FINANCIAL INCLUSION
A PATH TO EMPOWERMENT AND OPPORTUNITY

ANNUAL REPORT TO THE SECRETARY-GENERAL
SEPTEMBER 2014
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Recently, on a visit to Ethiopia, a farmer showed me once again how long-term change can arise from a simple financial tool. Seated in the market before bags of haricot beans and brimming with optimism, Yohannes described how he had obtained a small loan for better seed and had then been able to double his harvest. Now, a few years later, he is standing on solid ground. He is selling his beans to a school feeding program, a source of great pride for him. His improved harvests provide the extra income he needs for his own children’s school fees. And he is able to invest further in his farm as well as save, creating an upward economic spiral that allows him to plan for his family’s future.

Yohannes’s story demonstrates how financial inclusion provides a path to empowerment and opportunity for individuals and communities. A rising number of global, national, and local leaders now recognize the significant role of financial services for fostering equitable economic growth, stabilizing financial systems, and reaching urgent development goals.

Financial inclusion cannot be set aside as countries emerge from the world economic crisis. Rather, the deepening of responsible financial inclusion will help build long-term resilience and mitigate the impact of future financial and humanitarian crises, especially those affecting the most vulnerable populations of the world.

During the course of the last five years as the UNSGSA, I have been deeply encouraged by the growing breadth of country and global commitments to financial inclusion and by the concrete progress countries have made. I continue to be impressed by the efforts of public and private actors whose collaboration will be essential for sustained success. The strong commitment I encountered this year during visits to Colombia, Ethiopia, India, Peru, and Tanzania were echoed in dozens of conversations with global organizations, national business leaders, multinational CEOs, stakeholders, and partners. As always, the contributions offered by members of my advisory Reference Group have been invaluable, both for my own work and within the broader financial inclusion movement, and for that I am grateful.

It is time to redouble our efforts to expand financial access. With one out of every three adults excluded from formal financial systems—overwhelmingly in developing countries among low income, rural, and female populations, but also among hundreds of millions of small businesses, and at surprising levels in more prosperous nations—there is a clear and compelling challenge. We have the data to show that financial inclusion works, we have game-changing technological innovations, inspired public-private partnerships, committed national and global leaders, and more conducive regulatory environments. Most importantly, we have a huge unserved population whose financial needs have not been met.

This coming year will be pivotal to our efforts to root financial inclusion into global development efforts. Discussions are well underway at the UN to frame a development agenda that will shape policy and action through 2030. It is crucial for financial inclusion to be recognized within this new agenda as critical infrastructure for expanding equitable growth, combatting poverty and hunger, creating jobs, and empowering women. This will remain a central focus of my work.

What goal should we set ourselves in regard to financial inclusion? Looking at the ambitious targets that some countries have already adopted, including those starting from low levels, I am convinced that universal financial inclusion is within reach. Let us work together to include a bold and inspiring vision: universal access to financial services for households and enterprises by 2030.

Making this happen will not entail huge funding but it will require reaffirmed and expanded leadership, collaboration, and a determination to embrace the complex work of implementation. Throughout the past year I have worked to encourage new commitments and strategies and to advance concrete achievements. With the help of local, national, and international partners, I will continue to advocate the expansion of financial services. Bringing financial inclusion to the 2.5 billion in need by 2030 is a promise we are ready to make. For the sake of our shared future, it is a promise we must fulfill.

H.M. Queen Máxima of the Netherlands
UN Secretary-General’s Special Advocate for Inclusive Finance for Development

MESSAGE FROM THE UNSGSA
The momentum behind financial inclusion is building around the world and at all levels. After many years of developing data, sharing information, reforming regulations, and setting detailed agendas, financial inclusion has moved firmly into the crucial phase of implementation in many countries.

But progress must be accelerated in order to achieve urgent economic and development goals—in countries where financial inclusion is strongly under way as well as those in earlier stages. The World Bank Group made a particularly powerful contribution to this process in October 2013 when President Jim Kim set out a global vision of reaching universal financial access by 2020.

Country-driven progress

While the support of the international community is of great consequence, much of the hard work on financial inclusion takes place at the country level, where political, financial, and private-sector leaders collaborate to develop plans, set targets, and roll out services. Around 50 countries have now made commitments at the highest levels to advance financial inclusion, an impressive number by any accounting. After several years of careful planning and discussions, Tanzania launched its national financial inclusion strategy in December 2013, Colombia established a formal roadmap in March 2014, and other nations were immersed in laying the groundwork for their own strategies.

