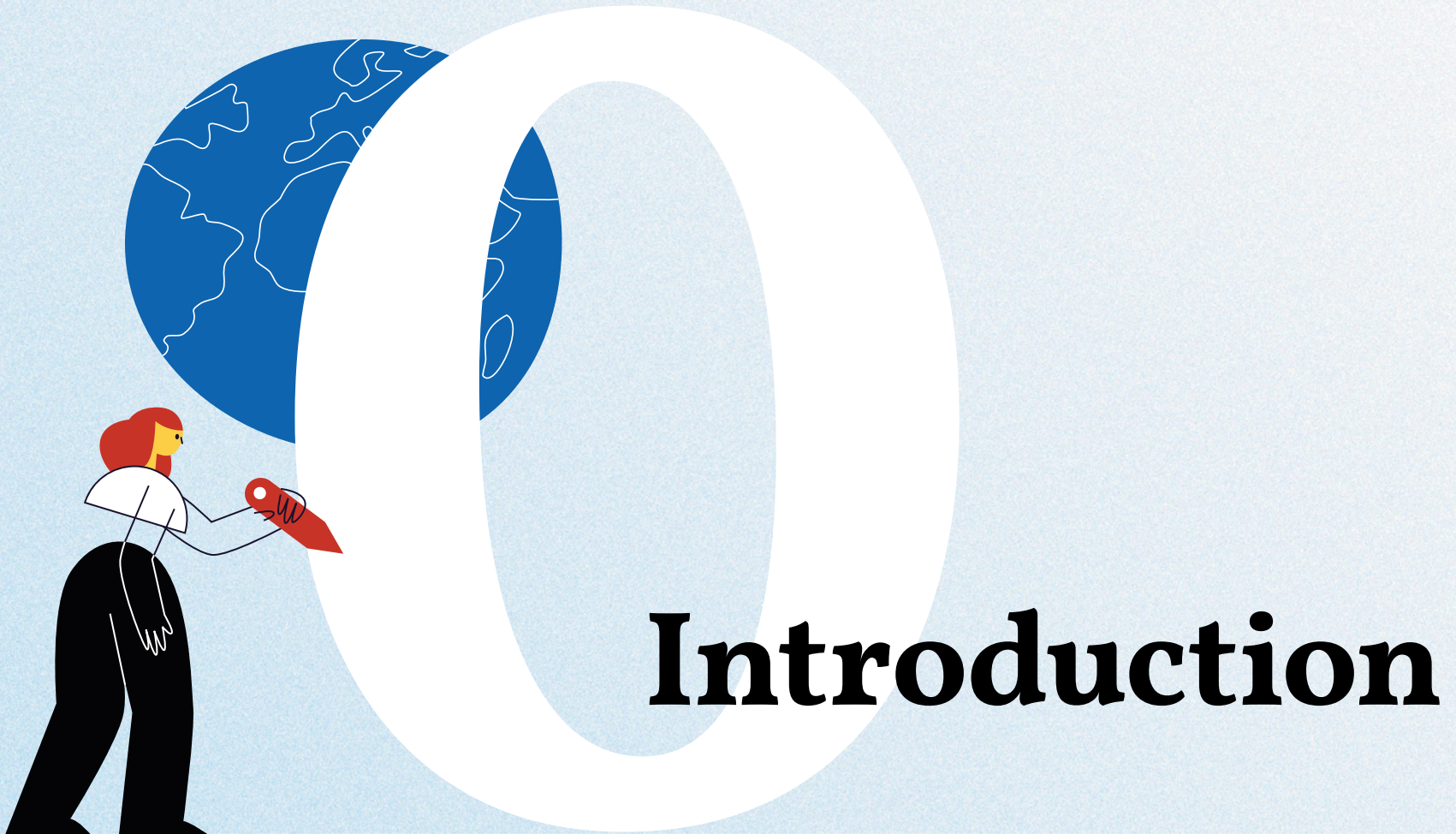
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Foreword

WELCOME TO THE SECOND EDITION OF FINDEXABLE'S GLOBAL FINTECH GLOBAL FINTECH RANKINGS REPORT.

Two years ago we set ourselves the challenge of investigating where fintech innovation is happening. The result was the first ever global ranking of fintech ecosystems of countries and cities, relying on hard data rather than subjective judgements. And an easier way to find where innovation is coming from.

We started our journey because we believe that as fintech innovation spreads across the world, it's impact will be far and wide, including:

- **Access** to financial services - so millions more people around the world can fulfil their potential
- **Speed and simplicity** - so those who already use financial services can do so faster and at lower cost

- **Ecosystem growth** - as successful companies generate capital and founders fuel further innovation in their cities and countries
- **Economic growth** - which can accelerate and be distributed more evenly

FINTECH IS SPREADING

This year's Index provides encouraging evidence that this global spread is happening - and that fintech is giving financial services the push it needs to become more diverse.

To enter our rankings, a country or city must host the headquarters of at least 10 privately-owned fintech companies. Despite 15 months of pandemic, 50 new cities and 20 new countries achieved this milestone and debuted in the Index, a remarkable triumph in challenging circumstances.

The **Global Fintech Index** now covers 264 cities in 83 countries, proof (the kind that can only emerge from a data-based rank-

ing) that the fintech industry is continuing to diffuse across the globe. It's a pretty exclusive club. With more than 10,000 cities globally, the 264 ecosystems in our rankings represent just 3% of all urban populations worldwide.

This is wonderful news. As our Index shows, fintech innovation is a virtuous circle begetting technical skills, business networks and, eventually, exits that generate funds to be invested back into more innovation in a hub. Countries such as Uruguay and Israel, which have shot up the country Index this year, show how this dynamic can play out. (See our Montevideo and Tel Aviv profiles).

FINTECH IS GROWING

A decade ago, when private fintech companies started to emerge they were easy to dismiss as an irrelevance, a pimple on the global financial services marketplace and an outpost of the tech industry. But

the pandemic has shown digital financial services to be fundamental to the smooth functioning of an economy.

Investors have noticed. The number of fintech unicorns surged from 61 in April 2020 to 108 a year later, according to CB Insight. The combined valuation of fintechs unicorns more than doubled to US \$440bn. Fintechs now represent more than 20% of total tech unicorn value, compared to just 15% a year ago.

In our inaugural report we compared the world's top financial centres to our list of leading fintech hubs, and found striking differences. Increasingly however fintech hubs are also hubs for the wider technology industry.

The message is clear. You can build a fintech hub outside a banking centre, but a successful tech hub needs fintech to thrive. From being a sideshow, our industry is moving to the centre.

FINTECH MAKES A DIFFERENCE

Sky high valuations, and a raft of new fin-

tech hubs are great news for those with financial stakes in the industry, but how do we know if that is impacting the problems of financial access, cost and simplicity that we want our industry to solve?

Gratifyingly, the launch of our Index is helping researchers around the world to answer these questions.

Dr Angela Lyons at the University of Illinois used last year's Index to show how "a country's level of fintech development is highly related to improvements in financial inclusion in emerging economies." In other words, as fintech solutions develop in a country, progressively more people will have access to essential financial services like bank accounts and the option to save.

But there's still work to be done. The study found that the availability of financial services does "not necessarily result in increased demand and usage for these services, especially among vulnerable populations." Fintechs are an accelerator of inclusion, but not a sufficient condition for it. As a survey by our partner, Mambu, found

this year - consumers expect financial services providers to educate them on the best use of financial products. Fintech's role as an enabler is well understood. Acceptance of its duty to improve financial welfare and support responsible use of financial services however is still patchy.

It would be foolish to say that our industry can solve the world's biggest challenges on its own. But as you will see throughout this year's report, we can play a pivotal role - by building bridges to remove gaps in access, supporting responsible innovation and enabling a financial services ecosystem that's as diverse as the world it serves.



Simon Hardie,
Founder & CEO Findexable

FINANCIAL INCLUSION: A DUTY IN EVERY GEOGRAPHY

It can be easy to think of financial inclusion as a developing world problem, and the opening of a bank account as the point which marks the end of it. Reality is more complicated, however.

Research published by our sponsor Mambu this year, based on interviews with 2,000 individuals, found that 56% of banked customers feel they should have access to additional services. A quarter of Americans, meanwhile, should be considered financially underserved.

Financial inclusion, it turns out, is a need everywhere. It is therefore also a duty for fintechs and banks, not simply a business opportunity.

WHAT DOES THIS MEAN IN PRACTICE?

One simple thing banks and fintechs alike need to do better is provide information about how their customers' finances work. Surprisingly banked customers are even more likely than the unbanked

to feel they could improve their situation, if they understood more about their finances.

The pandemic has made this worse, with 77% of those surveyed saying they felt a lack of understanding of services during Covid-19.

Most banked customers turn to the internet, rather than their existing financial institutions, when they need to understand a financial challenge. How can the industry change this dynamic and help customers achieve the financial literacy they want and need?

According to Mambu, solutions will be a mix of the message (making account opening processes more transparent and simple to navigate, for example) and the medium (such as using social media to communicate with customers where they are seeking information).

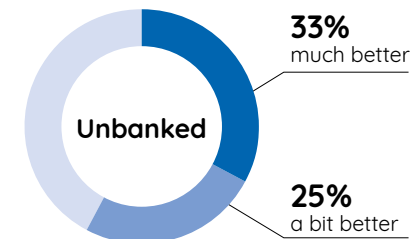
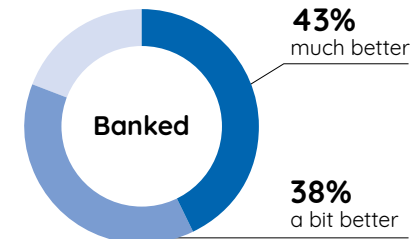
While strategies will be different, the challenge is a universal one.



MORE THAN JUST ACCOUNTS

banks want customers to explain products to them

Bank customers were asked whether their situation would be better if they knew more about how finances worked:



Source: Mambu

Bridging the gap - the theme of this year's report

The theme of this year's report is 'bridging the gap'.

In some ways it's an obvious name for a report on fintechs - our industry exists to sever the link between location and financial opportunity. But a year marked by the Covid-19 pandemic has also revealed other issues we need to pay attention to.

There are three gaps in particular we will return to throughout this report:

1. Between new incumbents and innovators

From Flutterwave's platform for online shops in sub-Saharan Africa, to the launch of a central bank digital currency in the Bahamas, fintech solutions have been central to the new economic model emerging after Covid-19. Our industry can no longer be dismissed as a fad. But success can breed super-dominant companies. Is there a risk of gaps emerging between the 'new

incumbents', walled in by network effects and with access to endless amounts of capital, and the next generation of innovators, struggling to raise seed finance?

2. Between private company values and everyday investors

Fintechs have generated billions of dollars in value, to the extent that states of all economic persuasions now sponsor and nurture domestic industries. But that value has largely stayed in private markets, dominated by venture capital firms.

The mass adoption of Robinhood - an app created to democratise investing that ironically remains a private firm - shows how much appetite there is from young investors to tap into the value created by financial services markets and the kind of opportunities fintech can enable. That will only happen if that value is accessible, and access is responsibly provided.

3. Between founders and their customers

Finally there is a gap between fintech's customers - specifically women and people from emerging markets - and fintechs' leaders, often men from the rich world.

If the fintech sector is to be an 'industry of the future', one that plays a crucial part in shaping the world to come, we must avoid entrenching the biases of the present.

We at findexable will contribute to bridging these gaps by accurately measuring the state of play in our industry, highlighting progress where it exists, but also noting where we can do better. Our Fintech Diversity Radar initiative, launching in September will provide the first global indicator of how much work there is to do to bridge this particular gap.

Sponsor's introduction



Fintechs are part of a global revolution to make financial services easier, faster and simpler. They are changing the way we save, spend, borrow, and invest money. Whether competing, cooperating or supporting traditional financial institutions, they are reshaping digital services for a real-time, on-demand world.

This is why we are proud to have earned our stripes in this imagination-rich community and stepped up to sponsor the Global Fintech Index. The need to understand where the energy and ideas are being created is a tool that decision makers need - together with full transparency and trust in the information. So whether it's an aspiring unicorn, a neobank seeking new markets, a provider that wants to go digital, or a financial institution that wants to act like a fintech, you need a roadmap... a guide to where to begin and where to go. This is why a ranking system is important.

Fintech is about turning banking into a background force, a utility - and this has

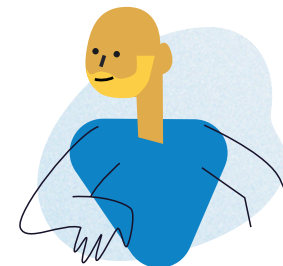
only just begun. This shift is being enabled by platform as a service (PaaS), software as a service (SaaS) and banking as a service (BaaS). The players have no boundaries. This includes but is certainly not limited to accountants, auditors, telcos and retailers, the hospitality sector and others.

There is a huge opportunity - today and for the future - to help companies of all types make access to financial services seamless. This in turn talks to a key theme of this report - bridging the gap. We've seen this gap - in understanding of services to product offerings and ability to deliver. We conducted research recently in opening banking and financial accessibility and both spoke to how fintech can help bridge the gaps in the market.

Embedding financial services in people's everyday lives brings convenience for customers and cost savings and growth for businesses. Finding the opportunity requires ingenuity; seizing the opportunity requires having tech that is agile enough

to evolve with a rapidly changing market. Mambu's technology goes quite a way to bridging the gap, but we also work closely with fintech partners - which creates a unique composable environment.

We would like to thank Findexable for their unwavering commitment to delivering a transparent report and the insights it highlights. We operate in a market that allows for and celebrates change and innovation. Mapping this is a mammoth task. We are proud to support Findexable, their research and the results that shed light on the future of financial technology.



Elliott Limb
Chief Customer Officer Mambu

Methodology

HOW THE GLOBAL FINTECH INDEX WORKS

Our country and city rankings are calculated by a proprietary algorithm developed by us in conjunction with our data partner StartupBlink. To determine city and country scores we only use quantifiable data, from reliable sources, ignoring subjective inputs such as interviews or industry opinions. The Global Fintech Index scores each location for:

- the quantity of privately owned fintech companies
- the quality of those companies
- the local business environment



The Global Fintech Index

80+
countries

11,000+
fintechs on the Index

264
cities



Quantity

Q: How many fintechs and ecosystem developers are there?

What we do Starting from a universe of more than 11,000 individual fintechs, we group them by location. For locations with multiple hubs, like the Bay Area, which includes Silicon Valley and the city of San Francisco, we cluster the hubs together under a larger city umbrella.

If you can't see a country or city in the index, it might be because there aren't enough companies on the map to provide an accurate measurement.

Key Factors A robust fintech ecosystem is not just about innovating businesses. It also needs supporting organisations providing facilities to help the flow of connections and capital across the marketplace. We therefore also include specific fintech co-working spaces, accelerators, industry events and meetups (for cities, but not countries) in the count.



Quality

Q: Quantity is important, but how successful are the fintechs?

What we do The Index considers the impact of a given company on the wider ecosystem factoring in data from SEMrush and Crunchbase on metrics including web presence, monthly visits, customer base, and valuation.

We also look at the presence of major industry gatherings and 'gateway' fintech events and the population of the country to assess the scale of the ecosystem.

Key Factors Fintech unicorns have the biggest impact here, because they impact the development and success of the wider ecosystem by inspiring other fintech innovators and encouraging more venture capital to flow. This year we also added a new category of 'Champion' firms to reflect that when fintechs such as Paypal 'graduate', for example by listing on public markets, they do not stop throwing off talent into the wider ecosystem, or encouraging the founding of other fintechs.



Environment

Q: How easy, how big?

What we do We use global measures such as the World Bank's Doing Business Report to gauge the ease and attractiveness of a specific location, based on levels of local 'red tape' and technology infrastructure.

Ease of doing business metrics are only applied at the country level, meaning cities are judged on the merits of the ecosystems they have managed to build, rather than the economic environment the government has created.

Key factors We apply a discount for countries with high levels of internet censorship. Justified or not, this adds an extra obstacle on the road to building successful, fintech businesses. We also look at the presence of large scale fintech gatherings, accelerator and innovation programmes and other events. However challenging the pandemic, local fintech ecosystems have shown ingenuity and energy to find ways to connect, gather and exchange ideas remotely.



Fintech 2021: Bridging gaps

2021: a tale of innovation spreading

From giant emerging markets, to small sized cities in the US and Europe, fintech has taken hold during the pandemic

If our inaugural 2020 Index taught us one key point, it was that fintech innovators are not confined to either traditional financial services centres or established tech hubs. A city like Tokyo, famous for both, did not make the top 10, while Dubai was outside the top 50 fintech hubs globally. Neither have budged much over the past year.

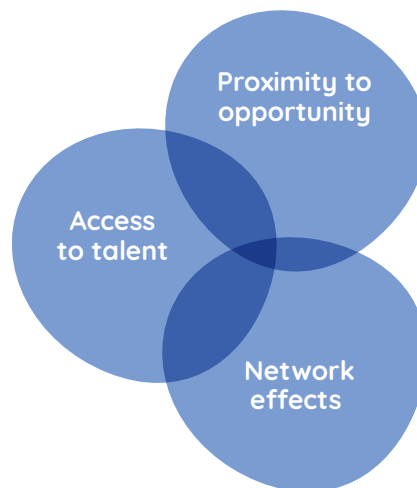
In 2021 our rankings continue this narrative. Fintech hubs continue to emerge according to their own rules, and the specific internal dynamics of the sector or the geography they're located in.

Three factors appear paramount. One is access to talent and another is proximity to a business opportunity. In a year of global pandemic both of these have been impacted significantly.

The number of people moving to Burl-

THE RULE OF 3

What impacts fintech innovation?



ington, Vermont and Buffalo, New York doubled in spring 2020 compared to a year earlier as remote working allowed workers to leave New York City and Boston. This dissipation of talent away from traditional centres has allowed innovation to thrive in smaller cities from Aarhus in Denmark to Albuquerque in the US, both of which entered our rankings for the first time. Meanwhile lockdowns in the developing world have made the already urgent need for financial inclusion even more vital, creating opportunities for huge impact in relatively poor countries.

The third factor is network effects. These can build the momentum that help a location grow beyond scrappy innovation, into a major hub. Company growth begets exits, which generate capital to be reinvested in new ventures, while both pull in more talent to drive further innovation. This is arguably a conservative factor,

likely to keep hubs such as San Francisco and London fixed near the top of the list. But this year has also shown network effects accelerate in cities like Tel Aviv and Montevideo in Uruguay as funding has emerged, or local firms have grown rapidly. They have shown it is very possible to race up to the top of our Index.

MARKETS THAT EMERGED

So-called emerging markets are natural sources of fintech innovation given the hunger for financial services among young, digitally savvy but underbanked populations. The pandemic has been a significant accelerator of both the speed and scale of fintech growth in many of these less developed countries.

In Nigeria, for example, as

queues to enter physical banks lengthened due to capacity restrictions during the pandemic, customers turned to digital banks, some of which saw customer enrolments triple.

Flutterwave, a Nigeria-based startup that allows companies to send digital invoices, raised more than \$170m in a funding round in March, as its services have become vital businesses across Africa to weather the pandemic.

Dr Sindu Bhaskar, a serial entrepreneur currently building a neobank in India, notes that for fintech founders interested in solving big problems, the allure of emerging markets is impossible to ignore. “Because my agenda is development, I have to go to those developing economies where fintech can create wonders.”



AFRICAN STATES DEBUTING IN THE COUNTRY INDEX



Source: Global Fintech Index 2021, findexable

Of 83 countries in our rankings this year, more than 20% are new entrants. Of those, all but 1 (Liechtenstein) are emerging markets, and 5 are from sub-Saharan Africa alone. From Somalia, both Mogadishu and Hargeisa entered the city Index for the first time. Only the US and the UK added more new cities this year.

BUT WHAT MAKES ONE EMERGING MARKET THRIVE, INSTEAD OF ANOTHER?

Giant populations clearly help, providing domestic companies the opportunity to scale before needing to consider entering foreign markets. Saudi Arabia, Turkey, Indonesia, Brazil and China were all among the fastest risers this year. Riyadh, Saudi Arabia's capital, is the single largest climber in the city index, moving up 106 places to 126.

But the market structures of emerging markets also contain similarities - high smartphone penetration and limited banking access, for example - that allow for the exchange of fintech models between continents and countries.



20%
of countries in our
rankings are
new entries

5
of those countries are
from sub-Saharan Africa

50
New fintech hubs
in 2021

Think of China's super app model, where one smartphone interface contains access to everything from ride sharing to payments and social media. This is hard to imagine in the US or Europe, where customers have brand loyalty to a variety of existing companies in each of these areas. But in emerging markets, as young consumers embrace multiple services for the first time simultaneously - or where transaction volumes for individual services are low forcing economies of scale by bundling services together into one app - the allure of a single trusted company can be strong.

No surprise then that the super app model is being imitated everywhere from South East Asia (Grab) to Francophone West Africa (Gozem) and Latin America (Rappi).

Similar market structures also allow fintechs based in emerging markets with relatively small populations to launch to the world. Take Uruguay, for example. Its population of around 3.5m is smaller than many cities in neighbouring Argentina and Brazil, yet it is the locus of a thriving fintech industry (the country jumped 46 places to 17 this year).

RESILIENCE IN NIGERIA

When the consultancy McKinsey analysed how the pandemic would impact Africa's fast growing payments industry, it struck a concerned tone.

"The significant drop in overall economic activity, job losses, and disruption to household incomes and businesses, points to an overall contraction in payments revenues."

In Nigeria at first the signs were ominous. As the economy slipped into recession for the first time since 2016, jobs and incomes were hit, leading to a surge in defaults on digital loans as well as lower payments volumes. A devaluation of the nation's currency hit the dollar value of revenues, making it potentially harder to secure overseas funding. Opay, one of the country's leading payment companies, announced it was laying off staff.

Yet by the end of the year foreign money had flowed into the country to fund eye-catching deals including Stripe's acquisition of Payscale for more than \$200m, and a \$170m fundraising by Flutterwave, a unicorn which allows business to invoice via WhatsApp.

WHAT EXPLAINS THE RISE? NECESSITY APPEARS TO HAVE MOTHERED INVENTION.

Covid-19 is driving further digitisation, fundamentally altering consumer behaviours in ways that may well outlast the pandemic. Retailers have shifted online, and companies including Carbon and Renmoney have stepped into the Covid breach to serve them, providing unsecured microloans to small businesses through AI powered credit-scoring



**A COUNTRY'S
LEVEL OF FINTECH
DEVELOPMENT IS
HIGHLY RELATED TO
IMPROVEMENTS IN
FINANCIAL INCLUSION
IN EMERGING
ECONOMIES.**

Dr Angela Lyons,
University of Illinois

New Research coming soon!

FINTECH IN AFRICA

Scale Stoppers: Ramps & Roadblocks



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DLocal, a payments company based in the capital Montevideo allows small companies to take payments in multiple currencies from huge numbers of customers, and issue branded prepaid cards. The service has an obvious purchase in emerging markets, where core banking services for businesses are often limited.

Despite the small size of its domestic market, DLocal has achieved unicorn status while establishing operations across Asia and Africa, but notably not the US or Europe.

