Your Excellency Minister Cárdenas, Ladies and Gentlemen. As we gather for the presentation of the national strategy for Financial Inclusion, I would like to congratulate you all for your significant and sustained efforts to make financial services widely available during the last decade. When it comes to financial inclusion, the world knows of Colombia and of its innovative use of correspondents to deliver financial services together with social support through the programs of Banca de las Oportunidades. This sounds straightforward today. As recently as ten years ago, it was not even possible.

So important is what financial inclusion can achieve. Poverty reduction. Equitable economic growth. Human welfare. Food security. Better health. Environmental sustainability. Two days ago, I accompanied a bank agent as he made his daily rounds to collect ten, 30 and even 50 thousand pesos from clients who were saving for a specific purpose. One client was a woman who wanted to invest in inventory for her clothing store, and then upgrade her kitchen. Another was a bar owner who wanted to expand his business. And another told me that with each annual savings she was able to invest in her business so that now she has six employees. And all told me that without this service—the agent who came every day to their stores—they would never have been able to have saved so much.

These small examples illustrate that savings, loans and insurance enable and accelerate progress for households, businesses and whole communities. That is why it is so important that Colombia has a national strategy. I am honored to be with you as you launch a new era of commitment to financial inclusion—and with it, opportunity and even greater well-being for all Colombians.

Today, financial institutions are present in 99% of municipalities, and loan accounts have more than doubled in the last ten years. This progress was brought about thanks to good partnerships and lots of hard work.

But we are not there yet. For all this success, many Colombian households and business remain excluded or under-served by the financial system. They are often among the poorest. Many are in rural or crisis-affected areas, where there is less access to state services and economic opportunities. Financial services are, in this case, essential to connecting people in these areas to the same development opportunities that the rest of the country enjoys, and to promoting equitable growth for a unified Colombia.

This will take concerted effort. And that is why this Strategy is so valuable. It is an opportunity to engage all stakeholders around a shared vision. I urge you to be ambitious and make this vision nothing less than access to and, above all, use and adequate use of financial services for all Colombians.
The Strategy smartly addresses both what to do and how. Financial inclusion is not just a bank branch or correspondent on the corner. It is about clients using sustainable, responsible products that add value to their daily lives. In other words, the right product, at the right place, at the right price. There has been progress on each of these elements, but more is needed.

Let me share a concrete example. I visited one MFI that was giving more loans to men in rural areas, despite its mandate to serve Colombian woman. With the help of institutional partners, it changed its internal processes to evaluate better the contribution of rural, low-income Colombian women to the household and farm. This is often significant but is generally not taken seriously or is undervalued. With this evaluation of their livelihoods, the MFI developed new products. As a result, it is now lending more to women. More, nearly 90% of its clients now have insurance too. And, communities are starting to perceive the role of women differently—for the better. All of this is to say that it is very important that client needs must be the starting point to create real demand and usage of products like savings, loans and insurance.

Of course, what good is the right product if it is too far away or too expensive? Affordable access in rural areas must be a priority. Developing diverse financial channels to reach across rivers and mountains will require renewed innovation and investment. To this end, Colombia has a largely untapped potential in mobile phones. I have seen how other countries are using mobile phones to open new banking markets and greatly reduce costs. The good news is that the know how, infrastructure and networks are basically there. New legislation, regulatory reform, greater policy coherence and more participation of the private sector will be required—as the Strategy indicates.

There is one final element. And that is building financial capability through responsible practices, product information and financial education. These are essential. They will enable Colombians to use new financial products throughout life’s stages, to grow their businesses in a sustainable way without becoming over-indebted or making bad financial decisions. Everyone has a role to play in this. So, I am very glad that financial education is a core part of the national Strategy, and to have joined the first meeting of the Financial Education Committee yesterday. This meeting was very positive and encouraging. In this aspect, I would like to congratulate the whole financial sector and the Ministry of Education for the ambitious financial education projects that they are undertaking.

Making all these changes requires a big commitment by the Government. An ambitious commitment that engages many actors to share this vision and coordinate all the necessary actions. The proposed institutional coordination structure provides a clear way for the private sector, financial institutions and, importantly, civil society representing excluded and under-served clients for this. As we have seen, regular reporting with rigorous data on supply, demand and use of financial services is so valuable for monitoring progress, and productive dialogue on emerging needs.
Achieving financial inclusion will have enormous impact here in Colombia. And, your experiences will help inform global dialogues on eliminating poverty, increasing social and economic inclusion. I am thus very pleased that Colombia was one of 32 countries that created a new group on financial inclusion at the United Nations just last month. The group aims to share national experiences and to make this cross-cutting issue part of the future UN development agenda. Colombia can lead by example and demonstrate that financial inclusion is within reach.

Minister Cárdenas, Colombia has demonstrated the value of financial inclusion to respond directly to the people’s needs, business growth and the country’s potential. Congratulations again on this Strategy. I wish you every success as you get down to the hard and important business of making it a reality. When I go back to the Netherlands, I will be walking with you, step by step. And I will be following your progress as you create usage, extend the right products to rural areas and expand financial education. All these are needed.

Prosperity for all Colombians will only be possible with financial inclusion.

Thank you.

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