National strategies can be highly effective at guiding efforts on financial inclusion and ensuring that all involved push in the same direction, but measurable targets are what define success. Tanzania offered a striking example of what careful, determined planning can do when new data released this year showed that it had already outstripped its own ambitious target for financial access, reaching 57 percent of its population well ahead of its target of 50 percent by 2016.

In Uganda, where 54 percent of adults now have access to financial services, the central bank has committed to a target of at least 70 percent by 2017. Rwanda is aiming for 80 percent coverage by 2017, and India recently announced a target of universal access to banking services within a year. These challenging timetables testify to country-level convictions that financial inclusion warrants the hard work—and that it can be achieved.

Innovative solutions

Innovative, cheaper, and more convenient solutions such as electronic payments continue to make it easier for financial services to reach businesses and households, particularly in remote areas. Last year the number of active mobile money accounts globally reached 61 million across 84 countries, a sharp rise from 37 million the year before. And the number of mobile financial businesses reaching scale doubled—13 companies now have more than 1 million active users. In Africa, where mobile money has made the deepest inroads, regional
telecommunications companies, microfinance institutions, banks, and government leaders continued to focus jointly on harnessing the power of digital financial inclusion across the continent.

Agent banking is expanding as well, providing another important platform for financial inclusion. Building on models developed in Brazil, Colombia, India, Mexico, and other countries, agent banking is making it possible for financial institutions to reach large numbers of previously unserved municipalities. Some Latin American countries are seeing notable gains when banks partner with retailers, post offices, and other agents. In India, a six-fold increase in village-based business correspondents between 2010 and 2013 has dramatically expanded financial access.

Building financial knowledge

As the landscape of financial inclusion broadens and new services are introduced to millions of inexperienced customers, countries are recognizing the imperative of providing financial education and creating effective systems to protect customers. Most low-income finance customers have never received basic financial education. To counter that, 56 countries have already established or are developing financial education strategies, including Peru, where financial education has now been incorporated into school curricula, and Colombia, which this year began to implement a national test of financial literacy among 5th- and 9th-grade students.

In July 2014 the Programme for International Student Assessment (PISA) released results from its first financial literacy test of thousands of 15-year-olds from 17 countries. Using this initial assessment as a baseline, PISA will test students again in 2015 and every three years hence, in the process building up the data and understanding necessary for countries to design and refine financial education for youth.

Good data stands at the center of all effective efforts to expand financial services to the poor; indeed one of the cornerstones of recent progress lies in data collection and analysis, which helps us understand what is working, what is not, and how resources can be used most effectively.

An increasing number of countries such as Mexico, Malaysia, and Brazil are developing their own specialized financial inclusion data while organizations such as the Bill & Melinda Gates Foundation and FinMark Trust’s FinScope surveys are providing in-depth data on specific country-level issues. On the global level, major data projects such as the World Bank’s Global Findex and the International Monetary Fund’s Financial Access Surveys are offering broad insight into trends.
Global momentum

Financial inclusion gained significant backing this past year at the global level. In addition to the World Bank president’s statement in support of universal access, the G20 took further action at its St. Petersburg Summit by endorsing a set of financial inclusion indicators developed by its Global Partnership for Financial Inclusion. At the first high level meeting of the Global Partnership for Effective Development Co-operation, more than 130 member states and a broad range of participants called for strengthening and developing an inclusive financial sector for households and small businesses.

Within the UN, member states have worked intensely throughout the year on the building blocks of a new global development agenda to succeed the Millennium Development Goals in 2015. This process is focusing high-level attention on the powerful potential of financial inclusion to advance global development, including poverty alleviation, rural development, women’s empowerment, and economic growth.

While financial services alone cannot eliminate poverty, they can make transformative contributions to the stability of poor households, the economic potential of small businesses and the vibrancy of communities. Ongoing research and country-level practice continue to demonstrate how financial inclusion can have a deep and sustained impact. This past year, commitments grew and were in turn replaced by action but progress remained incremental. Scaling up financial inclusion to help strengthen economic activity, improve livelihoods, and reduce poverty’s footprint around the world remains a goal for the future.