“In the modern world, being a small country is no longer necessarily a disadvantage,” says Sebastián Olivera, the founder and first president of the Uruguayan Fintech Chamber. “Any company founded here has one foot in the rest of Latin America and an eye on the rest of the world from the start.”

GOING UP! SMALL CITIES ON THE RISE

Meanwhile in Europe and the US our rankings welcome for the first time a clutch of

small sized cities, not traditionally known for either financial or technological innovation. Who would have thought of Cardiff or Newcastle Upon Tyne as fintech hubs 12 months ago?

The pandemic has played an important role in this. Smaller US cities have often outperformed the national average in measures such as employment recovery after the pandemic, as business owners chose to base themselves in affordable cities and make their companies fully remote.

Bill Genovese, a CTO and serial founder, was based in Charlotte, North Carolina for many years as a consultant. But, at the time, he says, “If I wasn’t working on a contract at Wells Fargo or Bank of America, I was either in New York or out of the country, because that’s where the financial services business is.”

Now he is much more location agnostic. He founded his latest venture during the pandemic, a digital concierge service for high net worth individuals based in Miami, but he is yet to travel to the city or meet the



HIGHEST RANKED NEW ENTRANTS TO CITY INDEX

RANK	CITY	REGION
101	Omaha	North America
111	Kaunas	Europe
123	Birmingham	Europe
127	Cardiff	Europe
140	Lyon	Europe
149	Wellington	Asia Pacific
155	Newcastle upon Tyne	Europe
157	Stuttgart	Europe
162	Marseille	Europe
165	Ankara	Europe

Source: Global Fintech Index 2021, findexable

CEO, his co-founder in person.

The choice of Miami also reflects the recurring theme of proximity to business opportunity. The city is packed full of wealthy individuals and the services they love, so is an ideal place to launch services aimed at them.

A key question for the future, is whether secondary and tertiary hubs will remain as attractive, once the pandemic resides and the tight networks of cities like San Francisco and New York begin to reassert themselves.

“That is yet to be determined,” Genovese says.

Yet it would be incorrect to describe the emergence of smaller cities as fintech hubs as simply a pandemic phenomenon. Genovese says that as companies have fought ever more for talent, they have looked beyond obvious fintech hubs, often setting up near excellent universities from which they can recruit talent.

National governments have also played a role. The British government, for exam-

ple, has embraced partnerships with industry associations to help individual cities develop niche expertise.

Often this is built on an existing financial services connection in the city, for example Edinburgh’s large asset management industry has spawned many investment fintechs. But this is not always the case. Dundee has emerged as an insurtech centre, while Fife has fostered payments companies.

The UK saw 3 cities enter our city Index for the first time this year meaning the UK’s fintech landscape now includes 13 cities across the length of the country. Only the US added more cities this year with an additional 4 hubs.

INCUMBENTS STILL STRONG

A glance at the top end of our city Index shows little change from last year. Eight of the top ten cities remain the same, and the top three are in the same order.

Given the network effects of the fintech industry, this is not unexpected. But



LITTLE CHANGE AT THE TOP

RANK 2021	CITY	CHANGE
1	San Francisco Bay	▶ ±0
2	London	▶ ±0
3	New York	▶ ±0
4	Sao Paulo	▲ +1
5	Tel Aviv Area	▲ +13
6	Berlin	▲ +3
7	Boston Area	▲ +1
8	Los Angeles Area	▼ -2
9	Hong Kong	▲ +2
10	Singapore City	▼ -6

Source: Global Fintech Index 2021, findexable

it should not be read as a suggestion that innovation is static, or stalling.

Take the example of Tel Aviv, a city which rose 13 places to number 6 this year. Its success shows how a fintech hub can be built steadily over years as momentum grows behind it. While in 2020 Lithuania's single minded focus on fintech propelled it to fourth position in the country rankings. Tel Aviv's approach is closer to that of global gateways like London or New York where growth in fintech innovation is originated organically - as a byproduct of strength or successes in other areas or proximity to technology talent and venture capital.

In 2019 Israel absorbed 5% of all venture stage global fintech investment, according to Start-up Nation Central, an incredible feat for a country with a population of less than 10 million. Yet while foreign investment is increasing, Israeli funders still account for around a third of total capital invested. When we look at seed and pre-seed investment, the share of investment from

domestic sources has actually increased from around half in 2015 to almost two thirds in 2019.

This is evidence that as startups have succeeded, the value they generate is finding its way back into the industry - either directly to fund new fintech innovations or indirectly to other parts of the entrepreneurial ecosystem.

"Many successful entrepreneurs, are now acting as VCs for the domestic industry," notes Tal Sharon, President of the Israeli Fintech Association

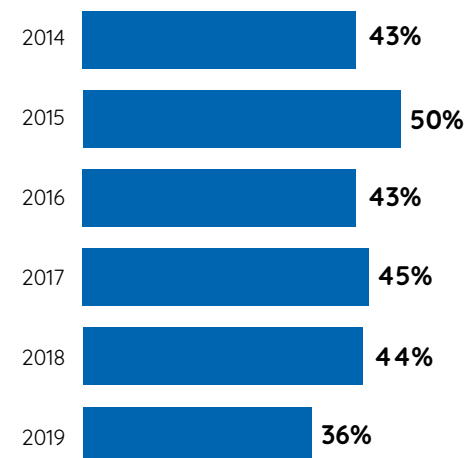
The position of the world's leading fintech hubs may be secure, but is not impregnable.



ISRAEL'S VIRTUOUS CYCLE

Domestic funding of seed funds is growing, as Tel Aviv blossoms as a fintech hub

Foreign Investors' Participation by Deal Count



START-UP NATION CENTRAL

Flying high: the top rising cities of 2021

The two highest rising cities in our Index this year are **Montevideo** and **Riyadh**. Between them they showcase very different ways for tech hubs to emerge beyond Europe and the US.

Riyadh is the capital of Saudi Arabia, by far the most populous and wealthy state in the Gulf region. The size of the economic prize on offer in the country allows fintechs to scale fast and attract capital.

That is what led Western Union to plough \$200m into stc pay in November, only two years after the payments company was founded. The pandemic has seen demand for its QR code and remote payments services increase in a country with huge consumption. Another attraction is the company's shariah compliant solutions, which could potentially be popular across the Muslim world.

Along with Tamara and Geidea, the two other Riyadh based fintechs believed to

have more than \$100m in funding so far, stc pay is part of an emerging payments niche in the city.

In Montevideo, meanwhile, the story is all about the growth of a unicorn, dLocal, which raised \$350m across two rounds during the pandemic, as its invoicing solutions gained traction in emerging markets beyond its Latin American base.

It shows the alternative route to growing hubs in countries with small economies and populations (Uruguay's is around 3.5m): build services that can solve problems common across the developing world, and then focus on growing into new markets. dLocal's emergence as a unicorn will rebound on other fintechs in Montevideo, as more capital flows into the city.

One thing both cities share in common is active fostering of their fintech communities. Montevideo's FinTech forum, the first of its kind in the south of Latin America, is now



LEADING THE CHARGE

CITY	COUNTRY	RANK	CHANGE
Riyadh	Saudi Arabia	126	▲ +106
Montevideo	Uruguay	44	▲ +86
Detroit	United States	96	▲ +78
Houston	United States	33	▲ +74
Columbus	United States	39	▲ +70
San Antonio	United States	86	▲ +68
Orlando	United States	89	▲ +67
Hangzhou	China	24	▲ +62
Lugano	Switzerland	154	▲ +62
Zagreb	Croatia	129	▲ +61

Source: Global Fintech Index 2021, findexable



IN THE MODERN WORLD, BEING A SMALL COUNTRY IS NO LONGER NECESSARILY A DISADVANTAGE. ANY COMPANY FOUNDED HERE HAS ONE FOOT IN THE REST OF LATIN AMERICA AND AN EYE ON THE REST OF THE WORLD FROM THE START.

Sebastián Olivera, the founder and first president of the Uruguayan Fintech Chamber

into its fifth year, and has forged linkages with fintech associations across the Spanish speaking world. Riyadh, meanwhile, may be best known for its annual 'Davos in the desert' conference, but MEFTECH is the region's leading fintech event, and increasingly attracts international VCs.

The other clear message emerging from the top 10 risers is the diffusion of innovation beyond primary tech hubs in the US and Europe.

The US alone counts for 5 of the top 10 highest rises in this year's ranking, with cities from the Texan oilfields to the rustbelt of Ohio and Michigan showing how innovation can arise in cities more associated with traditional industries.

San Antonio, for example, has emerged in recent years as a hub for consumer focused apps, such as FloatMe, which provides short term loans to help consumers avoid bank overdraft fees.

While in Europe London's dominance is also inspiring an increasingly diverse network of clusters in the UK (see flag)



NATIONAL ECOSYSTEMS TAKE SHAPE: UK FINTECH HUBS

NATIONAL RANK	GLOBAL RANK 2021	CITY
1	2	London
2	34	Manchester
3	38	Cambridge
4	107	Brighton
5	108	Glasgow
6	109	Edinburgh
7	115	Leeds
8	116	Bristol
9	123	Birmingham
10	127	Cardiff
11	134	Belfast
12	155	Newcastle upon Tyne
13	210	Oxford

Source: Global Fintech Index 2021, findexable

Manchester - the city to scale for FinTechs

Specialising in payments, platforms, software and consumer finance, Manchester is home to the UK's largest regional financial services industry, and more than 80 FinTechs.

Manchester is delighted to be ranked 34 in the 2021 Global FinTech Index, and number 2 in the UK.

Find out why we're home to OakNorth, Adyen, Klarna, MoneySuperMarket, AccessPay, Raisin and Nivo and how MIDAS can help you make the move to Manchester.

www.investinmanchester.com

ACCESS TO TALENT

OUTSTANDING CONNECTIVITY

GREAT VALUE

BUSINESS OPPORTUNITY

FUNDING & FINANCE

COLLABORATIVE ECOSYSTEM

MIDAS, the inward investment promotion agency for Manchester, provides free advice and assistance to businesses looking to relocate to or expand in Manchester.

 **MIDAS**
investinmanchester.com

Country rankings 1-20

Ranking	Movement	Country	Region
1	▶ ±0	United States	North America
2	▶ ±0	United Kingdom	Europe
3	▲ +9	Israel	Middle East & Africa
4	▼ -1	Singapore	Asia Pacific
5	▶ ±0	Switzerland	Europe
6	▲ +2	Australia	Asia Pacific
7	▶ ±0	Sweden	Europe
8	▼ -2	The Netherlands	Europe
9	▲ +3	Germany	Europe
10	▼ -6	Lithuania	Europe
11	▼ -1	Estonia	Europe
12	▼ -3	Canada	North America
13	▲ +1	Finland	Europe
14	▲ +5	Brazil	Latin America & Caribbean
15	▲ +6	China	Asia Pacific
16	▼ -3	Spain	Europe
17	▲ +46	Uruguay	Latin America & Caribbean
18	▼ -1	Ireland	Europe
19	▲ +13	Russia	Europe
20	▶ ±0	Denmark	Europe

Source: Global Fintech Index, findexable 2021



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Fintech Country Rankings 21-83

Ranking	Movement	Country	Region
21	▲ +1	Japan	Asia Pacific
22	▼ -6	France	Europe
23	▼ -8	India	Asia Pacific
24	▲ +3	Norway	Europe
25	▼ -2	Luxembourg	Europe
26	▼ -8	South Korea	Asia Pacific
27	▼ -2	Austria	Europe
28	▲ +6	United Arab Emirates	Middle East & Africa
29	▼ -3	Belgium	Europe
30	▲ +15	New Zealand	Asia Pacific
31	▲ +11	Kenya	Middle East & Africa
32	▼ -2	Mexico	Latin America & Caribbean
33	▲ +16	Latvia	Europe
34	▼ -6	Portugal	Europe
35	▲ +15	Taiwan	Asia Pacific
36	▼ -7	Poland	Europe
37	▼ -13	Italy	Europe
38	▲ +10	Cyprus	Europe
39	▲ +17	Bulgaria	Europe
40	▲ +4	Turkey	Europe
41	▼ -10	Czechia	Europe
42	▼ -9	Malta	Europe
43	▲ +4	Indonesia	Asia Pacific
44	▼ -7	South Africa	Middle East & Africa
45	▼ -5	Colombia	Latin America & Caribbean
46	▼ -10	Malaysia	Asia Pacific
47	▼ -12	Chile	Latin America & Caribbean
48	▼ -5	Ukraine	Europe
49	▼ -11	Argentina	Latin America & Caribbean
50	▲ +4	Slovenia	Europe
51	▲ +2	Hungary	Europe
52	new	Liechtenstein	Europe

Ranking	Movement	Country	Region
53	▼ -7	Philippines	Asia Pacific
54	▲ +3	Romania	Europe
55	▼ -16	Thailand	Asia Pacific
56	new	Croatia	Europe
57	▼ -5	Nigeria	Middle East & Africa
58	▼ -17	Greece	Europe
59	new	Seychelles	Middle East & Africa
60	new	Slovakia	Europe
61	new	Rwanda	Middle East & Africa
62	▼ -7	Peru	Latin America & Caribbean
63	new	Georgia	Europe
64	▶ ±0	Uganda	Middle East & Africa
65	new	Saudi Arabia	Middle East & Africa
66	new	Kazakhstan	Asia Pacific
67	new	Belize	Latin America & Caribbean
68	new	Tunisia	Middle East & Africa
69	new	Ecuador	Latin America & Caribbean
70	▼ -19	Vietnam	Asia Pacific
71	▼ -13	Ghana	Middle East & Africa
72	▼ -12	Egypt	Middle East & Africa
73	▼ -8	Lebanon	Middle East & Africa
74	▼ -15	Belarus	Europe
75	new	Jordan	Middle East & Africa
76	new	Zimbabwe	Middle East & Africa
77	▼ -15	Pakistan	Asia Pacific
78	▼ -17	Bangladesh	Asia Pacific
79	new	Somalia	Middle East & Africa
80	new	Cameroon	Middle East & Africa
81	new	Iran	Middle East & Africa
82	new	Venezuela	Latin America & Caribbean
83	new	Ethiopia	Middle East & Africa

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Source: Global Fintech Index, findexable 2021

Regional Rankings

NORTH AMERICA

Region Ranking	Overall Ranking	Movement	Country
1	1	▶ ±0	United States
2	12	▼ -3	Canada

ASIA PACIFIC

Region Ranking	Overall Ranking	Movement	Country
1	4	▼ -1	Singapore
2	6	▲ 2	Australia
3	15	▲ 6	China
4	21	▲ 1	Japan
5	23	▼ -8	India
6	26	▼ -8	South Korea
7	30	▲ 15	New Zealand
8	35	▲ 15	Taiwan
9	43	▲ 4	Indonesia
10	46	▼ -10	Malaysia
11	53	▼ -7	Philippines
12	55	▼ -16	Thailand
13	66	new	Kazakhstan
14	70	▼ -19	Vietnam
15	77	▼ -15	Pakistan
16	78	▼ -17	Bangladesh

EUROPE

Region Ranking	Overall Ranking	Movement	Country
1	2	▶ ±0	United Kingdom
2	5	▶ ±0	Switzerland
3	7	▶ ±0	Sweden
4	8	▼ -2	The Netherlands
5	9	▲ 2	Germany
6	10	▼ -6	Lithuania
7	11	▼ -1	Estonia
8	13	▲ 1	Finland
9	16	▼ -3	Spain
10	18	▼ -1	Ireland
11	19	▲ 13	Russia
12	20	▶ ±0	Denmark
13	22	▼ -6	France
14	24	▲ 3	Norway
15	25	▼ -2	Luxembourg
16	27	▼ -2	Austria
17	29	▼ -3	Belgium
18	33	▲ 16	Latvia
19	34	▼ -6	Portugal
20	36	▼ -7	Poland
21	37	▼ -13	Italy
22	38	▲ 10	Cyprus
23	39	▲ 17	Bulgaria
24	40	▲ 4	Turkey
25	41	▼ -10	Czechia
26	42	▼ -9	Malta
27	48	▼ -5	Ukraine
28	50	▲ 4	Slovenia
29	51	▲ 2	Hungary
30	52	new	Liechtenstein
31	54	▲ 3	Romania
32	56	new	Croatia
33	58	▼ -17	Greece
34	60	new	Slovakia
35	63	new	Georgia
36	74	▼ -15	Belarus

MIDDLE EAST & AFRICA

Region Ranking	Overall Ranking	Movement	Country
1	3	▲ 9	Israel
2	28	▲ 6	United Arab Emirates
3	31	▲ 11	Kenya
4	44	▼ -7	South Africa
5	57	▼ -5	Nigeria
6	59	new	Seychelles
7	61	new	Rwanda
8	64	▶ ±0	Uganda
9	65	new	Saudi Arabia
10	68	new	Tunisia
11	71	▼ -13	Ghana
12	72	▼ -12	Egypt
13	73	▼ -8	Lebanon
14	75	new	Jordan
15	76	new	Zimbabwe
16	79	new	Somalia
17	80	new	Cameroon
18	81	new	Iran
19	83	new	Ethiopia

LATIN AMERICA & CARIBBEAN

Region Ranking	Overall Ranking	Movement	Country
1	14	▲ 5	Brazil
2	17	▲ 46	Uruguay
3	32	▼ -2	Mexico
4	45	▼ -5	Colombia
5	47	▼ -12	Chile
6	49	▼ -11	Argentina
7	62	▼ -7	Peru
8	67	new	Belize
9	69	new	Ecuador
10	82	new	Venezuela

Source: Global Fintech Index, findexable 2021



BANKING HAS EVOLVED SO CAN YOU WITH QUPPY

City rankings 1-50

Ranking	Movement	City	Country	Region
1	▶ ±0	San Francisco	United States	North America
2	▶ ±0	London	United Kingdom	Europe
3	▶ ±0	New York	United States	North America
4	▲ +1	Sao Paulo	Brazil	Latin America & Caribbean
5	▲ +13	Tel Aviv Area	Israel	Middle East & Africa
6	▲ +3	Berlin	Germany	Europe
7	▲ +1	Boston Area	United States	North America
8	▼ -2	Los Angeles Area	United States	North America
9	▲ +2	Hong Kong	China	Asia Pacific
10	▼ -6	Singapore	Singapore	Asia Pacific
11	▲ +2	Sydney	Australia	Asia Pacific
12	▲ +12	Amsterdam	The Netherlands	Europe
13	▲ +3	New Delhi	India	Asia Pacific
14	▲ +21	Stockholm	Sweden	Europe
15	▲ +4	Atlanta	United States	North America
16	▲ +28	San Diego	United States	North America
17	▲ +6	Beijing	China	Asia Pacific
18	▲ +12	Moscow	Russia	Europe
19	▼ -2	Tokyo	Japan	Asia Pacific
20	▼ -13	Bangalore	India	Asia Pacific
21	▼ -7	Chicago	United States	North America
22	▶ ±0	Seattle	United States	North America
23	▼ -13	Mumbai	India	Asia Pacific
24	▲ +62	Hangzhou	China	Asia Pacific
25	▲ +7	Melbourne	Australia	Asia Pacific

Ranking	Movement	City	Country	Region
26	▲ +12	Zurich	Switzerland	Europe
27	▲ +10	Denver	United States	North America
28	▲ +13	Charlotte	United States	North America
29	▼ -17	Toronto	Canada	North America
30	▲ +13	Hamburg	Germany	Europe
31	▼ -3	Seoul	South Korea	Asia Pacific
32	▲ +27	Jakarta	Indonesia	Asia Pacific
33	▲ +74	Houston	United States	North America
34	▲ +19	Manchester	United Kingdom	Europe
35	▲ +35	Minneapolis	United States	North America
36	▼ -21	Paris	France	Europe
37	▲ +26	Nairobi	Kenya	Middle East & Africa
38	▲ +55	Cambridge	United Kingdom	Europe
39	▲ +70	Columbus	United States	North America
40	▼ -15	Austin	United States	North America
41	▼ -21	Miami Area	United States	North America
42	▼ -13	Vilnius	Lithuania	Europe
43	▼ -9	Barcelona	Spain	Europe
44	▲ +86	Montevideo	Uruguay	Latin America & Caribbean
45	▲ +15	Helsinki	Finland	Europe
46	▼ -13	Madrid	Spain	Europe
47	▲ +1	Montreal	Canada	North America
48	▼ -27	Mexico City	Mexico	Latin America & Caribbean
49	▼ -22	Dallas-Fort Worth	United States	North America
50	▼ -24	Dublin	Ireland	Europe

Source: Global Fintech Index, findexable 2021

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Funding: Frothy at the top, tricky at the bottom

Capital is flooding into fintech, but not everyone or everywhere is benefitting

Last spring Covid-19 seemed to pose an existential threat to the fintech industry. Funding ground to a halt and IPOs were delayed as public market valuations collapsed. The virtuous circle that sees successful exits fund new startups appeared to be breaking down.

Then, all of a sudden, the threat evaporated. Fintechs innovated to keep economies ticking while populations were stuck at home. Governments in Emerg-

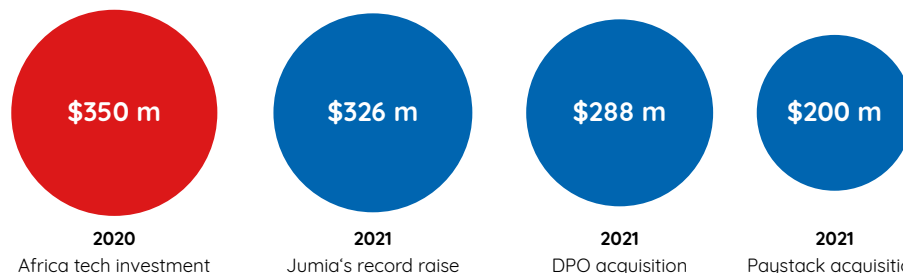
ing Markets actively encouraged a shift to electronic money, while in the US markets pumped full of stimulus checks recovered. Funding roared back at unprecedented levels.

The first quarter of 2021 was a record for fundraising by VC backed fintechs according to CB insights, surpassing even the second quarter of 2018, when Ant Financial's giant \$14bn raise inflated figures. The impact was global, with every continent seeing a higher number of deals (if not more money raised)



SETTING RECORDS IN AFRICA

Single deals in 2021 came close to matching total 2020 investment



Source: Ramps & Roadblocks: Fintech in Africa, findexable 2021

than a year ago, and two Brazilian companies among the top 10 fundraisers in the first quarter of 2021. In Africa, several standalone deals almost matched total tech investment for the whole of 2020. Panic over then?

