

What Works

Financial Inclusion Lab – Innovations for equitable access

In 2018, JPMorganChase and a coalition of philanthropies launched the [Financial Inclusion Lab](#) (“the Lab”), joining India’s decade-long movement toward greater financial inclusion. The Lab brought together the best of both fintech innovation and access to help low- and middle-income (LMI) households and small businesses improve their financial futures.¹ The Lab broadened the scope and types of fintech products in the market, revealing the growth and revenue potential for companies addressing underserved segments, including LMI, women, and rural customers. From 2018–2023, the Lab cohort companies served more than 30 million LMI customers, raised the visibility of specialized products and markets (e.g., agri-tech and insurtech), and helped participating fintechs raise over \$80 million in follow-on capital.² Insights from the Lab are particularly relevant as the financial sector explores the power of digital identities and integrating artificial intelligence into a wide range of services for LMI communities. The Lab’s experiences can help inform the broader efforts of the financial inclusion ecosystem—i.e., peer philanthropies, private sector investors, startup accelerators, and public sector leaders—and serve as a continued call to action for those investing in financial inclusion.

Insights



Balancing impact, commercial viability, and growth is challenging for fintech startups, especially in sectors with slower uptake (e.g. agriculture, insurance).

Call to action: Leverage philanthropic and impact investment networks to help support fintechs in building the necessary risk controls and compliance measures that better facilitate partnerships between banks, large employers, distribution channels, incumbent and startup fintechs.



The COVID-19 lockdown dramatically accelerated digital conversion and adoption across all population segments. The rapid uptake exposed vulnerabilities in the system and catalyzed innovative responses.

Call to action: There is greater earning potential for fintechs in usage of financial services (vs. access) and greater financial health returns for consumers. Philanthropies and the public sector should focus on sustaining and increasing utilization with those who adopted new fintech products during the pandemic—i.e., increased focus and incentives for customer retention and embedding fintech products where customers predominately operate (e.g., employer benefits platforms).

Impact

50

companies incubated

\$80 MM+

in funding collectively generated by Lab companies

30 MM+

LMI customers served³

From 2018-2021: an estimated

50% of the 22 million

LMI customers reached by Lab fintechs were women⁴

Founder gender diversity nearly

2X global fintech sector

benchmarks⁵



The rise of India’s fintech sector wouldn’t have been possible without public sector help and data democratization.

Call to action: Establishing and growing consumer confidence requires large-scale, foundational entity support. Fintechs should leverage funder relationships to help provide resources and infrastructure focused on customer protections and trust.



Philanthropy is well-positioned to identify and support under-invested markets and consumer segments, such as LMI communities and women, by absorbing the risk of investments in lesser-known and unproven markets, but it requires private and public sector partners to scale and sustain solutions.

Call to action: Encourage domestic and global investment flows into inclusive fintechs in India, increase access to the Indian market for fintechs in the U.S., share technology advances, and explore new capital products and opportunities for partnership.

Timeline

- **2009** - Government of India (GOI) launched Aadhaar
- **2014** - GOI launched Pradhan Mantri Jan-Dhan Yojana (PMJDY)
- **2014**- JPMorganChase partnered with the Financial Health Network (FHN) to launch the Financial Solutions Lab
- **2016** - Aadhaar surpassed one billion card holders and the Unified Payments Interface (UPI) launched
- **2018** - JPMorganChase and a coalition of philanthropies launched the Lab
- **2020** - COVID 19 accelerates digital adoption and participation in fintech
- **2024** - Monthly digital transactions surpass 8.6 billion

Learn more at:



1 Financial Health Network. (n.d.). “What is Financial Health?” <https://finhealthnetwork.org/about/what-is-financial-health/>

2 JPMorganChase (2022). “2022 Environmental Social Governance Report.” Page 36. <https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/jpmc-esg-report-2022.pdf>

3 JPMorganChase (2022). “2022 Environmental Social Governance Report.” Page 36. <https://www.jpmorganchase.com/content/dam/jpmc/jpmorgan-chase-and-co/documents/jpmc-esg-report-2022.pdf>

4 Program Evaluation Bharat Inclusion Initiative Final Report. (2022). “Program Evaluation BII Final Report.” JPMorganChase Internal Document, Page 12

5 Program Evaluation Bharat Inclusion Initiative Final Report. (2022). “Program Evaluation BII Final Report.” JPMorganChase Internal Document, Page 46