In India, the UNSGSA discussed financial inclusion during a July 2014 meeting with Dr. Raghuram Rajan, governor of the Reserve Bank of India (far right), and members of her Reference Group (from left): Rodger Voorhies of the Bill & Melinda Gates Foundation; Tilman Ehrbeck of the Consultative Group to Assist the Poor; and Peer Stein of the World Bank Group.
Financial inclusion is expanding around the world, transforming the lives of widely diverse populations. From market women in Kenya and small farmers in India, shopkeepers in China and villagers in the remote Colombian mountains, millions are gaining access to the financial tools and services they need to stabilize their lives, take advantage of opportunities, and plan for the future. The examples highlighted here offer a snapshot of innovation and progress in just a few countries, but effective approaches are increasingly being implemented around the globe. (All sources can be found on page 28.)

**COLOMBIA**

**Reaching 99% with agent networks**

<table>
<thead>
<tr>
<th>2006</th>
<th>2014</th>
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</thead>
<tbody>
<tr>
<td>71.9%</td>
<td>99%</td>
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Agent banking provides access to financial services in areas without bricks-and-mortar banks. When agent networks were expanded to facilitate government payments to the poor, municipalities with access to financial services increased from 71.9% in 2006 to 99% in 2014.¹

**BRAZIL**

**Learning to save**

A financial education program for high school students resulted in a significant 9% increase in savings along with improved financial planning and knowledge. Parents of students also showed better financial knowledge, savings, and spending behavior.²

**SOUTH AFRICA**

**Changing the rules to expand inclusion**

<table>
<thead>
<tr>
<th>2004</th>
<th>2013</th>
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<tbody>
<tr>
<td>46%</td>
<td>75%</td>
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The population with bank accounts rose to 75% in 2013, up from 46% in 2004, after regulators relaxed address verification requirements for accounts with small balances and transaction values.³
KENYA
Strengthening women’s investments

When market women in rural Kenya received access to basic savings accounts, they expanded investments in their businesses by up to 56%, increased their private expenditures by 37%, and were able to save more. 6

INDIA
Limiting risk with crop insurance

Crop insurance helps farmers focus on yields rather than risk. In India, farmers with rain-indexed crop insurance were 12% more likely to plant higher-return but higher-risk cash crops than those without insurance. 4

MALAYSIA
Using data to reach the last mile

Malaysia has made effective use of data to expand financial services to customers that are hardest to reach. By 2011, 92% of the population had gained access to the banking system, bringing the central bank close to its 95% target for 2014. 7

CHINA
Extending credit to small businesses

Lending to small and medium-sized enterprises increased more than 30% between 2006 and 2011 when banking regulations were updated to facilitate the use of movable property such as livestock and equipment as collateral. 5

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KEY ADVOCACY ISSUES

Her Majesty Queen Máxima of the Netherlands was appointed as the UN Secretary-General’s Special Advocate for Inclusive Finance for Development (UNSGSA) five years ago at a time when financial inclusion was a relatively new concept, one whose impact on urgent goals such as economic stability, food security, and poverty reduction was only beginning to be recognized.

Much progress has been made since then. Awareness of financial inclusion has risen significantly among individual countries and on a global level. Much of the necessary groundwork has been laid—bringing regulatory bodies on board, developing the data necessary to shape successful policies and implementation, creating innovative financial products to meet the needs of widely diverse global communities. And concrete commitments are increasing.

The Special Advocate continues to address the broad range of strategic and technical issues that underpin financial inclusion for both individuals and small businesses. As solutions take root, increasingly her work concentrates on the next stage: gaining new commitments, strengthening action plans, and converting those plans into large-scale progress and implementation.

This past year, she highlighted global and country-level issues and emphasized the importance of collaboration, particularly in private-sector partnerships focused on scale and sustainability. In dedicated visits to five countries, high-level speeches before a wide range of organizations, meetings with dozens of country leaders, and discussions with global bodies, she supported the hard work of making financial inclusion a reality—and a success.

GLOBAL COMMITMENTS

The UNSGSA works actively to lay out the significance of financial inclusion for global leaders and to build support among far-reaching global entities, including the UN system, the World Bank Group, the Organisation for Economic Co-operation and Development, the G20, and other organizations.