Not quite. Look beneath the surface and there is much to concern anyone motivated, as we are at findexable, by the role of fintechs in bridging gaps: between banked and unbanked, established financial institutions and scrappy startups, and ultimately between capital and innovators. These are the areas we are looking at:

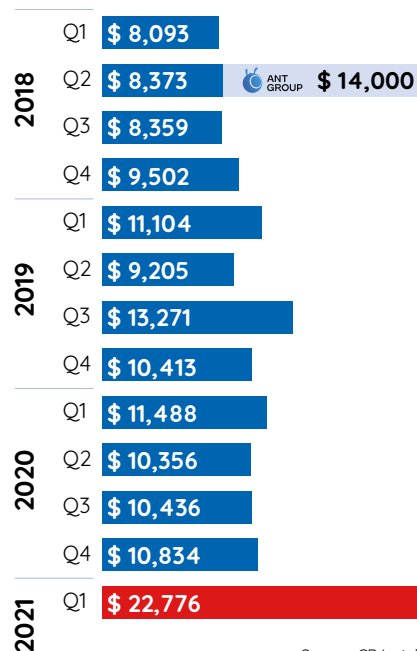
SEED VS LATE STAGE

Let's start first in Tel Aviv, a poster child for the self sustaining, virtuous circle of fintech innovation. In 2019, the country absorbed 5% of fintech venture stage funding, while several years of exits have added significant amounts of capital to the domestic funding base. Israel has flown up the rankings in our Index of fintech countries (see separate piece). It should be an ideal time



AN UNPRECEDENTED QUARTER

Global VC-backed fintech funding trends, in US \$ (million)



Source: CB Insights

to raise capital.

Yet when Izhar Arieli, a successful entrepreneur with a track record behind him, looked to raise funds for his latest venture, TenureX, he found:

"It was tough. You could definitely get the investment, but you had to do a bit," he says. "Investors wanted more control."

This anecdote reflects a global trend. Seed, angel and series A investments accounted for just 58% of funds raised from January to March 2021, compared to 66% a year earlier. More than two thirds of funding came in so-called 'mega-rounds', worth more than \$100m each, the first time such a level has been reached since Ant's 2018 deal.

What that means is established fintechs can raise money with ease, and at growing valuations. Robinhood, for example, tapped VCs for \$1bn in January and then went back for another \$2.4bn the next month.

SPACs meanwhile - publicly listed vehicles that raise huge amounts of funds with which they can acquire private companies

- offer potential easy exits for this narrow circle of successful companies, without the challenge of an IPO.

The threat is a bifurcated industry. Companies that were revolutionary innovators just a few years ago now sit in near monopoly positions thanks to network effects. They have become the 'new incumbents'. But what about new innovators seeking seed capital to tackle a brand new problem thrown up by the pandemic. For them

the picture is less rosy.

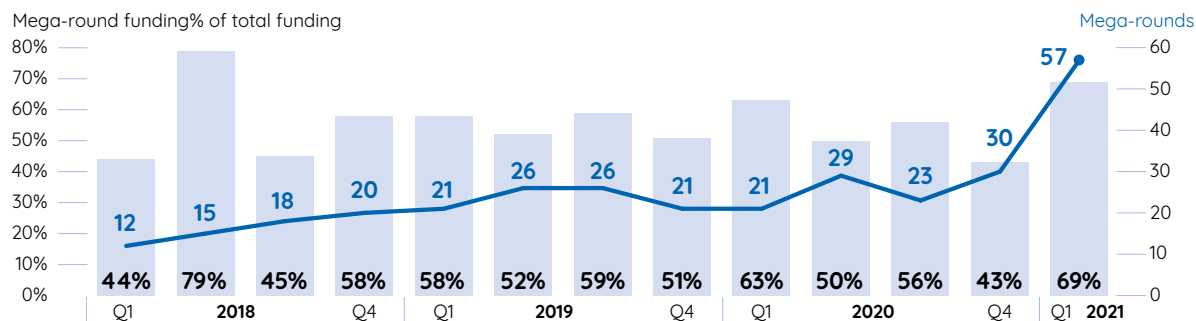
"There's been a big boost in terms of capital going towards established fintechs and groups," says Michelle Chivunga, the founder of Global Policy House, "But at the early stage a lot of startups and businesses are still very much struggling."

We need to ask if this is how we, an industry built to democratise access to finance, want capital markets to work?



MEGA-ROUNDS DOMINATE

Global VC-backed fintech mega-round (\$100M+) funding trends



Source: CB Insights

CENTRE V PERIPHERY

Across the world fintech companies' revenue multiples have climbed significantly during the pandemic. By the end of 2020, for 99 publicly traded fintechs analysed by Finerva, enterprise value was 15 times revenue for the year. But that is not the case everywhere.

Our next stop is Kuala Lumpur, another hub on the rise in our rankings this year, as fintechs build teams there to target the giant populations of East Asia.

This is a clear story of social good: the potential to connect up to 500 million unbanked smartphone owners to financial services for the first time and use records of electronic money payments to assess creditworthiness in ways traditional banks never could.



Yet it is not attracting attention from global investors.

"If you're in London or San Francisco, there's so much money it's like the valuations are going through the roof," says Joe McGuire, the Australian founder of Kuala Lumpur based MyMy, a fintech company with ambitions to be Malaysia's first digital only bank.

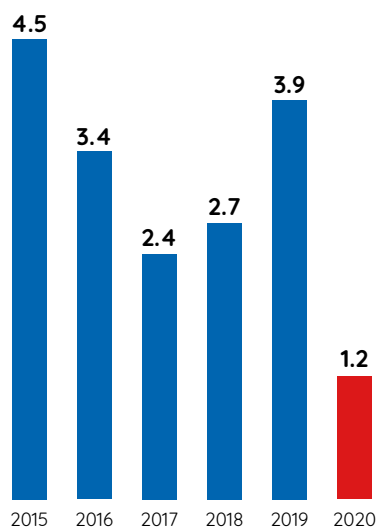
MyMy's seed round last autumn came from local funders, more than 80% from a single domestic bank. The amount - 12m Malaysian Ringgit (or around \$3m) - was a Malaysian record, but would not move the dial much in London or New York.

"To reach international VCs, to be able to build trust in you as a business without getting a chance to meet people face



PE FUNDRAISING IN AFRICA DISAPPOINTED

Total value of African PE fundraising, by year of final close, US\$ bn



Source: African Private Equity and Venture Capital Association (AVCA)

to face because of the pandemic is tough,” McGuire says.

Depressingly, this is leading companies to gravitate towards established financial hubs where they will be more likely to grab the attention of VCs.

“The pattern that we see is that foreign funding misses us and goes straight to Singapore, so then you see a pattern of companies establishing headquarters in Singapore, when they’re actually building here”, says Karen Puah, the President of the FinTech Association of Malaysia.

This is the opposite of capital flowing outwards to new fintech hubs, where innovation can embrace new communities and customers.

In Africa there is a similar story.

Despite some headline deals (see Flag 7 above) 2020 was the worst year for capital raising since at least 2015 by VC and private equity funds based in the continent, according to the African Private Equity and

Venture Capital Association (AVCA). The total raised was less than a third of 2019. 2020 was also the first year in at least five without a capital market exit for a privately funded African company.

DIVERSITY V SAME OLD FACES

Perhaps the largest gap left to bridge, is the difference in funding levels committed to companies led by (mainly) white men in the northern hemisphere and those led by women and minority groups.

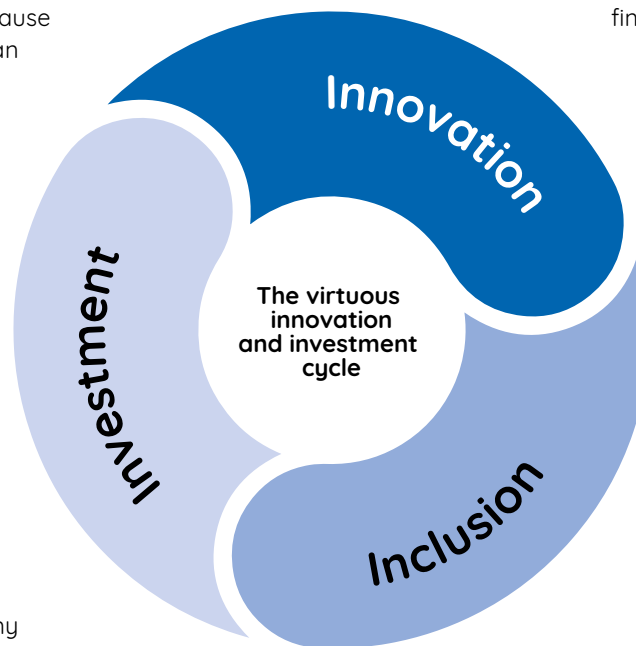
Last year Extend Ventures, a UK group established to diversify access to finance published a sobering report. It found that between 2009 and 2019 just 0.24% of venture capital went to teams of Black entrepreneurs in the UK. Only one Black female founder raised Series A funding across the entire ten-year period.

It’s not just about highlighting what’s wrong. The amount of money flowing into the fintech sector is remarkable, evidence that investors are finally realising the industry has the power to upend traditional

banking practices everywhere.

But we want our sector to be held to the highest possible standards, because we believe in the social good it can achieve, if capital is spread widely to those working on the most exciting projects. More importantly, a world of more access and better financial welfare can only be achieved if those that invest in fintech, build fintech businesses and work in fintech firms are truly reflective of the world we all live in.

Take the dizzying sums invested in Robinhood. As well as frothy markets, they indicate an incredible appetite among predominantly young investors, to access the financial returns that innovation can deliver. Yet a company apparently built to democratise investing in public markets has perhaps confusingly stayed private.



Imagine if Robinhood users could invest in the company itself, or other innovative fintech startups, rather than having to take bets on publicly traded SPACs in the hope that they've picked the right private market firms to invest in. The dividends of this kind of financial democratisation - if suitably policed - could benefit society in ways far beyond individual fintech ecosystems and entrepreneurs.

SEEDS OF HOPE

There are positive trends worth highlighting.

One is a growing diversity in sources of funding, and (despite a world in lockdown) global connectivity. When we spoke to Bill Genovese, a Florida-based serial entrepreneur, he was about to jump on a call with a Middle Eastern sovereign wealth fund to discuss a potential investment in his latest venture.



THERE'S BEEN A BIG BOOST IN TERMS OF CAPITAL GOING TOWARDS ESTABLISHED FINTECHS AND GROUPS. BUT AT THE EARLY STAGE A LOT OF STARTUPS AND BUSINESSES ARE STILL VERY MUCH STRUGGLING.

Michelle Chivunga,
 Founder, Global Policy House

In the past he would have worked with local incubators, or sought funding from US-based private equity. But in the last three years, he reports, there has been, “essentially a lot more interest in fintech activity coming from across the globe, especially out of the Middle East.”

If sovereign wealth funds are now making time to talk to early stage founders, it is to be hoped that this new influx of capital can find its way to neglected corners of the industry.

Small bullets of capital are being directed to traditionally underrepresented founders. Witness Khula Lula, a South African private equity fund, owned by Black women and with a mission to encourage South African women into early stage entrepreneurial activity. Or FirstCheck Africa, which will invest small sums in six female founded companies, in return for small equity stakes.

The largest catalyst will emerge if some of these new businesses succeed, starting the virtuous circle of innovation begetting

successful exits, and in turn driving more funding back into a local ecosystem. Until this year the signs of this virtuous chain reaction had been promising.

“Before the pandemic, venture capital activity in Africa was starting to grow very, very fast,” Chivunga from Global Policy House says. “That was because entrepreneurs who had been successful were reinvesting proceeds.”

At findexable we hope that will continue, and a greater diversity of businesses will receive funding - helping push their hubs higher in our Index and grow the overall size of their ecosystem by next year.

From “open” to “embedded”: banks further under siege

As platforms from Amazon to Google dominate the internet, will they swallow financial services too?

Around a decade ago, regulators in the UK began a revolution, forcing banks to give third party companies access to customer accounts via APIs. The idea behind ‘open banking’ was to let hundreds of startups bloom. Each would create an app with a unique specialisation and exceptional user experience. Traditional banking would be disaggregated.

That revolution has come to pass, with privately owned companies such as Venmo and Robinhood emerging to transform finance by plugging directly into customer bank accounts. But as open banking matures it is also enabling something more than a startup revolution.

In the last year what has stood out is the huge size of the companies entering the banking fray. Alongside fintechs are

the giant consumer technology platforms (Amazon, Google, Apple, Uber) and large retailers such as Walmart. Such companies are using their troves of customer data and deep relationships with customers, to begin to reaggregate banking within their own platforms.

With this phenomenon, known as ‘embedded banking’, banks no longer only face disruption by startups, but potential replacement by the giant tech companies which have already leapfrogged them as the world’s most valuable companies. For fintechs meanwhile, the risk is that their innovation will be subsumed into a few giant platforms with the ability to reach customers. Founders may find themselves having to license services, or even sell up, to Amazon or Apple in order to succeed.

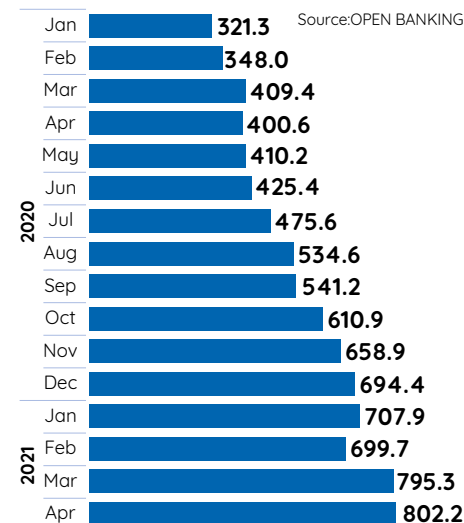
EMBEDDED AND GROWING

Put simply, embedded finance means



USE OF BRITISH BANKING APIS SURGED

API calls made by third party providers using account providers’ Open Banking APIs, Millions





**[TELECOMS COMPANIES]
ALREADY BRING HUGE
CUSTOMER BASES,
SO THEIR CUSTOMER
ACQUISITION COST IS
EFFECTIVELY ZERO.**

Karen Puah,
President, FinTech Association
of Malaysia.

bringing financial services to the customer's point of need. It began, innocuously enough, with payments. Ridesharing and e-commerce platforms such as Uber and Amazon integrated single click options on their apps and platforms, rather than redirecting users to banks to effect a payment.

Since then the range of digital financial services offered outside banking interfaces has expanded at speed to vendor finance, insurance and investing. The pandemic has added yet more impetus, as new services come on to the scene, or existing embedded finance options find wider audiences.

Mastercard data, for example, shows that in the first quarter of 2020 there was a larger shift to digital payments in 10 weeks than in the preceding five years. Meanwhile calls to the APIs of the largest British banks to query transaction history or make transactions surged during the pandemic.

One service that has seen huge growth during the pandemic is 'Buy Now Pay Later' (BNPL), where fintechs partner with online retailers to offer financing to consumers at

checkout. The fintech takes the credit risk of a consumer not paying in return for a small share of the basket price.

In European countries, BNPL has spread rapidly as more and more shopping moves online. 20% of European retailers now offer a form of BNPL and in the UK, when it is an option, £4 in every £100 is spent this way, according to one industry player.

Klarna, the Stockholm based fintech which dominates the space in Europe, raised \$1bn in February at a valuation of \$31bn, about the same as the public market capitalisation of traditional banking giant Deutsche Bank at the time of writing.

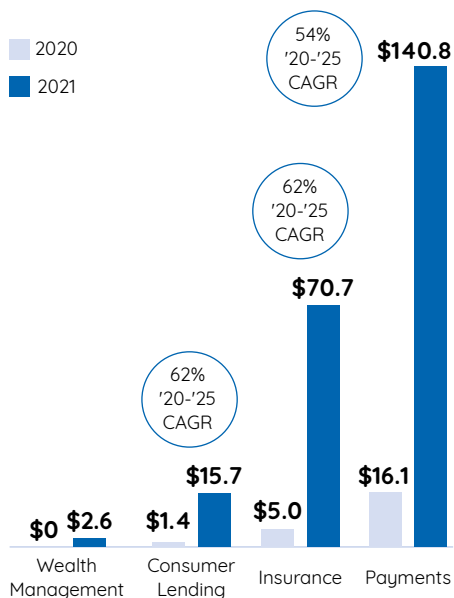
But alongside privately owned fintechs such as Klarna, giant tech platform companies and retailers, with which customers are used to transacting, are also moving into embedded finance. Uber now embeds insurance, while Amazon offers credit to shoppers at checkout, for example.

And it's not just a B2C activity. B2B businesses like Shopify and Square now provide split-second loans to merchants and



EMBEDDED FINANCE - AN INDUSTRY GROWING FAST

Embedded Finance Forecast
(\$ in billion)



Source: Lightyear Capital

small businesses, using AI to analyze transaction histories and assess credit worthiness.

Overall the size of embedded finance is expected to grow more than 10 times from 2020 to 2025, covering sectors from wealth management to payments.

THE PRETENDERS TO BANKS' CROWN

As the giant business of banking is slowly peeled open, a host of different companies are looking to stake a claim to the customer relationships and revenues it has long held.

Big tech companies are the most obvious challengers. They have endless data on customer activity, and deep reserves of tech talent, which should allow them to make sophisticated judgements of creditworthiness. The revenue models are already digitally native, and grounded in AI.

Also hovering are digital first banks such as Revolut and N26 that are not burdened by legacy systems, and can build excep-

tional user interfaces. But in truth the playbook is open to any company with access to a large digital customer base, and enough data to draw insights into them. As Angela Strange a general partner at Andreessen Horowitz puts it:

"In the not too distant future, I believe nearly every company will derive a significant portion of its revenue from financial services."

Take Walmart's recent partnership with Ribbit - a fintech VC that's also a key investor in Robinhood. The deal could enable Walmart to offer frictionless core banking products to millions of its retail customers through a one-stop-shop, without even holding a banking licence.

Walmart has many advantages. It is not new to financial services, having offered bill payment, prepaid debit cards, and instalment financing in the past. This is also not its first fintech rodeo. It recently forged partnerships to offer domestic and international money transfers. Trothes of data also arguably give it unparalleled knowl-

edge of the consumption patterns and financial needs of low and middle income consumers.

In Asia meanwhile, digital wallet fintechs and telecom companies, which have existing financial relationships with consumers, are well placed to offer banking services, according to Karen Puah, President of the FinTech Association of Malaysia.

“They already bring huge customer bases, so their customer acquisition cost is effectively zero. They also see regular cash deposits and payments so would be able to take a completely different view of their customers’ creditworthiness.”

DECISION TIME

Banks have two options to respond to this challenge.

The first is to focus resources on defending ownership of the interface, and therefore their relationship with the customer. The alternative is for banks to allow third party platforms to lead on distribution, and embed their own products on others’ platforms to reach customers at scale.

Each of these options has different implications for the form fintech innovation might take, in the spaces left between traditional financial institutions and the platforms which aspire to replace them.



10×

Projected growth
for embedded
banking 2020-2025

120%

Increase in use of
UK banking APIs

22

countries climbed
the rankings
this year

BUILD YOUR OWN ECOSYSTEM

For banks, going the platform route would entail working with fintechs to create multi-product ecosystems that integrate the banks’ own traditional services with innovative new products in a single app.

Essentially banks would co-opt the upstarts created by the open banking revolution and use them to build a service fit to compete with the platforms offered by retailers and big tech companies.

Banks could play to their traditional strengths. Just as Walmart is well placed to assess the creditworthiness of consumers with store cards, years of offering financial products should leave banks with specific insights into their large customer bases.

Their institutional weight might also hold customer appeal in specific activities. While retailers are best placed to embed finance when customers are making purchases, banking platforms would appear to be obvious locations in which to embed investment products.

They will need to adapt to customer needs, however, and act fast especially in emerging markets. In India, for example, fintechs including Paytm or Groww money have already stolen a march on traditional banks, by allowing savers to invest as little as 100 rupees in mutual funds.

“There’s a play for insurance, micro insurance, and micro investments,” says Nitin More, director of sales at Scienaptic AI and findexable’s ambassador to India. “Today, someone from a village can invest ten rupees in a systematic investment plan digitally. These are things that nobody has offered to date.”

Banks could also appeal to customers by offering a curated ecosystem of fintech solutions. Rather than download multiple different fintech applications to their phone, customers would access a variety of solutions within a single, trusted interface.

The elephant in the room, however, as so often with incumbent industries, is legacy IT systems, which are expensive to operate, and not easy to absorb integrations into. When McKinsey, the consultancy, first began to plot a path for banks to navigate embedded finance, in 2016, it warned that IT costs for traditional banks are higher than digital challengers by a factor of 2 when it comes to maintenance, and 3 when

it comes to set up.

DBS Bank, the largest lender in South-east Asia has shown what is possible with sufficient investment. Its 17,000 strong tech team developed a unified platform that incorporates fintech offerings such as a mobile wallet, alongside traditional banking offerings, with data from one reinforcing the other.

In this world, fintechs would see banks as partners, either licensing products to them, or being swallowed up in acquisitions so they become part of the bank’s own branded offering. The banks would offer an alternative to big tech companies.

BANKING AS A SERVICE

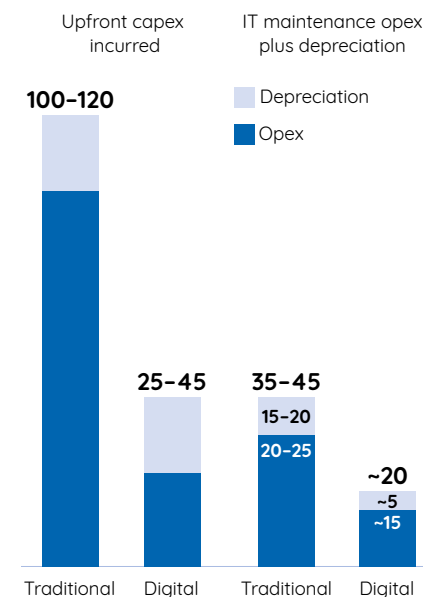
Not every bank has the resources to build their own ecosystem. The alternative is to accept their status, one step removed from the customer and hire out their infrastructure, balance sheet, and banking license to the platforms that replace them.

In this model, known as ‘banking as a service’ (BaaS), banks bundle their offer-



LEGACY SYSTEM MAINTENANCE HANDICAPS TRADITIONAL BANKS

IT Costs, US\$ billion



Source: McKinsey



**TODAY, SOMEONE
FROM A VILLAGE CAN
INVEST TEN RUPEES IN A
SYSTEMATIC INVESTMENT
PLAN DIGITALLY. THESE
ARE THINGS THAT
NOBODY HAS OFFERED
TO DATE.**

Nitin More,
Director of sales at
Scienaptic AI and findexable
ambassador for India

ings - white labelled or cobranded - to tech companies, retailers and other platforms, which become the access point for customers to banking products.

In many countries a regulatory moat between licensed banks and the fintechs and platforms competing to offer their services may preserve such a role for banks. Even in jurisdictions where clearing regulatory hurdles is easier, non-banks might prefer to avoid the operational stress of being a bank, choosing instead to stick to what they know best.

In this BaaS model big tech companies and retailers offering banking services become potential clients and cash cows for banks, rather than rivals. And given that tech companies and retailers have advantages when it comes to data and customer relationships, some banks may be relieved to strike up partnerships with them.

Small and mid-sized US banks have already shown themselves to be particularly adept at forming partnerships with fintech startups and would be banking

platforms. They are less concerned than large rivals about seeing their brands subsumed into the offering of a tech company or retailer. They may also be able to respond quicker to the revenue opportunities on offer, because they have fewer layers of management.

