

Aligning financial inclusion with financial integrity policies

The International Standards set by the intergovernmental Financial Action Task Force (FATF) aim to combat global money laundering and terrorist financing. More than 200 jurisdictions have incorporated these standards into their legal and regulatory frameworks and are publicly assessed for the effectiveness of their compliance with the standards.

However, as research by Prof. [Louis de Koker](#) has demonstrated, implementation of the FATF standards can have disproportionate negative consequences for marginalised people and also for developing economies, where over-designed risk control measures may impede access to domestic and global financial services.

Over more than two decades, de Koker's work advanced the case for reforms, arguing that financial inclusion advanced national financial integrity objectives.

In 2002 de Koker saw the South African government could not compel South African banks to adopt a more inclusive approach without risking breaches of the FATF standards. That in turn threatened President Nelson Mandela's vision of an inclusive South African economy.

Supported by South Africa's National Treasury, de Koker and colleagues broadened the evidence base to Kenya, Indonesia, Mexico and Pakistan to build a compelling case for a changed FATF approach. This evidence informed a more supportive approach that was embedded in the FATF standards during their 2012 revision.

The Global Findex 2025 study found that the share of the world's adults with financial accounts rose from 51% in 2011 to 79%. This gain would not have been possible without an appropriate adjustment of the post 9/11 standards framework of the FATF.

In June 2025 the FAFT adopted new guidance on financial inclusion informed by De Koker's research, broadening their definition of financial inclusion from access to active use, to reflect the reality that giving access to a bank account does not necessarily lower usage barriers. This new focus will assist in reaching those who still lack meaningful access to formal financial services.

At an international conference in July 2025, a senior FAFT representative thanked de Koker for his work: "Your direct contribution to this work has been an extraordinary and you really have made a huge difference in achieving what we really believe it's a good outcome and a really a good shift in the FATF's approach to the risk-based approach, simplified measures, and our possible contributions to helping financial inclusion."