She has been an influential voice this year in discussions on the role of financial inclusion in the UN’s Post-2015 development agenda, which will guide political priorities, policies, investment, funding, and action for years to come. In speeches, meetings, and conversations with UN member states and agency leaders, she strongly advocated the importance of financial inclusion as a cross-cutting issue.

As UN deliberations on the Post-2015 agenda progressed, the Special Advocate particularly underscored the impact of financial services for the poor on economic growth, poverty eradication, sustainable agriculture, and women’s empowerment. By generating income, creating jobs, and protecting people from unforeseen setbacks, “inclusive financial systems are critical infrastructure, just like roads,” she said in a speech to leaders of 21 UN entities at the Inter-Agency Meeting on Inclusive Finance.

The UNSGSA collaborated closely this year with the newly formed Group of Friends of Financial Inclusion. Co-chaired by Indonesia, Peru, and Tanzania, this informal group of several dozen UN member states exchanges information and promotes financial inclusion at the UN, especially in the Post-2015 discussions.

“What should our goal be when it comes to setting clear targets for financial inclusion?” she asked at a UN Special Event on the Millennium Development Goals convened by the president of the General Assembly.

“Let us make [the Post-2015 agenda] a bold and inspiring vision for universal access to financial services both for households and enterprises by 2030, backed by a global target, perhaps even 90 percent.”

Financial inclusion has found strong support from other global institutions such as the World Bank Group and the G20, with which the UNSGSA continued to work closely this year. She commended the World Bank’s goal of universal access to financial services by 2020:

“Every person and every business deserves this,” she said in a public dialog with President Jim Kim at the World Bank/IMF annual meeting. For this to happen, partners and national stakeholders will need to make their own strong commitments.

The impact of time-bound, concrete goals such as the World Bank’s cannot be underestimated. “A goal always inspires both ambition and action, and what makes this one exciting is that it is achievable.”
**COUNTRY PROGRESS**

The concrete work to expand financial services for the poor takes place under the leadership of national governments and financial sectors. Despite the intricate challenges involved, remarkable progress has already been made.

The UNSGSA consulted closely this past year with country leaders who are spearheading financial inclusion. In visits to Colombia, Ethiopia, India, Peru, and Tanzania, and in meetings with finance ministers, central bankers, government authorities, civil society, and private sector representatives from Brazil, China, Indonesia, Mexico, Nigeria, Paraguay, South Africa, Turkey, and other countries, she discussed national progress, shared best practices, examined innovative financial tools, provided counsel on target-setting, and encouraged partnerships and dialogue to advance implementation.

“Every country has a different starting point,” she said to financial policymakers from more than 80 countries at the Alliance for Financial Inclusion’s Global Policy Forum in Malaysia. “Targets, actions, and time frames will thus vary. I am really inspired by the level of ambition that countries have already set, including those starting from low levels.”

While the Special Advocate’s efforts vary according to context, three key objectives were highlighted this past year: reaching rural populations, bringing financial inclusion to scale, and building financial literacy and consumer protection.

**Reaching rural populations**

Seventy percent of the world’s poorest people live in rural areas where formal financial services rarely exist. These households often depend on agriculture directly or indirectly for their livelihoods and daily sustenance. Because many countries with high levels of financial exclusion also have large agricultural economies, expansion of financial services to rural areas can accelerate economic growth and can have an outsized impact on food security, the livelihoods of smallholder farmers, and the success of small businesses and entrepreneurs.

Throughout the year the UNSGSA underlined the importance of rural access. In a joint mission to Ethiopia and Tanzania with the World Food Programme, the International Fund for Agricultural Development, and the Food and Agriculture Organization, she examined the current state of financial inclusion as it is linked to food security, agriculture, and rural development. Together with these and other partners, including the World Bank Group, she advocated a heightened focus on providing much-needed financial services to all producers, buyers, and businesses along the value chains of priority crops in each country.

Above: In Lebrija, Colombia, the UNSGSA met with a shop owner who described how small daily deposits, made electronically through a bank employee who visits her store, help her save money to expand her business.