With finance embedded in products young consumers are already using, smaller banks can reach customers they might otherwise struggle to connect to. That opens the way to high-volume revenue models in the platform economy, albeit at a lower margin.

Fintechs might also piggyback on banking as a service activities, using them to offer loans or provide payments infrastructure for innovative products. But in a world where banks disappear from customer view, there would be one less client for fintechs to sell their consumer facing products through.

City rankings 51-100

Ranking	Movement	City	Country	Region
51	▼ -15	Vancouver	Canada	North America
52	▶ ±0	Philadelphia	United States	North America
53	▲ +28	Vienna	Austria	Europe
54	▲ +1	Copenhagen	Denmark	Europe
55	▲ +3	Dubai	United Arab Emirates	Middle East & Africa
56	▼ -25	Shanghai	China	Asia Pacific
57	▼ -18	Frankfurt	Germany	Europe
58	▼ -9	Munich	Germany	Europe
59	▲ +14	Zug	Switzerland	Europe
60	▲ +22	Oslo	Norway	Europe
61	▼ -14	Milan	Italy	Europe
62	▲ +4	Manila Area	Philippines	Asia Pacific
63	▼ -7	Istanbul	Turkey	Europe
64	▼ -14	Brussels	Belgium	Europe
65	▼ -20	Tallinn	Estonia	Europe
66	▼ -15	Washington DC Area	United States	North America
67	▲ +11	Kuala Lumpur	Malaysia	Asia Pacific
68	▲ +9	Kiev	Ukraine	Europe
69	▼ -23	Warsaw	Poland	Europe
70	▲ +34	Taipei City	Taiwan	Asia Pacific
71	▼ -4	Phoenix	United States	North America
72	▲ +4	Lisbon	Portugal	Europe
73	▲ +7	Shenzhen	China	Asia Pacific
74	▼ -34	Bogota	Colombia	Latin America & Caribbean
75	▲ +15	Ottawa	Canada	North America

Ranking	Movement	City	Country	Region
76	▼ -34	Buenos Aires	Argentina	Latin America & Caribbean
77	▲ +2	Luxembourg	Luxembourg	Europe
78	▲ +34	Boulder	United States	North America
79	▼ -4	Prague	Czechia	Europe
80	▼ -26	Santiago	Chile	Latin America & Caribbean
81	▼ -9	Bangkok	Thailand	Asia Pacific
82	▼ -14	Hyderabad	India	Asia Pacific
83	▲ +1	Calgary	Canada	North America
84	▲ +4	Budapest	Hungary	Europe
85	▼ -24	Portland	United States	North America
86	▲ +68	San Antonio	United States	North America
87	▼ -23	Pune	India	Asia Pacific
88	▼ -14	Chennai	India	Asia Pacific
89	▲ +67	Orlando	United States	North America
90	▲ +18	Las Vegas	United States	North America
91	▼ -26	Raleigh Durham	United States	North America
92	▲ +9	Sofia	Bulgaria	Europe
93	▼ -22	Lagos	Nigeria	Middle East & Africa
94	▲ +2	Riga	Latvia	Europe
95	▼ -1	Auckland	New Zealand	Asia Pacific
96	▲ +78	Detroit	United States	North America
97	▼ -10	Cape Town	South Africa	Middle East & Africa
98	▲ +48	Brisbane	Australia	Asia Pacific
99	▼ -37	Johannesburg	South Africa	Middle East & Africa
100	▲ +26	Göteborg	Sweden	Europe

Source: Global Fintech Index, findexable 2021

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The changing role of the state: from bystander to cheerleader and regulator

Governments across the world are desperate to tap into fintech's phenomenal growth, but also wary of its growing reach

The past 12 months have seen major interventions by governments across the world in domestic fintech industries. China deserted its uncharacteristically light touch approach to step in with a vengeance, notably pulling Ant's \$34.5bn IPO. India opened its retail payments infrastructure to private sector competition, while states in Europe and North America accelerated plans for Central Bank Digital Currencies (CBDCs) - see separate piece.

Far from being isolated developments these steps mark an inflection point. Across the globe, governments are rapidly realising that fintech is of systemic, strategic importance and working out their strategies to engage with the sector. We are witnessing states transition from spec-

tators to, on the one hand, cheerleaders of the industry, partnering to develop talent and ecosystems, and, on the other, wary and attentive regulators.

Covid-19 has been an accelerator. Lockdowns and curfews drove banking and commerce online, while governments turned to digital channels to deliver financial stimulus. Fintech showed itself to be a key pillar of economic resilience.

But the story did not start there. Recent years have seen the fintech sector shift from a source of financial inclusion that could be dismissed as a development side-show, to a key driver of economic growth. Mobile transactions in China alone topped \$27 trillion in 2018 and in an increasingly AI driven world, where "data is the new oil", the companies that can capture and harness it are nothing less than strategic assets.

As fintech's economic importance grows it also poses a series of complex chal-

lenges to states, from systemic financial risks to competition and data governance.

INTERVENTION TO BUILD INFRASTRUCTURE

For states looking to take the lead in fintech one option is to focus on infrastructure first. India is the standout example here. Taking advantage of a relative absence of legacy systems, it has built its digital architecture layer by layer from the ground up. Its state developed 'India Stack' essentially combines 'Aadhaar' - a universal digital ID issued to over 1.25 billion Indians - with a nationwide Unified Payments Interface (UPI).

Unlike other countries where payment networks are privately owned, for example M-Pesa in Kenya, or AliPay and WeChat in China, India's UPI is state owned, meaning interoperability is guaranteed. This provision of digital infrastructure as a public

good has led to a surge in financial inclusion in India, as well as the mass-adoption of digital-first operating models. The percentage of Indians with bank accounts doubled to 80% between 2011 and 2017, for example.

Home grown companies now range from massive payment unicorns like Phonepe and Razorpay, to ground-breaking startups like Simpl, a Bengaluru based

startup that is pioneering mobile-first, single-click e-commerce credit.

This year, the Indian state has gone a step further. To cut risk, encourage competition and reduce dependence on the state owned UPI, it is inviting private sector consortiums to set up parallel for profit retail payment systems. Global tech giants like Amazon, Facebook and Google will compete with Indian heavyweights like Tata,

Reliance and PayTM.

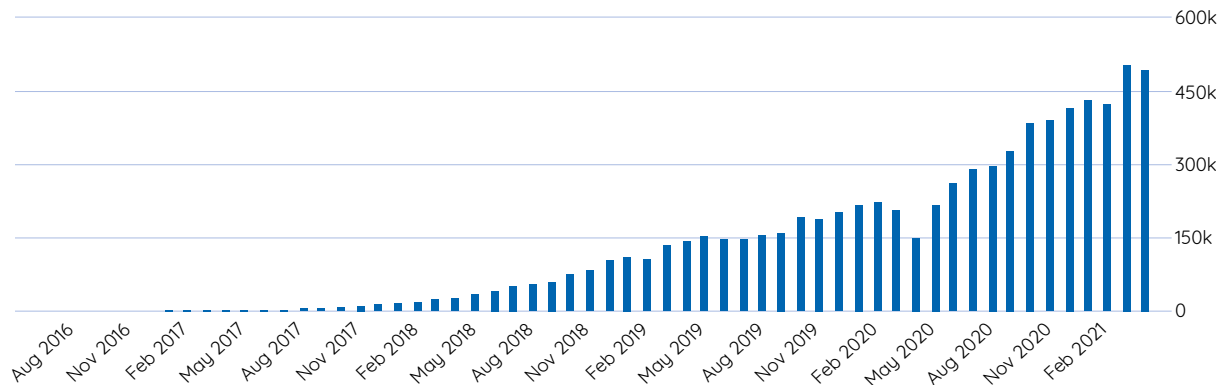
“UPI is now a monopoly and everybody is using it. But the Reserve Bank of India needs at least two parallel systems in the country,” says Nitin More, a director of sales at Scienaptic AI and findexable’s ambassador for India. “What that will do is actually create a lot of competitive services to be offered on the alternate payment system.”



DIGITAL PAYMENTS IN INDIA ARE SURGING

Volume and Value of UPI Transactions in India, by Month

Source: National Payments Corporation of India



STRUCTURED EXPERIMENTATION

States with less of a greenfield to work with have taken a different approach to fostering fintech, setting rules in which innovation can occur, rather than taking it on themselves.

Some governments have required incumbents to open access to fintech innovators. Others have created so-called 'regulatory sandboxes', that allow fintech companies to launch to customers without clearing onerous licensing hurdles.

The UK's 'open banking' initiative and Europe's PSD2 directive are well covered instances of the former. Banks have been required to allow third parties to trigger transactions and review account histories via easy to use APIs. Fintechs and now also large tech companies and retailers have woven entire ecosystems of financial products on the back of the newly accessible banking data - see separate piece.

Open banking is increasingly being adopted across the world. Take Mexico. Previously restrictive rules from a con-



26

fintech accelerators
in the US

91

cities have climbed
the rankings

264

fintech hubs worldwide

servative financial regulator acted as a dampener for fintech innovation. But after consultation with the private sector, the state passed a fintech law in 2018 and issued additional regulations last year to encourage innovation.

Open banking rules are a centrepiece, but the regulations also address relatively novel categories such as peer-to-peer financial services and virtual assets including cryptocurrencies. Since 2018, 93 companies have applied for fintech licenses, with the first round of authorisations expected this year.

In regulatory sandboxes, fintechs are given a chance to launch products to a limited number of customers before passing through all the stages of a state licensing process. This gives both fintechs and regulators an opportunity to resolve teething problems and gauge the systemic implications of innovation.

"The sandbox serves two purposes," notes Ravi Menon, Managing Director of Singapore's Monetary Authority. "First, it

allows experiments to take place, even where it is not possible at the outset to anticipate every risk or meet every regulatory requirement. Second, it provides an environment where if an experiment fails, it fails safely and cheaply within controlled boundaries, without widespread adverse consequences.”

Sandboxes also help fintechs reach prominence and raise capital, by showing a track record of selling to customers, and

deploying live products, relatively early in their lifecycle. Lithuania’s encouraging regulatory environment has allowed it to become a hub for UK fintechs looking for a European base of operations after Brexit. A strategy that paid off. In 2020 Lithuania, a country of under 3 million people, came in fourth place in our global country rankings.

HANDS OFF, UNTIL THE RISKS EMERGE

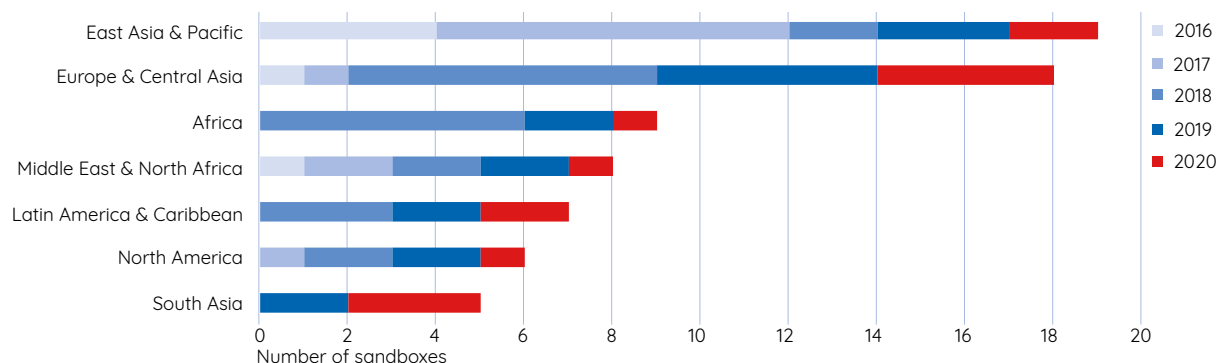
Until recently, China, perhaps surprisingly,

exemplified the ‘hands off’ approach to fintech. The state gave the private sector plenty of room to innovate and scale, leading to giants like Alibaba and Wechat. These companies then used their wildly popular e-commerce and social media platforms to pioneer embedded finance, in which financial services are offered to consumers at the point of sale, rather than by external intermediaries, such as banks. The result has been a revolution in payments



GOVERNMENTS ACROSS THE WORLD ARE ROLLING OUT SANDBOXES

Source: World Bank



and, more recently, alternative lending, wealth management and insurtech.

Last year, however, the state saw social and systemic risks emerge from that breakneck innovation. Following a series of defaults within P2P lending - previously seen as cutting edge - investors, including pensioners, took to the streets demanding their money back. The state responded by banning P2P lending in 2020, but did not stop there.

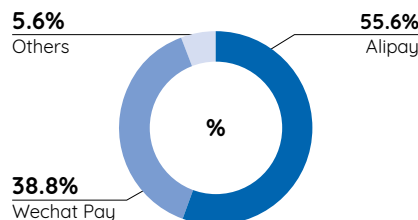
Since then, in addition to blocking Ant's IPO, Chinese regulators have raised capital adequacy requirements for micro lenders, consumer finance firms and banks operating on internet platforms, and initiated competition investigations against its tech giants.

Other states, which previously allowed a degree of latitude for innovation, have also found themselves intruding more into the sector this year. Jochen Biedermann - Managing Director of the World Alliance of International Financial Centers (WAIFC) - suggests this may be a structural feature



CHINA: A DUOPOLY IN PAYMENTS

China's online payment market

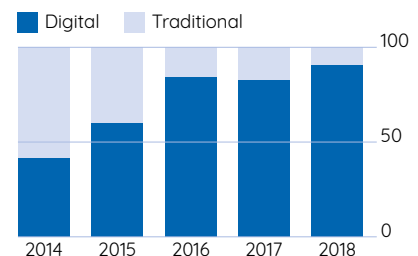


Source: iResearch



CHINA: A DUOPOLY IN PAYMENTS

China's online payment market



Source: MicroSave

of taking a laissez faire approach.

"It's like trimming the grass. You need to let it grow and then when it is high, you see what is useful and what you should cut. It's a trade-off between growing an ecosystem and consumer protection."

Kenya is also at the grass trimming stage. The state originally took a 'wait and see' approach to fintech regulation, which bore fruit in the mass adoption of mobile payments. Digital credit was next to go mainstream, with dozens of fintechs - including Silicon Valley backed Tala and Branch - enabling microloans to millions of Kenyans through mobile apps.

But basic protections for borrowers were lacking. Ordinary Kenyans found themselves facing rates of 400% per year, as well as questionable debt collection practices, including contacting debtors' friends and family members harvested from their mobile contact list, in the event of a default.

As in China, Kenya has now switched gears, and is now legislating new rules for fintechs, ranging from licence require-



IT'S LIKE TRIMMING THE GRASS. YOU NEED TO LET IT GROW AND THEN WHEN IT IS HIGH, YOU SEE WHAT IS USEFUL AND WHAT YOU SHOULD CUT. IT'S A TRADE-OFF BETWEEN GROWING AN ECOSYSTEM AND CONSUMER PROTECTION.

Ali Hussein Kassim,
Chairman of the Association
of Fintechs in Kenya.

ments to data protection laws compliant with GDPR.

“The regulatory environment is becoming quite challenging,” says Ali Hussein Kassim, Chairman of the Association of Fintechs in Kenya. He wants more engagement between the public and private sector.

“The conversation will always be how do we make sure that we adhere to the financial services, legal, and regulatory frameworks, while at the same time remaining nimble and relevant in the market? That’s a tough conversation to have.”

TALENT AND ENGAGEMENT

The most successful states are going beyond regulation to use a mix of policy, finance, and sector engagement to propel their fintech sectors. Singapore is once again a leader here. The city state committed \$170 million to incentivise global financial institutions to set up innovation labs in the city in the mid 2010s.

By last year, 40 innovation labs had embarked on close to 500 innovation pro-

jects, not only raising Singapore’s profile as a fintech hub, but helping to develop the local talent pool, according to the Monetary Authority.

“The innovation labs we have funded have created 180 high value jobs,” said Menon, speaking at the Singapore Fintech festival in August last year. “Approximately 60% of these jobs are held by Singaporeans. More than that, there is valuable learning and capability transfer, helping to build our local talent pool and pipeline for future leadership roles.”

The United Arab Emirates is also focusing on talent, with its Dubai International Financial Centre (DIFC) launching Fintech Hive, an accelerator program specifically for fintechs, including those interested in providing Islamic finance.

Taking advantage of thawing relations with Israel, the accelerator has inked a deal with a Tel Aviv fintech association to work together on developing fintech talent, and encouraging companies to set up shop in each other’s countries.

‘BIG TECH’, ‘BIG DATA’, AND A QUESTION OF TRUST

This year, concerns around anti-competitive practices among technology companies have intensified across the world. In China, Tencent, Alibaba and Baidu are under regulatory investigation. Meanwhile in Europe and the United States, Amazon, Apple, Facebook, and Google are on notice.

As ‘Big Tech’ increasingly becomes ‘Big Fintech’, our sector will move ever more into the regulatory glare. Embedded finance is concentrating consumers on a few platform ecosystems, while our online search data is now linked to our online shopping, and social media usage. In a world where a pandemic has turbo-charged digital adoption there are important questions.

Data is central to government concerns. Who owns it? What form does that ownership take? Who can access it or police it? And on what terms?

India and Europe appear to be headed towards ‘Data Trusts’ whereby the public’s data is kept with a trust that then allows for

collective bargaining in respect of data-related rights.

China is placing demands on companies, with a personal information protection law that regulates the collection and usage of personal information. Under its proposed law, “foundational internet platforms” or companies with a large online customer base may be required to establish independent oversight bodies to ensure compliance with data protection laws.

Taken together with GDPR in Europe, and India’s coming data protection laws, these frameworks may raise the bar for fintechs looking to access data and have a profound impact on our sector.



The world's newest fintech nations

What strikes us most about the new countries to join our rankings this year is not what they have in common, but their sheer number.

18 new fintech nations, in a total of 83. That's growth of more than 25% compared to last year. Remember no country enters our data driven index unless it is the headquarters of at least 10 privately owned fintech companies, so our Index shows that from Venezuela to Zimbabwe and Kazakhstan to Slovakia, fintech innovation is spreading fast.

The other clear standout is the number of African countries to debut in the Index, particularly those in the sub-Saharan region. Nowhere is the transformative potential of fintech more evident. Take Somalia, a state plagued by decades of civil wars, whose central bank was only reestablished in 2009. Even now barely a fifth of the population holds a bank account

and counterfeit currency is widespread.

No matter, fintech innovation is helping the country accelerate quickly towards a cashless society and unleash a wave of innovation. Last year there were just six privately owned fintechs headquartered in the country, 4 were payments apps, generally linked to mobile network providers, and 2 microfinance initiatives.

That number has ballooned in the last year, as the payments industry grows and increasingly interacts with established global fintechs such as WorldRemit, which allow Somalis abroad to send money home. Both the capital Mogadishu and Hargeisa, the principal city of the autonomous Somaliland enclave, entered the Index in their own right this year. The country has also seen the launch of a digital only bank, Idman Community Bank, meaning Somalis with a smartphone may finally be able to hold their own bank accounts too.

COUNTRY	REGION	RANK
Liechtenstein	Europe	52
Croatia	Europe	56
Seychelles	Middle East & Africa	59
Slovakia	Europe	60
Rwanda	Middle East & Africa	61
Georgia	Europe	63
Saudi Arabia	Middle East & Africa	65
Kazakhstan	Asia Pacific	66
Belize	Latin America & Caribbean	67
Tunisia	Middle East & Africa	68
Ecuador	Latin America & Caribbean	69
Jordan	Middle East & Africa	75
Zimbabwe	Middle East & Africa	76
Somalia	Middle East & Africa	79
Cameroon	Middle East & Africa	80
Iran	Middle East & Africa	81
Venezuela	Latin America & Caribbean	82
Ethiopia	Middle East & Africa	83

MARKETING TO SCALE

Why keeping on top of your marketing game matters more than ever

Many fintech success stories have one thing in common - a smart marketing engine that revolutionizes their product or service in the industry. Our partner Fintech B2B Marketing walks through some of the tips to help fintechs on their journey to scale.

With the uncertainty created by COVID-19, fintech marketers need to be agile and responsive. The pandemic has redefined marketing as we know it, presenting marketers with new challenges - and putting pressure on them to deliver more. Business buyers are savvier, and consumer behaviour is shifting in ways that no one could have predicted. So it's no overstatement to say that it is time to change the way we do marketing.

TIPS FOR FINTECH MARKETING SUCCESS

- **Hyper-personalise!**

Fintech companies must strive to understand their clients on a deeper

level to bring goodwill, customer loyalty and satisfaction, and use Artificial Intelligence (AI) and Machine Learning applications to eliminate repetitive tasks, perform predictive analysis, offer customised user experience and targeted content creation.

- **Focus on the data**

The pandemic has accelerated digital transformation. That means businesses have had to amplify their digital content to make every single engagement count. The way we generate leads and create brand awareness needs to be data focused. Including, leverage data for your content strategy: find new ways to predict demand and to understand customer behaviour.

- **Use influencer marketing & social channels**

Social networks are important channels to connect with customers. Focusing on

helping rather than selling is essential to building trust and loyalty between the company and the user.

- **Measure, measure... measure!**

Use these four business metrics that are key to help fintechs orient their marketing techniques:

1. Cost to acquire a customer
2. Average value per customer
3. Percentage of active users
4. Virality coefficient

Responding, pivoting, re-imagining how we do things are now part of the marketing job description. Using these techniques can help you guide the marketing ship.

Payal Reina is the founder of FinTech B2B Marketing, a peer-to-peer community that brings together financial services and technology marketers to help simplify complexity in FinTech.

EMPOWERING B2B MARKETERS
FinTech
MARKETING

City rankings 101-170

Ranking	Movement	City	Country	Region
101	new	Omaha	United States	North America
102	▼ -17	Tampa Bay Area	United States	North America
103	▼ -34	Belo Horizonte	Brazil	Latin America & Caribbean
104	▲ +1	Lima	Peru	Latin America & Caribbean
105	▼ -22	Nashville	United States	North America
106	▼ -14	Cincinnati	United States	North America
107	▲ +53	Brighton	United Kingdom	Europe
108	▲ +49	Glasgow	United Kingdom	Europe
109	▲ +4	Edinburgh	United Kingdom	Europe
110	▼ -15	Porto	Portugal	Europe
111	new	Kaunas	Lithuania	Europe
112	▼ -12	Rotterdam	The Netherlands	Europe
113	▼ -24	Geneva	Switzerland	Europe
114	▲ +2	Cleveland	United States	North America
115	▼ -13	Leeds	United Kingdom	Europe
116	▲ +12	Bristol	United Kingdom	Europe
117	▼ -11	Cairo	Egypt	Middle East & Africa
118	▶ ±0	Valencia	Spain	Europe
119	▲ +31	Salt Lake City	United States	North America
120	▼ -22	Lausanne	Switzerland	Europe
121	▲ +15	Dusseldorf	Germany	Europe
122	▲ +49	Medellin	Colombia	Latin America & Caribbean
123	new	Birmingham	United Kingdom	Europe
124	▲ +3	Bucharest	Romania	Europe
125	▼ -68	Rio de Janeiro	Brazil	Latin America & Caribbean
126	▲ +106	Riyadh	Saudi Arabia	Middle East & Africa
127	new	Cardiff	United Kingdom	Europe
128	▲ +34	Malmö	Sweden	Europe
129	▲ +61	Zagreb	Croatia	Europe
130	▼ -31	Athens	Greece	Europe
131	▼ -34	Curitiba	Brazil	Latin America & Caribbean
132	▼ -8	Ljubljana	Slovenia	Europe
133	▼ -23	St. Louis	United States	North America
134	▲ +51	Belfast	United Kingdom	Europe
135	▼ -21	Utrecht	The Netherlands	Europe
136	▲ +19	Kansas City	United States	North America

Ranking	Movement	City	Country	Region
137	▼ -17	Krakow	Poland	Europe
138	▲ +40	Princeton	United States	North America
139	▲ +50	Columbia	United States	North America
140	new	Lyon	France	Europe
141	▼ -12	Wilmington	United States	North America
142	▼ -25	Victoria	Canada	North America
143	▼ -28	Rome	Italy	Europe
144	▲ +1	Pittsburgh	United States	North America
145	▲ +39	Bern	Switzerland	Europe
146	▼ -9	Reston	United States	North America
147	▼ -44	Ahmedabad	India	Asia Pacific
148	▲ +10	Baltimore	United States	North America
149	new	Wellington	New Zealand	Asia Pacific
150	▼ -59	Porto Alegre	Brazil	Latin America & Caribbean
151	▼ -28	Accra	Ghana	Middle East & Africa
152	▼ -8	Vaduz	Liechtenstein	Europe
153	▲ +33	Sacramento	United States	North America
154	▲ +62	Lugano	Switzerland	Europe
155	new	Newcastle upon Tyne	United Kingdom	Europe
156	▲ +24	Bellevue	United States	North America
157	new	Stuttgart	Germany	Europe
158	▲ +38	Tunis	Tunisia	Middle East & Africa
159	▲ +24	Bordeaux	France	Europe
160	▲ +21	Perth	Australia	Asia Pacific
161	▲ +18	Edmonton	Canada	North America
162	new	Marseille	France	Europe
163	▲ +13	Kolkata	India	Asia Pacific
164	▼ -22	Ho Chi Minh City	Vietnam	Asia Pacific
165	new	Ankara	Turkey	Europe
166	▼ -34	Kigali	Rwanda	Middle East & Africa
167	▼ -46	Charleston	United States	North America
168	▶ ±0	Kampala	Uganda	Middle East & Africa
169	▲ +29	Jaipur	India	Asia Pacific
170	new	Gibraltar	Gibraltar	Europe

Source: Global Fintech Index, findexable 2021

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Central Bank Digital Currencies: Accelerating inclusion... and much more

As fiat currencies embrace the blockchain, will smart-contract based Decentralised Finance go mainstream?

Fintech innovation straddles the developed and developing world, offering profoundly different benefits in each environment. Nowhere is this more evident than in the realm of Central Bank Digital Currencies (CBDCs) - digital versions of fiat currencies, which would allow citizens to hold central bank backed pounds, dollars and yuan on their mobile phones, rather than in physical cash or bank deposits.

A list of those leading the charge towards CBDCs include some of the world's wealthiest countries and strongest political powers (the UK, Canada, China), but also some of the smallest and poorest economies (the Bahamas, Cambodia). CBDCs hold out very different sets of possibilities to each of these two groups.

For poorer countries with limited infra-



83

countries in the Global
Fintech Index

114

cities have moved down
the rankings

11,000+

fintechs

structure and dispersed populations, CBDCs could be a shortcut to financial inclusion that does not run through an expansion of bank branches. For wealthier countries, the benefits are institutional, easing foreign currency settlement and therefore reducing the cost of global trade. Fascinatingly it is less wealthy countries that are winning the race so far.

The longer term story of CBDCs, however, is their potential to unleash an entirely new system of contract-based, "decentralised finance" (DeFi) in both rich and poor countries. As fiat currencies move to digital ledgers, such as the blockchain, contracts could automatically trigger loan repayments, or derivative settlements, for example. A new generation of fintech startups is already developing such 'smart contracts', with an eye on replacing the bankers, insurers and lawyers that normally intermediate between financial parties.

FINANCIAL INCLUSION

Coverage of CBDCs tends to focus on the geopolitics at stake - China's attempt to erode dollar hegemony, or Russia's search for a means to bypass sanctions, for example. But the only country to have actually launched a CBDC to date did so for humanitarian reasons.

When a hurricane wiped out many of the country's bank branches in 2019, the Governor of the Central Bank of the Bahamas accelerated plans for its CBDC, the 'sand dollar'. The idea was to restart the economy by bypassing ATMs and shuttered bank branches by encouraging electronic payments.

The underlying aim of the CBDC though is financial inclusion. Smartphone owners without access to a bank account are, for the first time, able to hold money and make payments in a format other than cash that is still backed by the state.

The idea is that a large segment of the population can enter the formal economy, and boost growth. "What happens with a

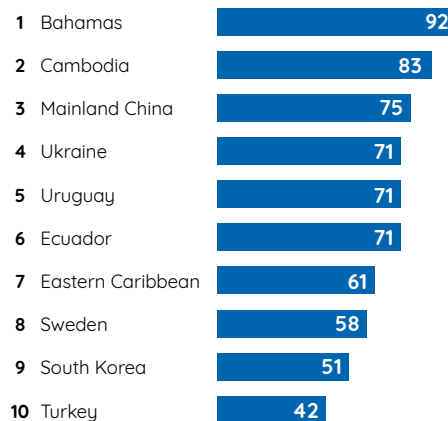


SPOT THE DIFFERENCE

Poor countries lead on rollout of retail CBDCs, which are held by individuals, richer countries on 'wholesale' CBDCs, which would be held only by financial institutions

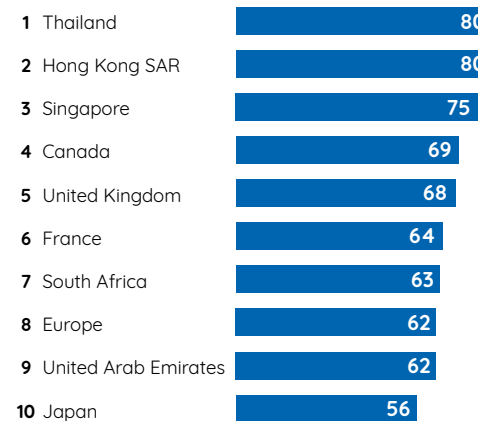
Project Maturity Retail CBDC development

Top 10 - Retail CBDC projects



Project Maturity Interbank CBDC development

Top 10 - Interbank or Wholesale CBDC projects



Source: PWC

central bank digital currency is that you are totally opening the economy,” says Dr Sindhu Bhaskar of the Government Blockchain Association, an industry group that promotes blockchain solutions for government. “Money circulation goes up, industrial production goes up, it creates the basis of demand.”

The complexities behind rolling out a CBDC are legion, however, even when it is only aimed at retail users, as in the case in the Bahamas. (So-called ‘institutional’ CBDC schemes, which aim to put CBDCs in the hands of large financial institutions and potentially allow them to be traded across countries, are even more complex).

The Bahamas contracted IBM to help it develop a digital ledger for transactions in the currency. But it also relied on a thriving ecosystem of domestic digital wallet companies, which allow citizens to hold sand dollars. Without these, there would have been no distribution method for the digital currency.

The importance of digital wallets to

CBDCs explains why rapid progress is also being made in South East Asia, where Cambodia is set to become the second country after the Bahamas to launch a retail CBDC. Access to electronic money is far more common in the region than a bank account, and governments are pushing for universal adoption.

Last year, for example, the Malaysian government sent out one off stimulus amounts to every digital wallet owner, in an attempt to encourage take up. But the need for a financial inducement highlights a major risk for any retail CBDC schemes. Some people may simply be unwilling or unable to adopt digital money, even if it is backed by the central bank.

To make retail CBDCs work, argues Michelle Chivunga from Global Policy House, huge innovations will be needed in the design of inclusive products, to prevent the substitution of one population of financially excluded people by another.

“How are we going to make sure people aren’t left behind?” she says. “There are

massive opportunities for the likes of fintechs, and even banks themselves, to offer services to help users connect to the world of CBDCs. It’s a moment for people in the industry to be creative.”

DECENTRALISED FINANCE

CBDCs are often seen as an attempt by banks to reassert control of money, for fear that cryptocurrencies such as Bitcoin and Ethereum become viable alternatives to fiat currencies.

However by adopting a key feature of cryptocurrencies - digital ledgers - CBDCs are also opening the door to an entire world of financial innovation that is currently being developed on the blockchain: decentralised finance (DeFi), or the use of so-called ‘smart contracts’ to govern financial relationships and transactions.

Smart-contracts essentially encode a commitment on behalf of two parties into the digital ledger of a currency, in a way that cannot be undone. In a certain event, the smart contract will trigger counter-



DEFI FINTECHS RAISING FUNDS

COMPANY	ACTIVITY	RAISED
AAVE	Decentralized lending and borrowing	\$24m
Wintermute	Liquidity provider of digital assets	\$23.8m
Finoa	Crypto assets holder for institutions	\$22m
Argent	Wallet for DeFi	\$16.2m
Secret Network	Privacy-first smart contracts.	\$11.5m

Source: Seedtable

party A to make a transfer to counterparty B, without the intervention of either.

A variety of fintechs have already raised significant sums of funding to develop smart-contract based products, generally for use with the Ethereum cryptocurrency. Ethereum holders can now deposit funds and receive interest via smart contracts, for example, or lend out their ethereum to other individuals for interest.

The sums raised partly reflect growing confidence among VCs that ethereum will be adopted more widely. But they may also indicate the potential for smart contract technology to be applied to the far larger universe of transactions in fiat currency, if CBDCs become widespread.

That would allow blockchain based fintechs to directly challenge the position of banks, insurance companies, and even lawyers, within traditional finance, as their traditional intermediating roles are taken up by smart contracts.

A [recent research paper](#) for the St Louis Federal Reserve, for example, argued that

DeFi “can create an immutable and highly interoperable financial system with unprecedented transparency, equal access rights, and little need for custodians, central clearing houses, or escrow services, as most of these roles can be assumed by ‘smart contracts.’”

RICH WORLD CAUTION

In the short-term CBDCs pose a more immediate challenge to banks: deposit flight. If you can hold the fiat currency on your mobile phone, why leave it in a bank account, especially if the government only insures bank deposits up to a certain amount?

In less wealthy countries, where states have been quick to deploy retail CBDCs, this is not a huge concern. Banks are not as central to the economy, precisely because large parts of populations cannot access them. If anything the expectation is that a digital fiat currency will benefit local banks as previously excluded citizens enter the financial system.



**WHAT HAPPENS WITH
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DIGITAL CURRENCY IS
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MONEY CIRCULATION
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IT CREATES THE BASIS
OF DEMAND.**

Dr Sindhu Bhaskar, Global
Head of Banking & Finance
Chapter, Government
Blockchain Association

In developed countries, where banking is near universal, the situation is very different. In a report last year on the potential for a retail CBDC in the UK, the Bank of England noted that the country's banks account for around 97% of the money held by households and businesses. Any deposit flight from banks, it warned, "could have significant implications for the amount and cost of credit that the banking sector could provide to the economy and the way the Bank achieves its objectives."

This comes at a time when bank deposits are already under threat from the rise of cryptocurrencies. Three of the top 10 companies in findexable's real time ranking of fintechs are crypto exchanges or information providers: CoinMarkets, Binance and CoinGecko. They have sucked large amounts of dollars out of the traditional financial system and into crypto-investments, leading many banks to respond by launching their own platforms for investing in crypto currencies this year.

Another reason for the slower devel-

opment of CBDCs in richer countries, is because of the complexity of the schemes. Several countries seeking to launch 'institutional' CBDCs, aimed at financial institutions, are developing them in parallel with governments in other jurisdictions. For example Hong Kong is aiming to make its scheme interoperable with Thailand, Singapore with Canada, and Europe with Japan.

The idea is to overcome one of the enduring sources of friction in the financial system, currency exchange. By exchanging central bank backed digital tokens, counterparties may be able to settle trades immediately and bypass intermediary banks.

According to Dr Bhaskar, the natural end point will be a dominant digital fiat currency, and a chance for China or another country to offer an alternative to the dollar in international trade: "Ultimately we will need one universally accepted CBDC. That is why you are seeing countries seek to be first, and focus on exchangeability." The race is well and truly on although a fully digital central bank currency is still some years away.

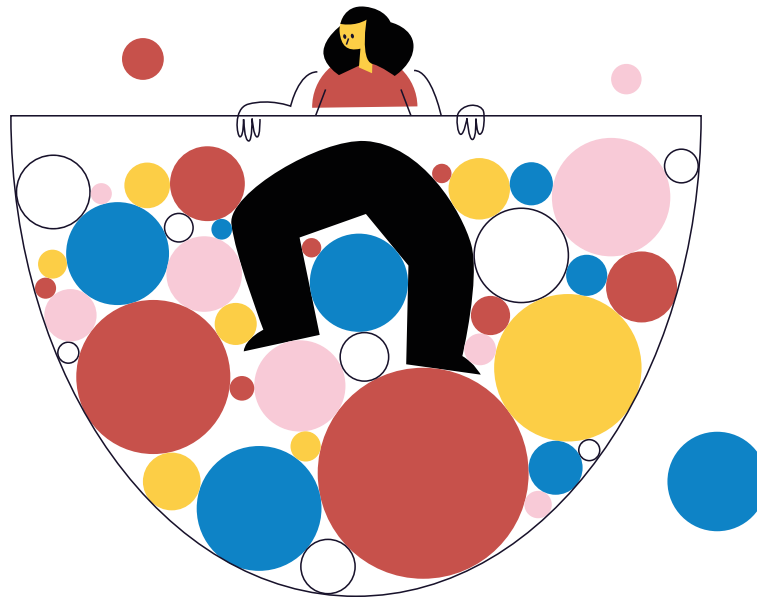
City rankings 171-220

Ranking	Movement	City	Country	Region
171	▼ -46	Kochi	India	Asia Pacific
172	▼ -8	Gold Coast	Australia	Asia Pacific
173	new	Abu Dhabi	United Arab Emirates	Middle East & Africa
174	▼ -22	Guadalajara	Mexico	Latin America & Caribbean
175	▼ -53	Stamford	United States	North America
176	new	Burlington	United States	North America
177	new	Aarhus	Denmark	Europe
178	new	Wroclaw	Poland	Europe
179	new	Leipzig	Germany	Europe
180	new	Trondheim	Norway	Europe
181	▼ -47	Limassol	Cyprus	Europe
182	▲ +13	Tucson	United States	North America
183	▲ +5	Provo	United States	North America
184	▼ -53	Cluj-Napoca	Romania	Europe
185	▲ +2	Madison	United States	North America
186	new	Jeddah	Saudi Arabia	Middle East & Africa
187	new	Turku	Finland	Europe
188	new	Bergen	Norway	Europe
189	new	Reykjavik	Iceland	Europe
190	▼ -52	Mainz	Germany	Europe
191	new	Colombo	Sri Lanka	Asia Pacific
192	▼ -41	Monterrey	Mexico	Latin America & Caribbean
193	▼ -82	Valletta	Malta	Europe
194	▼ -22	Antwerp	Belgium	Europe
195	▼ -28	Milwaukee	United States	North America
196	▼ -43	Manama	Bahrain	Middle East & Africa

Ranking	Movement	City	Country	Region
197	▲ +13	Belgrade	Serbia	Europe
198	new	Quito	Ecuador	Latin America & Caribbean
199	new	Halifax	Canada	North America
200	new	Casablanca	Morocco	Middle East & Africa
201	▼ -8	Colorado Springs	United States	North America
202	▼ -59	Nicosia	Cyprus	Europe
203	new	Cork	Ireland	Europe
204	▼ -43	Cologne	Germany	Europe
205	▲ +7	Tbilisi	Georgia	Europe
206	▲ +1	Lehi	United States	North America
207	▼ -88	Florianopolis	Brazil	Latin America & Caribbean
208	▼ -38	Reno	United States	North America
209	▲ +18	Jacksonville	United States	North America
210	▼ -47	Oxford	United Kingdom	Europe
211	▼ -42	Santa Barbara	United States	North America
212	▼ -63	Hanoi	Vietnam	Asia Pacific
213	▼ -47	Indianapolis	United States	North America
214	▼ -66	Karachi	Pakistan	Asia Pacific
215	▼ -24	Hartford	United States	North America
216	new	Albuquerque	United States	North America
217	new	Brasilia	Brazil	Latin America & Caribbean
218	new	Nur-Sultan	Kazakhstan	Asia Pacific
219	▼ -79	Poznan	Poland	Europe
220	new	Almaty	Kazakhstan	Asia Pacific

Source: Global Fintech Index, findexable 2021

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Launching 2021

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City Case Studies

Regional Ranking Tables

MIDDLE EAST & AFRICA				
Region Rank	Global Rank	Change from 2020	City	Country
1	5	▲ +13	Tel Aviv Area	Israel
2	37	▲ +26	Nairobi	Kenya
3	55	▲ +3	Dubai	United Arab Emirates
4	93	▼ -22	Lagos	Nigeria
5	97	▼ -10	Cape Town	South Africa
6	99	▼ -37	Johannesburg	South Africa
7	117	▼ -11	Cairo	Egypt
8	126	▲ +106	Riyadh	Saudi Arabia
9	151	▼ -28	Accra	Ghana
10	158	▲ +38	Tunis	Tunisia
11	166	▼ -34	Kigali	Rwanda
12	168	▶ ±0	Kampala	Uganda
13	173	new	Abu Dhabi	United Arab Emirates
14	186	new	Jeddah	Saudi Arabia
15	196	▼ -43	Manama	Bahrain
16	200	new	Casablanca	Morocco
17	222	▲ +12	Tehran	Iran
18	227	new	Harare	Zimbabwe
19	231	new	Amman	Jordan
20	235	▼ -60	Beirut	Lebanon
21	236	▼ -25	Pretoria	South Africa
22	238	▼ -2	Kuwait City	Kuwait
23	247	new	Victoria	Seychelles
24	248	new	Quatre Bornes	Mauritius
25	257	new	Douala	Cameroon
26	258	new	Addis Ababa	Ethiopia
27	261	new	Lusaka	Zambia
28	262	new	Dar es Salaam	Tanzania
29	263	new	Hargeisa	Somalia
30	264	new	Mogadishu	Somalia

Source: Global Fintech Index, findexable 2021



Regional Ranking Tables

EUROPE					
Region Rank	Global Rank	Change from 2020	City	Country	
1	2	▲ ±0	London	United Kingdom	
2	6	▲ +3	Berlin	Germany	
3	12	▲ +12	Amsterdam	The Netherlands	
4	14	▲ +21	Stockholm	Sweden	
5	18	▲ +12	Moscow	Russia	
6	26	▲ +12	Zurich	Switzerland	
7	30	▲ +13	Hamburg	Germany	
8	34	▲ +19	Manchester	United Kingdom	
9	36	▼ -21	Paris	France	
10	38	▲ +55	Cambridge	United Kingdom	
11	42	▼ -13	Vilnius	Lithuania	
12	43	▼ -9	Barcelona	Spain	
13	45	▲ +15	Helsinki	Finland	
14	46	▼ -13	Madrid	Spain	
15	50	▼ -24	Dublin	Ireland	
16	53	▲ +28	Vienna	Austria	
17	54	▲ +1	Copenhagen	Denmark	
18	57	▼ -18	Frankfurt	Germany	
19	58	▼ -9	Munich	Germany	
20	59	▲ +14	Zug	Switzerland	
21	60	▲ +22	Oslo	Norway	
22	61	▼ -14	Milan	Italy	
23	63	▼ -7	Istanbul	Turkey	
24	64	▼ -14	Brussels	Belgium	
25	65	▼ -20	Tallinn	Estonia	
26	68	▲ +9	Kiev	Ukraine	
27	69	▼ -23	Warsaw	Poland	
28	72	▲ +4	Lisbon	Portugal	
29	77	▲ +2	Luxembourg	Luxembourg	
30	79	▼ -4	Prague	Czechia	
31	84	▲ +4	Budapest	Hungary	
32	92	▲ +9	Sofia	Bulgaria	
33	94	▲ +2	Riga	Latvia	
34	100	▲ +26	Gothenburg	Sweden	

EUROPE					
Region Rank	Global Rank	Change from 2020	City	Country	
35	107	▲ +53	Brighton	United Kingdom	
36	108	▲ +49	Glasgow	United Kingdom	
37	109	▲ +4	Edinburgh	United Kingdom	
38	110	▼ -15	Porto	Portugal	
39	111	new	Kaunas	Lithuania	
40	112	▼ -12	Rotterdam	The Netherlands	
41	113	▼ -24	Geneva	Switzerland	
42	115	▼ -13	Leeds	United Kingdom	
43	116	▲ +12	Bristol	United Kingdom	
44	118	▲ ±0	Valencia	Spain	
45	120	▼ -22	Lausanne	Switzerland	
46	121	▲ +15	Dusseldorf	Germany	
47	123	new	Birmingham	United Kingdom	
48	124	▲ +3	Bucharest	Romania	
49	127	new	Cardiff	United Kingdom	
50	128	▲ +34	Malmö	Sweden	
51	129	▲ +61	Zagreb	Croatia	
52	130	▼ -31	Athens	Greece	
53	132	▼ -8	Ljubljana	Slovenia	
54	134	▲ +51	Belfast	United Kingdom	
55	135	▼ -21	Utrecht	The Netherlands	
56	137	▼ -17	Krakow	Poland	
57	140	new	Lyon	France	
58	143	▼ -28	Rome	Italy	
59	145	▲ +39	Bern	Switzerland	
60	152	▼ -8	Vaduz	Liechtenstein	
61	154	▲ +62	Lugano	Switzerland	

EUROPE					
Region Rank	Global Rank	Change from 2020	City	Country	
62	155	new	Newcastle upon Tyne	United Kingdom	
63	157	new	Stuttgart	Germany	
64	159	▲ +24	Bordeaux	France	
65	162	new	Marseille	France	
66	165	new	Ankara	Turkey	
67	170	new	Gibraltar	Gibraltar	
68	177	new	Aarhus	Denmark	
69	178	new	Wrocław	Poland	
70	179	new	Leipzig	Germany	
71	180	new	Trondheim	Norway	
72	181	▼ -47	Limassol	Cyprus	
73	184	▼ -53	Cluj-Napoca	Romania	
74	187	new	Turku	Finland	
75	188	new	Bergen	Norway	
76	189	new	Reykjavik	Iceland	
77	190	▼ -52	Mainz	Germany	
78	193	▼ -82	Valletta	Malta	
79	194	▼ -22	Antwerp	Belgium	
80	197	▲ +13	Belgrade	Serbia	
81	202	▼ -59	Nicosia	Cyprus	
82	203	new	Cork	Ireland	
83	204	▼ -43	Cologne	Germany	
84	205	▲ +7	Tbilisi	Georgia	
85	210	▼ -47	Oxford	United Kingdom	
86	219	▼ -79	Poznan	Poland	
87	223	new	Santa Cruz de Tenerife	Spain	
88	226	▼ -79	Minsk	Belarus	
89	229	▼ -1	Harju	Estonia	
90	240	▼ -37	Galway	Ireland	
91	242	new	Yerevan	Armenia	
92	249	new	Las Palmas de Gran Canaria	Spain	
93	250	▼ -36	Chisinau	Moldova	

Source: Global Fintech Index, findexable 2021

Regional Ranking Tables

NORTH AMERICA				
Region Rank	Global Rank	Change from 2020	City	Country
1	1	▲ ±0	San Francisco Bay	United States
2	3	▲ ±0	New York	United States
3	7	▲ +1	Boston Area	United States
4	8	▼ -2	Los Angeles Area	United States
5	15	▲ +4	Atlanta	United States
6	16	▲ +28	San Diego	United States
7	21	▼ -7	Chicago	United States
8	22	▲ ±0	Seattle	United States
9	27	▲ +10	Denver	United States
10	28	▲ +13	Charlotte	United States
11	29	▼ -17	Toronto	Canada
12	33	▲ +74	Houston	United States
13	35	▲ +35	Minneapolis	United States
14	39	▲ +70	Columbus	United States
15	40	▼ -15	Austin	United States
16	41	▼ -21	Miami Area	United States
17	47	▲ +1	Montreal	Canada
18	49	▼ -22	Dallas-Fort Worth	United States
19	51	▼ -15	Vancouver	Canada
20	52	▲ ±0	Philadelphia	United States
21	66	▼ -15	Washington DC Area	United States
22	71	▼ -4	Phoenix	United States
23	75	▲ +15	Ottawa	Canada
24	78	▲ +34	Boulder	United States

NORTH AMERICA				
Region Rank	Global Rank	Change from 2020	City	Country
25	83	▲ +1	Calgary	Canada
26	85	▼ -24	Portland	United States
27	86	▲ +68	San Antonio	United States
28	89	▲ +67	Orlando	United States
29	90	▲ +18	Las Vegas	United States
30	91	▼ -26	Raleigh Durham	United States
31	96	▲ +78	Detroit	United States
32	101	new	Omaha	United States
33	102	▼ -17	Tampa Bay Area	United States
34	105	▼ -22	Nashville	United States
35	106	▼ -14	Cincinnati	United States
36	114	▲ +2	Cleveland	United States
37	119	▲ +31	Salt Lake City	United States
38	133	▼ -23	St. Louis	United States
39	136	▲ +19	Kansas City	United States
40	138	▲ +40	Princeton	United States
41	139	▲ +50	Columbia	United States
42	141	▼ -12	Wilmington	United States
43	142	▼ -25	Victoria	Canada
44	144	▲ +1	Pittsburgh	United States
45	146	▼ -9	Reston	United States
46	148	▲ +10	Baltimore	United States
47	153	▲ +33	Sacramento	United States
48	156	▲ +24	Bellevue	United States

NORTH AMERICA				
Region Rank	Global Rank	Change from 2020	City	Country
49	161	▲ +18	Edmonton	Canada
50	167	▼ -46	Charleston	United States
51	175	▼ -53	Stamford	United States
52	176	new	Burlington	United States
53	182	▲ +13	Tucson	United States
54	183	▲ +5	Provo	United States
55	185	▲ +2	Madison	United States
56	195	▼ -28	Milwaukee	United States
57	199	new	Halifax	Canada
58	201	▼ -8	Colorado Springs	United States
59	206	▲ +1	Lehi	United States
60	208	▼ -38	Reno	United States
61	209	▲ +18	Jacksonville	United States
62	211	▼ -42	Santa Barbara	United States
63	213	▼ -47	Indianapolis	United States
64	215	▼ -24	Hartford	United States
65	216	new	Albuquerque	United States
66	224	▼ -23	Birmingham	United States
67	233	▼ -10	Dover	United States
68	234	new	Lewes	United States
69	243	▼ -43	Kirkland	United States
70	245	▼ -23	Annapolis	United States
71	246	▼ -8	Kitchener Waterloo	Canada
72	254	▼ -34	Gainesville	United States

Source: Global Fintech Index, findexable 2021

Regional Ranking Tables

ASIA PACIFIC					
Region Rank	Global Rank	Change from 2020	City	Country	
1	9	▲ 2	Hong Kong	China	
2	10	▼ -6	Singapore	Singapore	
3	11	▲ 2	Sydney	Australia	
4	13	▲ 3	New Delhi	India	
5	17	▲ 6	Beijing	China	
6	19	▼ -2	Tokyo	Japan	
7	20	▼ -13	Bangalore	India	
8	23	▼ -13	Mumbai	India	
9	24	▲ 62	Hangzhou	China	
10	25	▲ 7	Melbourne	Australia	
11	31	▼ -3	Seoul	South Korea	
12	32	▲ 27	Jakarta	Indonesia	
13	56	▼ -25	Shanghai	China	
14	62	▲ 4	Manila Area	Philippines	
15	67	▲ 11	Kuala Lumpur	Malaysia	
16	70	▲ 34	Taipei City	Taiwan	
17	73	▲ 7	Shenzhen	China	
18	81	▼ -9	Bangkok	Thailand	
19	82	▼ -14	Hyderabad	India	
20	87	▼ -23	Pune	India	
21	88	▼ -14	Chennai	India	
22	95	▼ -1	Auckland	New Zealand	
23	98	▲ 48	Brisbane	Australia	

Source: Global Fintech Index, findexable 2021

ASIA PACIFIC					
Region Rank	Global Rank	Change from 2020	City	Country	
24	147	▼ -44	Ahmedabad	India	
25	149	new	Wellington	New Zealand	
26	160	▲ 21	Perth	Australia	
27	163	▲ 13	Kolkata	India	
28	164	▼ -22	Ho Chi Minh City	Vietnam	
29	169	▲ 29	Jaipur	India	
30	171	▼ -46	Kochi	India	
31	172	▼ -8	Gold Coast	Australia	
32	191	new	Colombo	Sri Lanka	
33	212	▼ -63	Hanoi	Vietnam	
34	214	▼ -66	Karachi	Pakistan	
35	218	new	Nur-Sultan	Kazakhstan	
36	220	new	Almaty	Kazakhstan	
37	225	▼ -84	Dhaka	Bangladesh	
38	228	▲ 1	Seongnam-si	South Korea	
39	237	▼ -55	Indore	India	
40	241	▼ -108	Madurai	India	
41	252	new	Bandung	Indonesia	
42	253	new	Islamabad	Pakistan	
43	256	new	Guangzhou	China	
44	259	new	Lahore	Pakistan	
45	260	new	Ulaanbaatar	Mongolia	

LATIN AMERICA & CARIBBEAN					
Region Rank	Global Rank	Change from 2020	City	Country	
1	4	▲ +1	Sao Paulo	Brazil	
2	44	▲ +86	Montevideo	Uruguay	
3	48	▼ -27	Mexico City	Mexico	
4	74	▼ -34	Bogota	Colombia	
5	76	▼ -34	Buenos Aires	Argentina	
6	80	▼ -26	Santiago	Chile	
7	103	▼ -34	Belo Horizonte	Brazil	
8	104	▲ 1	Lima	Peru	
9	122	▲ 49	Medellin	Colombia	
10	125	▼ -68	Rio de Janeiro	Brazil	
11	131	▼ -34	Curitiba	Brazil	
12	150	▼ -59	Porto Alegre	Brazil	
13	174	▼ -22	Guadalajara	Mexico	
14	192	▼ -41	Monterrey	Mexico	
15	198	new	Quito	Ecuador	
16	207	▼ -88	Florianopolis	Brazil	
17	217	new	Brasilia	Brazil	
18	221	▼ -4	San Juan	Puerto Rico	
19	230	new	Cali	Colombia	
20	232	▼ -97	Mendoza	Argentina	
21	239	▼ -26	Panama City	Panama	
22	244	new	Caracas	Venezuela	
23	251	new	San José	Costa Rica	
24	255	▼ -22	Belize City	Belize	

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CASE STUDY TEL AVIV

The newest global hub



One clear message in our 2021 Global Fintech Index is that Israel is on the move. Tel Aviv was the only city to move into the top 5 of the Index, while as a country Israel moved up 6 places to position 3, behind just the US and the UK.

Izhar Arieli, the co-founder and CEO of TenureX, a Tel Aviv based fintech that allows financial institutions to transact with each other, sums up the bullish mood prevailing in the city at the moment: “I don’t think London can compete with us now for fintechs, and if you take San Francisco, or the Valley, I think we’re almost an equivalent. Israel is the first or the second place to be.”

One of the themes we have emphasised in this report, is how innovation is a virtuous circle, which a city can benefit from, when momentum begins. Tel Aviv is clearly in this situation. As the country developed a slate of fintech unicorns, founders and early investors received payouts and have put money back into the local industry.

2020 was the third year in the last six when Israeli fintech exits generated more than \$900m, according to IVC Data and

CASE STUDY TEL AVIV

Insights. Investments in Israeli fintechs also topped \$2bn for the first time last year.

This has transformed the prospects for founders in the country today. When Arieli was looking to raise a seed round for TenureX he spoke to more than 60 Israeli VCs alone.

“There was always understanding and knowledge here,” he says. “Now there is capital too.”

As domestic funding has increased, allowing more and more innovative companies to emerge, the virtuous circle has continued. According to Tal Sharon, President of the Israeli Fintech Association, global banks now regularly send talent spotters to Israel to look for acquisitions. That allows more money to flow

into the sector.

Tel Aviv’s growth is starting to upend the relationship between Israel and America in the fintech space. Traditionally Israeli companies would launch at home, but quickly seek to establish operations in the US. San Francisco was the destination for tech startups, and New York, for fintechs.

Now some entrepreneurs are more confident about staying at home. The pandemic has only encouraged this. To talk to foreign investors Arieli used to make regular trips to the US, where he might be able to meet 7 or 8 people in a single day. In 2020, VCs have been more willing to speak via Zoom, he says, and he takes up to 15 meetings a day.



TOP FINTECH HUBS IN THE MIDDLE EAST

CITY	COUNTRY	RANKING 2021	CHANGE FROM LAST YEAR
Tel Aviv Area	Israel	1	▲ +13
Dubai	United Arab Emirates	2	▲ +3
Riyadh	Saudi Arabia	3	▲ +106
Abu Dhabi	United Arab Emirates	4	NEW
Jeddah	Saudi Arabia	5	NEW
Manama	Bahrain	6	▼ -43
Tehran	Iran	7	▲ +12
Amman	Jordan	8	NEW
Beirut	Lebanon	9	▼ -60
Kuwait City	Kuwait	10	▼ -2

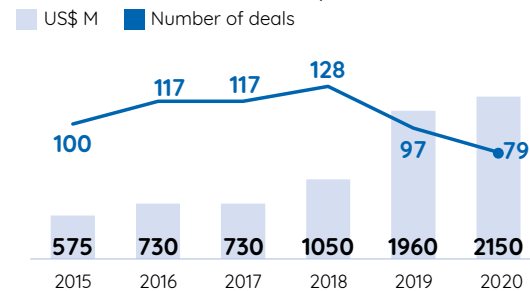
Source: Global Fintech Index 2021, findexable

CASE STUDY TEL AVIV

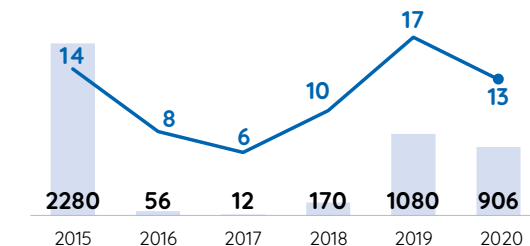


INVESTMENTS IN ISRAELI FINTECH ON THE RISE

Investments in Israeli Fintech Companies 2015-2020



Exits by Fintech Companies 2015-2020



Source: IVC Data and Insights

Another trend that our Index has identified, the rise of tertiary hubs in the US, has also worked to Tel Aviv's advantage. "Now you have banks and fintech companies in Texas, in Virginia, in North Carolina, it means that in the US there is no longer just one centre. We don't all feel as much pressure to move there," Arieli said.

The seeds of Israel's tech industry are well discussed. The natural hustle of a society never far from conflict, a healthy dollop of engineering talent, highly funded intelligence services, and excellent universities.

But Sharon from the Israeli Fintech Association adds two more that have helped fintechs in particular. First a

strong sense of competition among domestic banks, which fostered innovation. Competing for such a small population of users, financial institutions had to constantly launch new products, driving forward digital banking, and encouraging the growth of fintechs through regular hackathons and incubation.

Second, and most importantly, a willingness to seek foreign markets.

"You won't see many B2C products in Israel. Most of the fintechs are focusing on challenges abroad. They see a problem in Europe, in Asia or in the US and they will design a solution and then go abroad and try to implement it with partners," he says.

The government has

CASE STUDY TEL AVIV

actively encouraged this strategy, with packages of financial support for companies that can earn foreign currency. TenureX, for example, pays a corporation tax rate of 12.5%, half of the standard level, because it generates a quarter of its income outside of Israel. The government also provides soft loans and funding to encourage startups that are not repayable should a company fail.

As Tel Aviv moves up our rankings and tech growth leads to higher rents, it will need to avoid killing the creativity that has brought it this far. Just as the pandemic has eroded the comparative advantage of the traditional centres of San Francisco or New York over smaller US cities, Israeli companies could also be tempted to move out of Tel Aviv in search of more affordable locations.

But there is no sign of that yet, according to Arieli. He is looking for office space to grow TenureX and while rents fell almost 50% during 2020, they are already

back to pre-pandemic levels he reports. Tel Aviv is looking to stay near the top of the Global Fintech Index - at the city's current rate of fintech activity its position seems assured.



**THERE WAS ALWAYS
UNDERSTANDING
AND KNOWLEDGE
HERE IN TEL AVIV.
NOW THERE IS
CAPITAL TOO.**

D Izhar Arieli, founder and
CEO, TenureX

City rankings 221-264

Ranking	Movement	City	Country	Region
221	▼ -4	San Juan	Puerto Rico	Latin America & Caribbean
222	▲ +12	Tehran	Iran	Middle East & Africa
223	new	Santa Cruz de Tenerife	Spain	Europe
224	▼ -23	Birmingham	United States	North America
225	▼ -84	Dhaka	Bangladesh	Asia Pacific
226	▼ -79	Minsk	Belarus	Europe
227	new	Harare	Zimbabwe	Middle East & Africa
228	▲ +1	Seongnam-si	South Korea	Asia Pacific
229	▼ -1	Harju	Estonia	Europe
230	new	Cali	Colombia	Latin America & Caribbean
231	new	Amman	Jordan	Middle East & Africa
232	▼ -97	Mendoza	Argentina	Latin America & Caribbean
233	▼ -10	Dover	United States	North America
234	new	Lewes	United States	North America
235	▼ -60	Beirut	Lebanon	Middle East & Africa
236	▼ -25	Pretoria	South Africa	Middle East & Africa
237	▼ -55	Indore	India	Asia Pacific
238	▼ -2	Kuwait City	Kuwait	Middle East & Africa
239	▼ -26	Panama City	Panama	Latin America & Caribbean
240	▼ -37	Galway	Ireland	Europe
241	▼ -108	Madurai	India	Asia Pacific
242	new	Yerevan	Armenia	Europe
243	▼ -43	Kirkland	United States	North America

Ranking	Movement	City	Country	Region
244	new	Caracas	Venezuela	Latin America & Caribbean
245	▼ -23	Annapolis	United States	North America
246	▼ -8	Kitchener Waterloo	Canada	North America
247	new	Victoria	Seychelles	Middle East & Africa
248	new	Quatre Bornes	Mauritius	Middle East & Africa
249	new	Las Palmas de Gran Canaria	Spain	Europe
250	▼ -36	Chisinau	Moldova	Europe
251	new	San José	Costa Rica	Latin America & Caribbean
252	new	Bandung	Indonesia	Asia Pacific
253	new	Islamabad	Pakistan	Asia Pacific
254	▼ -34	Gainesville	United States	North America
255	▼ -22	Belize City	Belize	Latin America & Caribbean
256	new	Guangzhou	China	Asia Pacific
257	new	Douala	Cameroon	Middle East & Africa
258	new	Addis Ababa	Ethiopia	Middle East & Africa
259	new	Lahore	Pakistan	Asia Pacific
260	new	Ulaanbaatar	Mongolia	Asia Pacific
261	new	Lusaka	Zambia	Middle East & Africa
262	new	Dar es Salaam	Tanzania	Middle East & Africa
263	new	Hargeisa	Somalia	Middle East & Africa
264	new	Mogadishu	Somalia	Middle East & Africa

Source: Global Fintech Index, findexable 2021

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New cities of 2021

A year of pandemic has spread innovation to the furthest reaches of the American and European economies as many founders embraced remote working and chose to base themselves in smaller cities.

Take Scandinavia. Denmark and Finland added second hubs this year, Norway a third, while Sweden already had three cities in the rankings. The US and the UK added the most new cities.

But high speed broadband is not only helping the rise of previously little noticed cities in the rich world. The same is happening in developing countries.

Take Ulaanbaatar, the remote Mongolian capital, with a population of just 1.5m, intense investment in connectivity, including fourth-generation mobile networks has helped fuel a domestic fintech industry, which saw the city enter the Index this year.

Leading players include AND Global, which has moved from its origins as an unsecured consumer lender, towards a full scale digital bank. The company raised more than \$10m in November from Japanese conglomerate Marubeni and Techstars, and went through Rakuten's accelerator in 2018.

AND Global has headquartered in Singapore as it seeks to enter new markets, but its success is creating the networks of funding and expertise to catalyse other companies in its main market.



NEW HUBS IN THE INDEX THIS YEAR

CITY	COUNTRY	RANKING	CITY	COUNTRY	RANKING
Omaha	United States	101	Albuquerque	United States	216
Kaunas	Lithuania	111	Brasilia	Brazil	217
Birmingham	United Kingdom	123	Nur-Sultan	Kazakhstan	218
Cardiff	United Kingdom	127	Almaty	Kazakhstan	220
Lyon	France	140	Santa Cruz de Tenerife	Spain	223
Wellington	New Zealand	149	Harare	Zimbabwe	227
Newcastle upon Tyne	United Kingdom	155	Cali	Colombia	230
Stuttgart	Germany	157	Amman	Jordan	231
Marseille	France	162	Lewes	United States	234
Ankara	Turkey	165	Yerevan	Armenia	242
Gibraltar	Gibraltar	170	Caracas	Venezuela	244
Abu Dhabi	United Arab Emirates	173	Victoria	Seychelles	247
Burlington	United States	176	Quatre Bornes	Mauritius	248
Aarhus	Denmark	177	Las Palmas de Gran Canaria	Spain	249
Wroclaw	Poland	178	San José	Costa Rica	251
Leipzig	Germany	179	Bandung	Indonesia	252
Trondheim	Norway	180	Islamabad	Pakistan	253
Jeddah	Saudi Arabia	186	Guangzhou	China	256
Turku	Finland	187	Douala	Cameroon	257
Bergen	Norway	188	Addis Ababa	Ethiopia	258
Reykjavik	Iceland	189	Lahore	Pakistan	259
Colombo	Sri Lanka	191	Ulaanbaatar	Mongolia	260
Quito	Ecuador	198	Lusaka	Zambia	261
Halifax	Canada	199	Dar es Salaam	Tanzania	262
Casablanca	Morocco	200	Hargeisa	Somalia	263
Cork	Ireland	203	Mogadishu	Somalia	264

Source: Global Fintech Index 2021, findexable

CASE STUDY KUALA LUMPUR

Springboard to East Asia's unbanked



In Silicon Valley the dream is to found a startup from a garage, but in Kuala Lumpur Joe McGuire launched his fintech from a mamak store.

When the Australian banker quit his job in Melbourne and moved to Malaysia in 2017, he spent hours with his co-founder sketching ideas at the late night street food stalls. Generally operated by Tamil Muslims of Indian origin, the eateries typify the 24/7 cosmopolitan culture that is drawing fintechs to Kuala Lumpur with ambitions to build products for the whole of East Asia.

The opportunity in the region is huge. The majority of the population of the Association of SouthEast Asian Nations (ASEAN), which stretches from Myanmar in the northwest to the Philippines in the southeast, is unbanked but uses a smartphone. Such individuals are primed for fintech products, because they have easy access to the internet, but are currently financially underserved. No other region in the world has as many of them.

Kuala Lumpur is becoming a base from which to serve such populations for many reasons. The banking industry is developed compared to neighbours with

CASE STUDY KUALA LUMPUR

a well established regulatory regime, and the presence of global players such as Standard Chartered and HSBC. More than 90% of adults have bank accounts. Yet less than a sixth of transactions take place on credit or debit cards, according to Fintech Malaysia.

“People have the [debit] card in their pocket, but they never use it,” McGuire says. His company MyMy aims to change this by eventually becoming the country’s first digital only bank, with services for both individuals and businesses

Malaysia’s businesses are also less well-banked than the country’s private individuals, points out Karen Puah, president of Fintech Malaysia, an association of the country’s

fintech companies. Opening a company bank account can take months, while most small business loan applications are rejected.

“In Malaysia fintechs have huge potential to enhance financial inclusion,” Puah says, by pushing capital towards small enterprises.

The real prize, though, is to launch in Malaysia, and then expand across the ASEAN region, collecting banking or digital wallet licenses one by one.

Malaysia is an obvious base for expansion to the giant population of Indonesia, given similarities between the national languages. It also borders Singapore, where companies can tap international capital. A common



ASIA'S TOP 20

CITY	COUNTRY	RANKING 2021	CHANGE FROM 2020
Hong Kong	China	9	▲ +2
Singapore	Singapore	10	▼ -6
Sydney	Australia	11	▲ +2
New Delhi	India	13	▲ +3
Beijing	China	17	▲ +6
Tokyo	Japan	19	▼ -2
Bangalore	India	20	▼ -13
Mumbai	India	23	▼ -13
Hangzhou	China	24	▲ +62
Melbourne	Australia	25	▲ +7
Seoul	South Korea	31	▼ -3
Jakarta	Indonesia	32	▲ +27
Shanghai	China	56	▼ -25
Manila Area	Philippines	62	▲ +4
Kuala Lumpur	Malaysia	67	▲ +11
Taipei City	Taiwan	70	▲ +34
Shenzhen	China	73	▲ +7
Bangkok	Thailand	81	▼ -9
Hyderabad	India	82	▼ -14
Pune	India	87	▼ -23

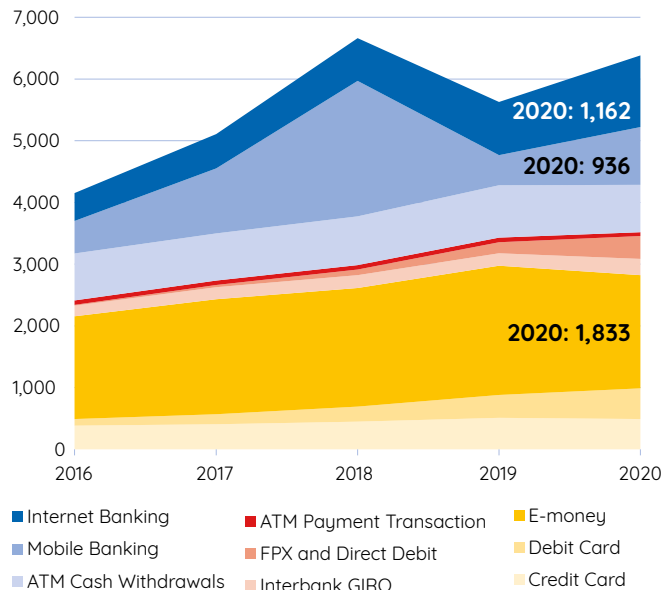
Source: Global Fintech Index 2021, findexable

CASE STUDY KUALA LUMPUR



DIGITAL WALLETS ARE THE LEADING SOURCE OF PAYMENTS IN MALAYSIA

Transaction Volume (million)



Source: Bank Negara Malaysia (central bank)

strategy is to set up a small headquarters in Singapore, while assembling a team to build and scale product from Malaysia. Wages are far lower, but English is still widely spoken.

The growth of digital wallets and payments businesses has seen Kuala Lumpur jump 11 places in this year's Index to 67, closing in on regional rivals Jakarta and Manila, capitals of countries with much larger populations.

Like other countries across SouthEast Asia, Malaysia's geography is hugely dispersed, with the population spread among thousands of islands and interspersed with tropical rainforest. That makes it hard to provide conventional brick and mortar banking ser-

vices to individuals.

Take Koperasi Tentera, the banking cooperative which was the main contributor to MyMy's recent 12m Malaysian Ringgit (\$2.9m) seed round. It serves huge numbers of members, generally drawn from the country's armed services, but has just a handful of branches.

Despite the relatively high penetration of bank accounts, electronic money payments through digital wallets account for more payments than any other method in Malaysia - 29% in total last year, according to the country's central bank. That means Malaysian fintechs have to be built to work with the same kind of payment companies that are dominant in neighbouring countries.

CASE STUDY KUALA LUMPUR

Finally Malaysia is a predominantly Muslim country, with a large number of experts that can advise companies on complying with shariah law. “We have potential to be the best in the world at Islamic finance,” Puah argues, although she says so far the emphasis has principally been on reskinning existing products to comply with shariah stipulations.

“What we really need to see is a ‘shariah first’ product, built from the ground up according to that structure,” she says.

Regulators have been active in seeking to nurture the fintech scene in Kuala Lumpur. “Malaysia has done a really good job of promoting venture capital in the country,” says McGuire, pointing to government schemes which offer to match fund venture capital committed to early stage startups. Local ownership rules are also less onerous than in Indonesia, for example, he says.

The most eye-catching state initiative has been the creation of a regula-



tory sandbox. Companies the government considers to be advancing financial inclusion through technology innovations can apply to roll their products out to a limited number of customers, without securing licenses first.

That allows local fintechs to roll out to beta users, before completing lengthy regulatory processes. Malaysian startups such as PolicyStreet, an insurtech, and currency exchange service MoneyMatch, increase their attractiveness for

further funding rounds by putting their product in front of paying users early in their development.

Malaysian fintechs will have to secure full licenses eventually, in order to be able to offer their services to a wider customer base. And here the approval process is still relatively slow compared to the UK, the EU, or Australia, with regulators likely to heavily scrutinise individual products before allowing roll out.

Findexable's rankings have shown the importance of one breakthrough company - a unicorn or champion, which pulls talent and expertise into a hub, as well as eventually generating capital which can seed other companies. McGuire says Kuala Lumpur will benefit hugely when such a catalyst comes along.

“We need our own unicorn. Once you have an exit, and you have 300 staff members getting that big paycheck, they will start their own businesses, and it will be the next step for the ecosystem here.”

CASE STUDY MONTEVIDEO

Where fintechs must think globally



Nestled between the giant economies, territories and populations of Argentina and Brazil, Uruguay has always had to carve out a place for itself in the world. For decades it held a reputation as the Switzerland of Latin America, it's relative stability and sound finances leading individuals from across the region to trust its banks for deposits and investments.

Now it is performing another trick with fintech, exporting the services of a growing cluster of internationally-orientated companies, not just to Latin America, but the entire developing world.

"Our population is so small, we should be declared a protected species," jokes Sebastián Olivera, founder and first president of the Uruguayan Fintech Chamber and findexable's ambassador for Spain and Latin America. "But that means we have always been geared to exporting. In the past it was milk and beef, now it is finance and technology."

Uruguay has shot up 46 places to 17 in our rankings this year, the largest single rise in the country Index. Montevideo, the capital and home to much of the country's 3.4m population, leapt 86 places to

CASE STUDY MONTEVIDEO

44 in the city Index, easily the biggest move in the top 50.

A large factor is the growth of the country's first unicorn, dLocal, a fintech which allows companies across the world to accept payments from customers. The company raised \$200m at a valuation of \$1.2bn in September 2020 and then quadrupled its valuation when raising another \$150m barely six months later in April this year.

The reason why we afford unicorns such weight in our Index is because they do not exist in a vacuum. dLocal has emerged from a thriving ecosystem of global facing start-ups in Montevideo, all building on the city's long association with banking and payments.

Bantotal, for example,

provides core banking operations to banks across the region. Bankingly, meanwhile, sells consumer facing apps and online banking products, which financial institutions can brand and customise themselves. Both companies are thriving in a continent with many thousands of small credit institutions and cooperatives unable to develop their own digital resources.

The trick of dLocal has been to take this model and go beyond Latin America to Africa and Asia, where it is now making inroads, and therefore multiplying its potential business size. That is the path that many fintechs in Montevideo want to follow.

"We have several success stories of companies develop-



LATIN AMERICA'S HOT 20

CITY	COUNTRY	RANKING 2021	CHANGE FROM 2020
Sao Paulo	Brazil	4	▲ +1
Montevideo	Uruguay	44	▲ +86
Mexico City	Mexico	48	▼ -27
Bogota	Colombia	74	▼ -34
Buenos Aires	Argentina	76	▼ -34
Santiago	Chile	80	▼ -26
Belo Horizonte	Brazil	103	▼ -43
Lima	Peru	104	▲ +1
Medellin	Colombia	122	▲ +49
Rio de Janeiro	Brazil	125	▼ -68
Curitiba	Brazil	131	▼ -34
Porto Alegre	Brazil	150	▼ -59
Guadalajara	Mexico	174	▼ -22
Monterrey	Mexico	192	▼ -41
Quito	Ecuador	198	new
Florianopolis	Brazil	207	▼ -88
Brasilia	Brazil	217	new
San Juan	Puerto Rico	221	▼ -4
Cali	Colombia	230	new
Mendoza	Argentina	232	▼ -97

Source: Global Fintech Index 2021, findexable

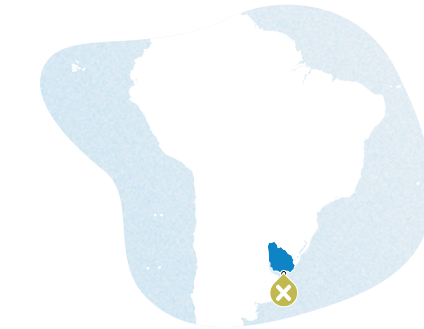
CASE STUDY MONTEVIDEO

ing multiple fintech solutions from Uruguay to the world,” notes Jamie Miller, the executive director of Uruguay XXI, the government’s economic development agency.

In many ways Uruguay has little choice, given the limited room to grow within the country. Witness Pagazna, a smartphone payments service that has transformed both money transfers and bill payments for Uruguayans. It is extremely popular in the country but has not found significant traction elsewhere and was eventually purchased by Santander for no more than €3 million last year.

Aware of the need for companies to think globally, the government has played a key role in fostering the technology and finance industries going back decades.

A key moment was the financial inclusion act in 2014, which mandated companies to pay wages directly into bank



accounts, and ordered the state to pay out pensions in the same way. The result was a surge in payments innovation that led to companies like Pagazna, and growth in bank account penetration.

As a report authored by Angela Lyons from the University of Illinois based on the Global Fintech Index shows, the development of a fintech industry plays a key role in spreading financial inclusion. But it does not automatically give

individuals the resources to save money into their new digital wallets or bank accounts. That requires much more economic development and capacity building.

Here the Uruguayan government has also been active. The country was the first to adopt the one laptop per child program in 2007, for example. As a result, Olivera says:

“We have generations of students accessing the labour market who were born digital and had training in technical skills since they were very young.”

More recently the government has sponsored the Montevideo Fintech Forum, which was the first of its kind in the region when it began in 2016.

The ingredients are there, despite Uruguay’s small size, for innovation to keep growing in Montevideo, especially if an eventual exit by dLocal provides a funding boost into the hub.

FINDEXABLE

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 **MAMBU**

BRIDGING THE GAP



The Global Partnership Network

About the Global Partnership Network

OUR GLOBAL PARTNERSHIP NETWORK CONNECTS FINTECH ASSOCIATIONS, FINTECH FIRMS AND ECOSYSTEMS FROM ACROSS THE WORLD.

THE PURPOSE OF THE NETWORK

Our growing global network includes more than 60 members from every corner of the world - proof of the need for connectivity between markets and a platform to highlight and promote fintech innovation around the world.

The Global Partnership Network helps us ensure the Global Fintech Index stays up-to-date, and that we're in touch with industry trends to provide an accurate picture of how fintech is evolving.

THE GLOBAL PARTNERSHIP NETWORK:

- Connects with fintech associations, and stakeholders across the globe
- Engages with fintech ecosystems as a bridge between the Index and fintech firms
- Advocates for open fintech innovation and connectivity between regions

WHO ARE OUR MEMBERS?

Spanning more than 60 organisations around the world the Network incorporates a wide range of communities and associations that share the same goal - connectivity, support and visibility for the ecosystem. They include:

- National and international fintech associations
- Ecosystem enablers and member organisations
- Technology Partners that enable our rankings and indexation technology
- Data partners that support the accuracy of our fintech index

HOW DO WE ENGAGE WITH PARTNERS?

- Help partners ensure their fintech ecosystem is accurately reflected on the Index
- Provide cross-promotional support for industry events and initiatives

- Collaborate on industry and regional research initiatives. Recent examples include:

- Africa Fintech Radar with Africa Fintech Network and Cenfri
- Presentations to Fintech Colombia and Bogota Chamber of Commerce
- Ecosystem webinar series with WAIFC

To find out more - or to apply to become a member of the network visit our [website](https://findexable.com) or contact our partnership team: benita@findexable.com



Benita Morgan
Head of Global Partnerships

Our Global Partnership Network

UK
FinTech Scotland
Open Future World
Tech Nation
Global Growth Hub
Transparency Task Force
TalentintheCloud
FDATA - Financial Data and
Technology Association
Innovate Finance
Fintech B2B Marketing
DIT
London & Partners
IRELAND
The SMEChain

CANADA
Fintech Cadence
National Crowdfunding & Fintech
Association (NCFA Canada)
US
QC - Queen City Fintech
Crunchbase
FAFW - Financial Alliance for Women
Fintech4Good
Government Blockchain Association
SEMrush

COLOMBIA
Bogota Chamber of Commerce
Colombia Fintech
GUATEMALA
Fintech Guatemala
MEXICO
FinTech IberoAmérica
We Fintech (Mujeres en Fintech)
PERU
FinTech Peru - Asociación Fintech del Perú
CHILE
FinteChile
Uruguay
Uruguay Fintech

PORTUGAL
AFIP - Portuguese
FinTech and InsurTech
Association
Portugal Fintech
ITALY
AssoFintech (Milano)
Fintech District
BULGARIA
Bulgarian Fintech Association
NETHERLANDS
EWPN - European Women
Payments Network
GERMANY
FinTech Hamburg
TechQuartier
WAIFC - World Alliance of
International Finance Centres
TURKEY
FinTech Istanbul
SWITZERLAND
Swiss Finance + Technology
Association (SFTA)
StartupBlink
UKRAINE
Ukrainian Association of FinTech
and Innovative Companies (UAIFIC)

SWEDEN
Findec
NORWAY
Fintech Mundi
NCE Finance Innovation
FINLAND
Helsinki Fintech Farm
ICELAND
The Fintech Cluster

UGANDA
Africa FinTech Network
FITSPA (Financial Technology
Service Providers Association
of Uganda)
KENYA
African Women in FinTech &
Payments
Association of Fintechs in Kenya
SOUTH AFRICA
Cenfri (The Centre for Financial
Regulation and Inclusion)
EGYPT
Egyptian Fintech Association
NIGERIA
Fintech Association of Nigeria
GHANA
Ghana Chamber of Technology
MAURITIUS
Mauritius Africa FinTech Hub

BAHRAIN
Bahrain FinTech Bay
SAUDI ARABIA
Fintech Saudi
ISRAEL
FinTech-Aviv - The Israeli
FinTech Association
UAE
MENA Fintech Association
(MFTA)

THAILAND
Thai Fintech Association
JAPAN
Tokyo FinTech
INDIA
Digital Lenders
Association of India (DLAI)
IAMAI - Internet and
Mobile Association of India
IBA - India Blockchain
Alliance & Global Women
in Blockchain (GWB)
Mumbai Fintech Hub
CHINA
FinStep Asia
MALAYSIA
Malaysia FinTech

NEW ZEALAND
BlockchainNZ
FinTechNZ
AUSTRALIA
FinTech Australia

STRATEGIC PARTNER

Africa FinTech Network



Main focus areas

- Multi-spectra collaboration
- Capacity Building
- Investment opportunities
- Cross-border policy advocacy.

The AFN is focused on supporting member fintech associations, partners and national regulators across Africa, to capitalize on the benefits and opportunities of rapid advances in financial technology that are transforming the provision of financial services.

Contact details

<https://africafintechnetwork.com/>



NETWORK MEMBERS

TOP 5 FINTECH HUBS TO WATCH



Fintech Association of Nigeria
(Lagos, Nigeria)
www.fintechng.org



Mauritius Africa Fintech Hub
(Port Louis, Mauritius)
www.mauritiusfintech.org



Association of Fintechs in Kenya
(Nairobi, Kenya)
www.afik.or.ke



Financial Technology Services Providers Association
(Kampala, Uganda)
www.fitspa.ug



Egyptian Fintech Association
Cairo, Egypt
www.fintechegypt.org

KEY FINTECH EVENTS



Africa Fintech Festival Port Louis, Mauritius
13th – 15th October 2021
africafintechfestival.org

INSIGHT PARTNER

Association of Fintechs in Kenya



Main focus areas

- To protect and maintain the heritage of innovation in Kenya.
- To foster National, Regional and International co-operation
- To create favourable policies for our member companies by liaising with government and regulatory bodies.
- To raise awareness on the benefits of adopting digital solutions to the public.
- To provide a platform for peer learning and member development.
- To mitigate common challenges faced by member companies in the macroenvironment they are in.
- To foster for networking opportunities within and beyond Kenya, whereby formidable partnerships can be formed for prosperity.

AFIK is the umbrella body for fintechs and techfins in Kenya. We work with diverse players within the innovation space to enhance sustainable solutions and make a positive impact in society. We work purposely to provide opportunities, reduce inequalities, build industries and sustainable communities, and facilitate for economic growth. Join us today to be part of a dynamic, interesting, exciting, and dedicated team that is passionate about innovation.

Contact details

3rd Floor, Utumishi House, Mamlaka Road, Nairobi Kenya.
+254728888863, info@kenyafintech.or.ke



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



Kwara (Nairobi, Kenya) A banking platform and credit scoring for low income and underbanked
www.kwara.com



Pesakit Kenya (Nairobi Kenya) AI-powered chatbot for mobile money agents
<https://pesakit.app>



Marketforce360 (Nairobi Kenya) 'Last mile distribution' for consumer brands
www.marketforce360.com



Digiduka (Nairobi Kenya) Digital payments and commerce platform for informal retailers
www.digiduka.com

ACCELERATORS AND INCUBATORS



iHub
www.ihub.co.ke



Antler
www.antler.co



Bimalab
www.innovationhub.ira.go.ke/bimalab

KEY FINTECH EVENTS



Fintech Stakeholders Roundtable

August 2021, Nairobi Kenya

Kenya Fintech week

September 2021, Nairobi Kenya

Africa Innovation Challenge,

February 2022, Nairobi Kenya

INSIGHT PARTNER

Colombia Fintech



Main focus areas

Colombia Fintech is a young association that brings together more than 250 companies from the national financial innovation ecosystem. 70% of the chamber community of members are fintechs; In other words, they are companies that provide digital financial services, and the remaining 30% are companies that integrate the financial technology chain of value through consulting services, marketing research, traditional financial services, and technology services. Our purpose is to be the spokesmen of the sector before the national government as well as the international entities, nurturing public policy projects, plans and programs from the perspective of the chamber. Our vision is based on three dimensions

- To act in a proactive way to consolidate Colombia as the first fintech investment destination in Latin America.
- Promote quantity and quality of fintech talent, through training and updating programs with international status.
- Promoting digital financial inclusion for all audiences.

Contact details

Daniela Rocha Gil, Membership & Account Manager Colombia Fintech
daniela@colombiafintech.co (+57) 3213178847

Spaces 80 Once / Carrera 11 No. 79 - 80 Oficina 524 / Bogotá, Colombia 110221



FINTECH ECOSYSTEM

ACCELERATORS AND INCUBATORS



rockstart.

Rockstart

startup focused accelerator providing access to capital and networks across 4 areas

www.rockstart.com



500 startups

Global accelerator with base in Colombia
www.500.co



Endeavor

Global impact accelerator with base in Colombia

www.endeavor.org.co



Torrenegra

Remote, long-term acceleration for bootstrapped entrepreneurs
torrenegra.com

KEY FINTECH EVENTS



Latam fintech Market (October 2021): Virtual

www.latamfintech.market

Campus Party

<https://colombia.campus-party.org>

DATA PARTNER

Crunchbase



Crunchbase is the leading platform for professionals to discover innovative companies, connect with the people behind them, and pursue new opportunities. Over 50 million professionals— including entrepreneurs, investors, market researchers, and salespeople—trust Crunchbase to inform their business decisions. And, companies all over the world rely on Crunchbase to power their applications, making over a billion calls to our API each year.

Our Mission

Democratize the way innovators access opportunity.

Our Vision

We believe that a more diverse group of problem solvers will solve a more diverse set of problems. We want to democratize access to opportunities so that people and companies with different perspectives can accelerate innovation for a better future.

Our Products

- Crunchbase Pro: For individuals and small teams who want to access Crunchbase data through our web interface,
- Crunchbase Pro empowers you to intelligently search and target the right deals.
- Crunchbase Enterprise: For companies that want to add Crunchbase data into their existing systems, Crunchbase
- Enterprise provides customized integrations into existing CRMs and databases.
- Crunchbase for Applications: For product teams that want to bring Crunchbase data to their customers,
- Crunchbase for Applications offers a seamless and flexible integration into their product.

For press inquiries contact:

press@crunchbase.com

INSIGHT PARTNER

FASL

Fintech Association of Sri Lanka



Main focus areas

FinTech Association of Sri Lanka (FASL) is an independent, not-for-profit, cross-industry organisation representing the Sri Lankan and global FinTech community to support development, innovation and investment in the FinTech sector.

We have 3 main objectives:

- To be the key enabler and a platform to bring together various stakeholders locally and internationally involved in the field of fintech.
- To support the development of respective and responsible regulations in the field of fintech by liaising with government agencies.
- To encourage trade and investment opportunities in the field of fintech.

Facilitating the fintech ecosystem by connecting with various stakeholders including the regulator and startups and other regional Fintech associations and related organizations; and by participating in regional forums.

Contact details

Level 6, East Low Block | World Trade Center | Colombo, Sri Lanka
Tel: +94 (0)11 2323 633
enquires@srilankafintech.org



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



Crossborder Payments (Colombo), full stack payments platform
<https://crossborderpayments.co>



DirectPay (Colombo), payment platform
<https://www.directpay.lk>



LankaClear (Colombo), payment infrastructure provider
<https://www.lankaclear.com>



PayHere (Kalutara), payment gateway
<https://www.payhere.lk>



PayMedia (Colombo), financial technology for banks
<http://www.paymedia.lk>

ACCELERATORS AND INCUBATORS



Hatch Fintech Accelerator
<https://hatch.lk>

INSIGHT PARTNER

Fintech Association of Nigeria



Main focus areas

Regulatory, Funding, and technical support, Digital skill empowerment, knowledge dissemination, research and collaboration and ecosystem building

The premier national Fintech Association in Africa, a self-regulatory, not-for-profit and non-political organisation incorporated in Nigeria by the Corporate Affairs Commission CAC has the vision to make Nigeria one of the world's leading markets for FinTech Innovation and Investment and the mission to foster an ecosystem that supports all stakeholders to achieve a thriving and growing Nigerian FinTech industry. We connect stakeholders, accelerate fintech growth and impacts through regulatory, technical, legal and startup support and we advocate for the progressive adoption of emerging technologies.

Contact details

www.fintechng.org
exec.sec@fintechng.org
 +2349030003013



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



Interswitch (Lagos, Nigeria), technology-driven company focused on payments
<https://www.interswitchgroup.com>



Flutterwave (Lagos, Nigeria), easy, reliable payments solutions for businesses
<https://flutterwave.com/ng>



Kuda Bank (Lagos, Nigeria), Nigeria's first mobile-only bank licensed by the Central Bank
<https://www.kudabank.com>



Piggyvest (Lagos, Nigeria), Secure online savings platform
<https://www.piggyvest.com>



Carbon (Lagos, Nigeria), lending, saving and payments for consumers and SMEs
<https://ng.getcarbon.co>

ACCELERATORS AND INCUBATORS



CcHub
<https://cchubnigeria.com>

KEY FINTECH EVENTS



Nigeria Fintech Week (Hybrid),
 25-29th October 2021,
www.nigeriafintechweek.org
Intercontinental webinar (Milan, Italy),
 29th June 2021, 11 AM (WAT/GMT+1)
fintechng.org/webinar

INSIGHT PARTNER

Fintech District (Italy)

Fintech District

Main focus areas

The Fintech District is the gateway to the Italian Fintech ecosystem and attracts the most relevant national and international stakeholders. We work to develop the fintech sector in Italy by promoting events, open innovation projects and vertical knowledge. The Fintech District community reached over 180 startups and has multiple collaborations with public institutions, investors, professionals, financial institutions, international innovation hubs, universities and corporations.

Contact details

www.fintechdistrict.com



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



moneyfarm

Moneyfarm (Milan, Italy), Wealth management solutions for financial markets
www.moneyfarm.com



CREDIMI

Credimi (Milan, Italy), Digital factoring & invoice trading solutions for firms of any size
www.credimi.com

YOLO

Yolo (Milan, Italy), Innovative digital insurance broker and tech enabler
www.yolo-insurance.com



satispay

Satispay (Milan, Italy), Mobile payment platform
www.satispay.com



conio

Conio (Milan, Italy), The first mobile Bitcoin wallet in Italy
www.business.conio.com

ACCELERATORS AND INCUBATORS



DIGITAL MAGICS

Digital Magics
www.digitalmagics.com



Startupbootcamp

Startupbootcamp
www.startupbootcamp.org

LVenture
GROUP

LVenture
www.lvventuregroup.com

KEY FINTECH EVENTS



Milano Fintech Summit (Milan, Italy), organized by Fintech District, 4-5 Oct,
www.milanfintechsummit.com
Salone Dei Pagamenti (Milan, Italy), 3-4-5 November,
www.salonedepagamenti.com
FTSFEST'21 (Viratual & Milan, Italy), Date TBC;
www.ftsfeest.com

STRATEGIC PARTNER

Fintech Mundi



FINTECHMUNDI

Main focus areas

Fintech Mundi is a Global Accelerator and has unparalleled expertise in global financial technologies and has a proven track record for scaling and launching companies in global markets for global financial technology (fintech) growth.

The strength of the Nordic fintech scene should come as no surprise - home to one in ten of the fintechs listed on the Global Fintech Index, the region is where some of the biggest names in financial technology first came to prominence: from Klarna and iZettle to Transferwise and Tink, all of which have their roots in northern Europe. The region's early success at moving away from cash, its embrace of collaborative models for the development and distribution of innovative financial services long before fintech became every bank's favourite bandwagon, and commitment to digital services have created the foundations for a thriving fintech ecosystem. Combined with strong IT infrastructure, healthy national economies, and financially literate, highly-banked populations - over the last decade the region has become a testbed for the future of financial services, and in the process a live experiment of how collaboration between policymakers, finance and entrepreneurs could shape how we manage the economy of the future. Behind the big names and celebrated unicorns lies a diverse and innovative marketplace fintechmundi.com.



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



crunchfish

Crunchfish (Malmö, Sweden)
Offline digital offline payments
www.crunchfish.com

Neonomics

Neonomics (Oslo, Norway)
Open banking services provider
www.neonomics.io

Enfuze

Enfuze (Helsinki, Finland)
Payment and open banking services
www.enfuze.com

VIABILL

ViaBill (Copenhagen, Denmark)
E-commerce payments solutions
www.viabil.com

ondato

Ondato (Vilnius, Lithuania) Know Your
Customer management suite
www.ondato.com

ACCELERATORS AND INCUBATORS



Mastercard Lighthouse
www.mclighthouse.com



Startup WiseGuys
www.startupwiseguys.com



TheFactory
www.thefactory.no

KEY FINTECH EVENTS



Oslo Innovation Week (Norway) www.oiw.no
Stockholm Fintech Week (Sweden) www.sthlmfintechweek.com
Copenhagen Fintech Week (Denmark) www.cphfintechweek.com
Future Digital Finance (Helsinki, Finland)
www.helsinkifintech.fi/event/future-digital-finance-forum
FintechInn (Vilnius, Lithuania) www.fintechinn.lt

INSIGHT PARTNER

FinTech Peru

Asociación Fintech del Perú**Main focus areas**

We divide our work in taskforces: the key ones being Regulation, Financial Inclusion, WarmiTech (Women) and Communications.

We work for the Fintech Peruvian ecosystem growth to contribute with the development of Peru.

www.linkedin.com/company/asociacion-fintech-del-peru

<https://www.facebook.com/betriaax>

Contact details

Chairman, Roberto Vargas

presidencia@fintechperu.com

Manager, Andrey Dolores

administrador@fintechperu.com



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH

B89 (Lima, Peru)
techfin issuer of credit cards.
www.b89.io



Rextie (Lima, Peru)
digital exchange house.
www.rextie.com



Izipay (Lima, Peru)
online payments processor
www.izipay.pe



PayU (Lima, Peru)
online payments processor.
www.payu.com



Prestamype (Lima, Peru)
financial solution for SME
www.prestamype.com

ACCELERATORS AND INCUBATORS

UTEC Ventures
www.utecventures.com



Emprende UP
www.emprendeup.pe



CIDE PUCP
www.cide.pucp.edu.pe

KEY FINTECH EVENTS

Lima Fintech Forum international event,
www.limafintechforum.com

INSIGHT PARTNER

FinTech Scotland

**Main focus areas**

Developing an innovative community, creating collaboration opportunities and developing an inclusive cluster

FinTech Scotland is an independent not for profit body established by the financial services sector, universities and Scottish Government to ensure that Scotland seizes the FinTech opportunities and achieves positive economic and social outcomes by encouraging financial innovation, collaboration and inclusion as part of the country's broader digital economy objectives. In January 2020, FinTech Scotland was formally recognised for the development for the FinTech cluster in Scotland and accredited with the bronze label for Cluster Management Excellence by the European Secretariat for Cluster Analysis.

Contact details

contact@fintechscotland.com



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH


Modulr (Edinburgh, Scotland), new type of payment account - built for businesses modulrfinance.com



Paysend (Kirkcaldy, Scotland), global card for card transfers connecting cards issued by international payment systems. Provides over 40 payment methods for online SMEs. paysend.com



Broker Insights (Dundee, Scotland), commercial insurance platform using market data to connect insurers with business opportunities from regional brokers brokerinsights.com



Zumo (Edinburgh, Scotland), crypto and blockchain inclusion focused fintech www.zumo.money

ACCELERATORS AND INCUBATORS

Elevator
www.elevatoruk.com



RBS accelerator
www.business.rbs.co.uk/business/business-services/entrepreneur-accelerator.html



Codebase
www.thisiscodebase.com

KEY FINTECH EVENTS

Scotland Fintech Festival (all over Scotland and online), Conferences, meet-ups, breakfast sessions & fintech networking events
www.scotlandfintechfestival.com

INSIGHT PARTNER

FITSPA

**Financial Technology Service
Providers Association of Uganda**

**Main focus areas**

- FITSPA is building an enabling environment for its members to thrive, through a safe and regulated environment.
- FITSPA is engaging in frequent dialogue with relevant regulators on the new regulation and is supporting the process of its implementation.
- FITSPA is exploring partnerships with key stakeholders and investor preparedness.
- FITSPA is focusing on industry growth through talent nurturing initiatives and disruptive leadership.

The Financial Technology Service Providers Association (FITSPA) Uganda is an independent, nonprofit, membership-based organization. It represents Uganda's local fintech community and global fintech institutions operating in the country. The Association was formed in partnership with the Financial Sector Deepening Uganda (FSDU) project with 7 founding members and has since grown to 160 members. FITSPA seeks to create a conducive environment that stimulates innovation in Uganda's financial services sector, through open-dialogue, collaboration and co creation.

Contact details

TEL: +256 393 225 818 | info@fitspa.ug | <https://fitspa.ug/>



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



NepServ consults ltd (Kampala, Uganda) Special Purpose Vehicle serving the Ugandan financial market
<https://www.nepserv.co.ug>



Yo Uganda Ltd (Kampala, Uganda) Operational efficiency solutions
www.yo.co.ug



Jumo (Kampala, Uganda) Financial services infrastructure
www.jumo.world



Clic.World (Kampala, Uganda) Social banking and payments platform
www.clic.world



Paytota (Kampala, Uganda) Payments solutions for small businesses
www.paytota.com

ACCELERATORS AND INCUBATORS



OutBox
www.outbox.co.ug



Refactory
www.refactory.ug

KEY FINTECH EVENTS



The FITSPA Annual Fintech Conference (FAFC), Kampala, Uganda, www.fitspa.ug/recent-events

The Africa Fintech Festival Mauritius
www.africafintechfestival.org

INSIGHT PARTNER

IAMAI

Internet and Mobile
Association of India

Fintech Convergence Council

Main focus areas

- **Public Policy**
 - Voice of the fintech industry
 - Proactive & Reactive Policy Advocacy
 - Ensure conducive business environment for the fintech ecosystem
- **Market Growth** Organise conferences & several roundtable discussions with the fintech industry as well the regulators and government authorities
- **Knowledge Bank**
 - Market Assessment Research
 - Sector Specific Research
 - Vision Documents/ Whitepapers

FCC was formed under Internet and Mobile Association of India (IAMAI) in the year 2018 and represents the FinTech industry and traditional companies in the BFSI space. The purpose of the council is to encourage collaboration, seek complementarities and build synergy between leading BFSI companies and the emerging FinTech start-ups. The council has worked towards interpreting the regulatory and legal framework, aggregating the concerns and feedback of the various players within the larger FinTech community, communicating it to regulators and lawmakers, and organizing events and gatherings for the industry participants to meet, share ideas and work together in the interest of creating a safer, more open and more collaborative operating environment through a transparent forum.

Contact details

Shivani Agarwal, FCC | shivani@iamai.in



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



Ofbusiness (Gurugram, India) tech-enabled platform, facilitates raw material procurement and credit for SMEs
<https://www.ofbusiness.com>



Okcredit (Bengaluru, India) helping small businesses grow with products supporting accounts management <https://okcredit.in>



Niyo (Bengaluru, India) banking and wealth management challenger bank
<https://www.goniyo.com>



Coinswitch Kuber (Bengaluru, India) crypto trading platform for Indian customers enabling trading in 100+ cryptocurrencies
<https://coinswitch.co>



Avail Finance (Bengaluru, India) app-based lending platform, providing small-ticket personal loans www.availfinance.in

ACCELERATORS AND INCUBATORS



Mobile 10x
<https://www.mobile10x.in>



Surge
<https://www.surgeahead.com>



TLabs-Times Internet Limited
<http://tlabs.in>

KEY FINTECH EVENTS



Global Fintech Fest (Virtual) India's annual global fintech event
<https://globalfintechfest.com>

Pursuit 2021 (Virtual) Combating fraud with technology
<https://www.iamai.in/events/pursuit2021>

INSIGHT PARTNER

IAMAI Internet and Mobile
Association of India**Main focus areas**

- **Public Policy**
Voice of the non-banking digital payments industry
Proactive & Reactive Policy Advocacy
Ensure conducive business environment for the non-banking players
- **Market Growth** Organise conferences & several roundtable discussions with the non-banking industry as well the regulators and government authorities
- **Knowledge Bank**
Market Assessment Research
Sector Specific Research
Vision Documents/ Whitepapers

Payments Council of India (PCI), an industry body that represents various non-bank payments industry players and payments banks to build opportunities, and to address and help resolve industry level issues and barriers. PCI is a part of Internet and Mobile Association of India (IAMAI). The vision of PCI is to proactively encourage the growth of digital payments for ushering in a less-cash society in India and to ensure creation of the right environment for growth of the payments industry for making India more inclusive. PCI represents 100+ players in the payments and settlement systems. The important stakeholders are prepaid payment issuers, payments banks, merchant aggregators and acquirers, payments networks, BBPOUs, UPI facilitators and international remittances facilitators.

Contact details

Neha Bajaj, PCI | neha@iamai.in



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



Safexpay (Mumbai, India) fintech focussed on solving problems for businesses who need to accept online payments or make payouts
<https://www.safexpay.com>



BharatPe (New Delhi, India) empowers shop owners to accept payments from any payment app for free
<https://bharatpe.com>



Khatabook (Bengaluru, India) building accounts and management solutions for India's 60 million MSMEs
<https://khatabook.com>



Cashfree (Bengaluru, India) payment gateway that helps 50,000+ Indian and global businesses collect and disburse payments
<https://www.cashfree.com>



Mswipe (Mumbai, India) mobile POS merchant acquirer & network provider
<https://www.mswipe.com>

ACCELERATORS AND INCUBATORS



Mobile 10x
<https://www.mobile10x.in>



Mumbai Fintech Hub
<https://fintech.maharashtra.gov.in/programs>



91springboard
www.91springboard.com

KEY FINTECH EVENTS



Digital Money (Virtual) <https://digitalmoney.iamai.in>

INSIGHT PARTNER

Mauritius Africa FinTech Hub



MAURITIUS | AFRICA
FINTECH HUB

We provide services, networking, workshops and activities under four key areas: Innovation & Incubation, Regulatory & Policy Strategy, Skills & Capacity Building, Deal Flow & Investment

MAFH is a fast-growing ecosystem where entrepreneurs, corporations, governments, tech experts, investors, financial service providers, universities and research institutions can collaborate to build cutting-edge solutions for the emerging African market. MAFH exists to pave the way for international FinTech companies and financial service providers to access the African market. Similarly MAFH facilitates African FinTech ventures to do business across borders.

Contact details

Fanfaron Quays,
13 Marine Road,
Albion Docks, Port Louis
Mauritius

+230 218 08 02

connect@mauritiusfintech.org



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



HORIZON AFRICA

Horizon Africa (Port-Louis, Mauritius)
Ethereum-based blockchain which provides a platform for Blockchain Solutions
<https://www.horizonafrika.io>

FinClub

FinClub (FinClub) P2P platform connecting borrowers and investors without intermediaries
www.linkedin.com/company/finclub

FUNDKISS
keep it smart & simple

Fundkiss (Port-Louis, Mauritius) Mauritius' first licensed crowdlending platform.
<https://fundkiss.mu>

mips

MIPS (Floreal, Mauritius) Payment gateway for Indian Ocean and Sub-saharan Africa regions.
<https://www.mips.mu>

DEMARS

Demars (Port-Louis, Mauritius) A fiat-crypto-mobile wallet App solving the high cost of transactions in Africa
<https://demars.io>

ACCELERATORS AND INCUBATORS



turbine

La Turbine
<https://turbine.mu>

**LA PLAGE
FACTORY**
Africa Tech Business Incubator

La Plage Factory
<http://laplage.io>

KEY FINTECH EVENTS



Africa Fintech Festival 2021 (Virtual), 16th June 2021, (Caudan Arts Center, Mauritius), 13th-15th October 2021
<https://africafintechfestival.org>

Monthly MAFH events
<https://mauritiusfintech.org/events>

DATA PARTNER

Semrush



Market and digital trends data with Semrush

Semrush is a trusted data provider whose data on search volume, correlations, website traffic, and digital trends is used by media outlets around the world (Business Insider, MarketWatch, and Forbes). Comprising over 50 products, tools, and add-ons across online visibility management, and collecting search data for 140 countries, Semrush provides statistics that can enhance any data-driven piece with up-to-date information and data. Semrush tools help marketers break down the digital marketing strategies of their rivals across all key channels and regions, gain valuable insights into competitors' website traffic, discover market trends, evaluate prospective niches, and more.

Semrush is a leading online visibility management soft-

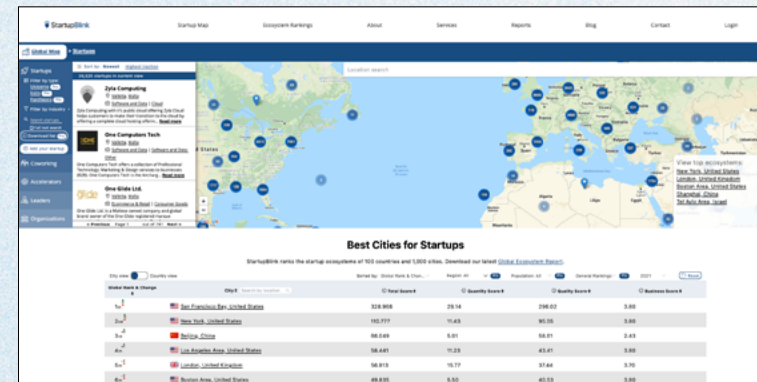
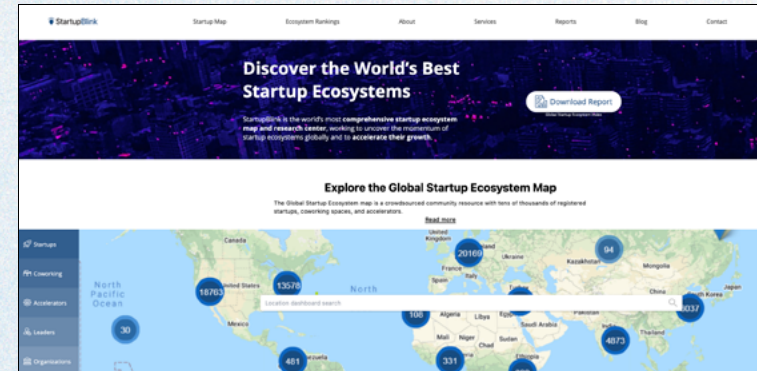
ware-as-a-service platform. Online visibility represents how effectively companies connect with consumers across a variety of digital channels, including search, social and digital media, digital public relations, and review websites. The evolving online landscape and information overload from online content have made it increasingly difficult for companies to understand and manage their online visibility. The platform enables customers to understand trends and act upon unique insights to improve their online visibility, drive high-quality traffic to their websites and social media pages, as well as online listings, distribute highly targeted content to their customers and measure the effectiveness of their digital marketing campaigns.

TECHNOLOGY PARTNER

StartupBlink



StartupBlink is the world's most comprehensive startup ecosystem map and research center, providing public sector ecosystem developers, and researchers with the knowledge and tools to map, brand, and grow their startup ecosystems. Our research and rankings cover 1,000 cities and 100 countries, across 12 vertical industries, and our startup portals are built to help innovative organisations connect with startup ecosystems around the world.



INSIGHT PARTNER

TalentintheCloud



Main focus areas

Executive Search across the FinTech & Payments sector with a specialist focus on emerging markets.

TalentintheCloud offers specialist leadership search services across emerging markets. We help business leaders hire senior and middle management leaders across the FinTech & Payments sector.

Our search service offers our clients complete peace of mind that your recruitment campaign is in the hands of an expert recruitment team with in-depth expertise in the African & European FinTech & Payments sector.

As a client of TalentintheCloud you'll receive a high touch, highly personalized and extremely agile service. Each member of our team has been carefully selected not only for their recruiting skills but, as importantly, for their customer centric approach.

Contact details

Stacey Japhta
VP Growth
stacey@talentinthecloud.io
+27 71 714 7997



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



DPO GROUP (Nairobi, Kenya)
Pan African Payments Company
www.dpogroup.com/africa



Adumo Group (Johannesburg, South Africa), Africa's largest group of payments companies, www.adumu.com



Bluecode Africa (Johannesburg, South Africa), mobile contactless payment fintech using account rails of local financial institutions www.bluecodeafrica.com



Kuda Bank (Lagos, Nigeria), Nigeria's first mobile-only bank licensed by the Central Bank, www.kudabank.com



MFS Africa (Mauritius), interconnected payments platform for the African continent, www.mfsafrica.com

ACCELERATORS AND INCUBATORS



Founders Factory
www.foundersfactory.africa



Startupbootcamp Africa
www.startupbootcamp.org/accelerator/afritech

KEY FINTECH EVENTS



Virtual Tour of Fintech in Africa series starting in June
www.fintechandpayments.club
Seamless Africa 2nd of Nov 2021
www.terrapinn.com/exhibition/africa-seamless/index.stm

INSIGHT PARTNER

TechQuartier

TechQuartier

Main focus areas

- Multi-industry with main focus on FinTech topics
- Space (Co-Working Area, Eventspace, Streaming Studio)
- Innovation services (Workshops, Matchmaking, Scouting, Events, etc.)
- Large scale data projects (e.g. safeFBDC) with diverse consortium groups

Founded in 2016 in Europe's financial center of Frankfurt, TechQuartier is a cross-industry innovation platform created to bring startups, corporates and new talent together to work, meet, learn and collaborate on new technologies and digital business models. Our member-based community counts about 400 startups, 50 academic and corporate innovators and hundreds of potential founders.

Contact details

Hugo Paquin (Head of Community)

paquin@techquartier.com

Florian Schreiber (Customer Success)

schreiber@techquartier.com



FINTECH ECOSYSTEM

TOP 5 FINTECHS TO WATCH



CLARK

Clark (Frankfurt am Main, Germany),
An insurance platform www.clark.de

Fincite

Fincite (Frankfurt am Main, Germany),
helps banks and insurers manage their
customers' finances www.fincite.de

traxpay

Traxpay (Frankfurt am Main, Germany),
Supply chain finance solutions
<https://www.traxpay.com>



Finanzguru

Finanzguru (Frankfurt/Main, Germany),
AI based financial assistant
finanzguru.de

CROWDESK

CrowdDesk (Frankfurt/Main, Germany),
SaaS technology platform for interme-
diaries and businesses to raise finance
www.crowddesk.de

ACCELERATORS AND INCUBATORS

main
INCUBATOR

main incubator
www.main-incubator.com



cesah

Cesah
www.cesah.com

KEY FINTECH EVENTS



CryptoAssets Conference (May 31 - June 2, 2021)

www.crypto-assets-conference.de

Banking Exchange (June 17-18, 2021)

www.banking-exchange.de

Impact Festival (Sept. 16-17, 2021):

www.impact-festival.earth

Frankfurt Digital Finance (Feb 2, 2022):

www.frankfurt-digital-finance.de

INSIGHT PARTNER

WAIFC

**World Alliance of
International Finance Centres**



About us :

We are a non-profit association registered in Belgium. Our members are city governments, associations, and similar institutions developing and promoting their financial centers.

What we do :

We facilitate cooperation between financial centers, exchange of best practices, and communication with the general public.

Our projects :

We focus on Sustainable finance, FinTech, Financing of SMEs, Inclusive finance, and the economic recovery from the pandemic. Please read about our work at

www.waifc.finance/publications



**About
findexable**

A global movement. A global database of fintech innovation.

Findexable's Global Fintech Index is the global database of fintech innovation.

As a company, findexable maps, tracks, and benchmarks the world's private market fintech firms. And as passionate advocates for fintech - and its potential to accelerate digitalisation - we're on a mission to enable the success of private market fintech firms, no matter their location:

- So investors can find them
- Institutions can buy from them
- And fintech firms can benchmark themselves against peers

In a world beyond the pandemic, the power of fintech to connect communities, keep businesses running, and provide the infrastructure to enable a new generation of digital and tech-powered startup firms means fintech ecosystems are becoming systemically important.

Private market fintech is the engine of

the digital economy. But despite its global nature, information on fintech firms is patchy. And comparing them is challenging - making investing in, or buying from them difficult. That's where we come in.

WHAT DO WE DO?



Help you define your market

Through our global fintech database we provide market mapping, market research and analytics tools. We help institutions and investors visualise fintech markets and identify opportunities - and help fintechs understand the competitive landscape and how to position themselves to a global audience of customers and investors.



Benchmark fintech companies & markets

Help institutions, investors and fintechs compare fintech innovation - in

country, between regions and competitors. Our Fintech Diversity Radar - launching in October is also redefining benchmarks by scoring fintech innovation based on the diversity and make-up of fintech teams.



Promote innovation. Identify opportunity

We help clients use our platform and our data to identify opportunities and get in front of our global audience and knock down the geographic and emotional barriers to fintech success.

www.findexable.com

See what we're building. Check out the Global Fintech Index and put yourself on the map!

Meet Team Findexable



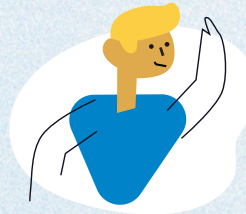
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CEO & Co-Founder



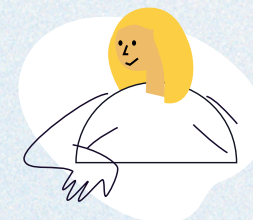
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Head of Global Partnerships



Emily Dodsworth
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Guy Pullen
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Findexable produces the world's first real-time fintech index providing insight on fintech activity globally through real-time data gathering and proprietary algorithms to track, rank and benchmark fintech companies in 250+ cities across 80 countries.
<https://findexable.com>

To find out more about our research and what we do contact us

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