Right: World Bank President Jim Kim (right) set out a global vision of reaching universal financial access by 2020 during a public dialog in Washington, D.C., with the UNSGSA (center) in October 2013. “Every person and every business deserves this,” said the UNSGSA. “A goal always inspires both ambition and action, and what makes this one exciting is that it is achievable.”
One of the persistent challenges lies in overcoming geographic isolation. In Colombia and Peru, government’s role is vital in supporting renewed innovation and investment to develop “diverse financial channels that can reach across rivers and mountains,” she said. And only governments can provide basic infrastructure such as roads and electricity to help build markets for local crops.

In Peru, where mobile finance is expected to help fuel the expansion of access points and reduce the cost of services and products, the UNSGSA drew attention to its promise in rural areas. In Ethiopia, where financial inclusion is still young and telecommunications companies have not entered the market widely, mobile technologies hold significant potential to facilitate payments across vast distances and to improve agricultural livelihoods.

Financial products must be carefully tailored for highly diverse markets if financial inclusion is to have a meaningful impact on farmers, rural households, agribusinesses, and remote communities. “Client needs must be the starting point to create real demand and usage of products like savings, loans, and insurance,” the Special Advocate stressed in an address before financial and political leaders at the launch of Colombia’s financial inclusion roadmap. Well-designed products, developed with local crops, cultures, and conditions in mind, can reduce many of the risks that smallholder farmers face and provide incentives for individuals and small businesses to move into formal financial systems.

Credit—especially long-term finance—can help farmers and agribusinesses expand their operations and harvests. But formal savings is the most important starting point, especially for smallholder farmers and new micro- and small-business owners. Savings allows poor farmers, many of whom are women, to invest in their businesses, expand operations, and increase turnover per acre. It also gives them a reserve to draw on when bad weather or other setbacks threaten their stability. In addition, when women at all income strata gain access to savings accounts, studies show that they use their savings for family needs, leading to significantly greater household well-being.

Insurance, too, is a crucial tool, one that offers a basic safety net that helps farmers protect themselves against risks and provides a broader base on which growth can start to flourish. In rural Colombia, the Special Advocate met a remarkable woman who had established a thriving orange grove thanks to a series of small loans, saved enough money to build a house for her daughter, and had recently taken out another loan for an irrigation system. But with no insurance, a single adverse event could wipe out everything she has worked for.
A close observer of how progress is made in practice, the UNSGSA advocated for the creation of strong national coordination structures such as those adopted this year by Peru, Colombia, and Tanzania. “What I think is very exciting and very promising are the partnerships that we are encountering,” she said at the World Bank/IMF annual meeting. “We’re now looking at countries that have coordination mechanisms across ministries. Ministries of finance, telecommunications, and agriculture are working with each other and with the private sector. If we’re going to reach millions, that’s the only way.”

Taking innovation to scale

As financial inclusion gains momentum, scaling up promising projects represents a complex and urgent challenge. Much is understood about which financial products work. But “In order to achieve development we have to get out of the small programs and pilots where we reach only several thousand people,” the UNSGSA said at a partnership dinner at the opening session of the UN General Assembly. “If we truly want universality and sustainability, we have to scale up our efforts. And for that we need both the public and private sectors.”

Scaling up inclusive finance requires establishing sustainable business models and reaching all market segments. In support of this goal, the Special Advocate worked to connect global conversations and commitments to national-level discussions and action, to share lessons learned and best practices, and to facilitate country-level dialogue across sectors.

The long-term sustainability of inclusive financial services has drawn increasing attention as public and private sectors press forward to scale up pilots. Sustainability requires affordability for low-income clients and small businesses, but it also demands profitability for private-sector providers. Mobile money and agent banking networks can grow quickly if every party involved, at all levels along the chain, can make a little money on each transaction. When the underlying business model is correctly calibrated, as it is in Tanzania, Brazil, and Mexico, the survival and success of a financial product is far more certain.

Scaling up a promising pilot is not always easy. It requires an ongoing process of innovation involving adjustments large and small, from modifying a product itself to rethinking an overall business model. Issues related to cost structures, staff size, and training also arise.

Government’s role in this process comes into play at multiple stages. Its leadership is vital for laying the financial, legal, and business groundwork—establishing clear policies to encourage the private sector, investing...
INNOVATION OPENS A DOOR
AN ENTERPRISING FISHMONGER GETS THE CREDIT HE DESERVES

How can an entrepreneurial fishmonger with no credit history hope to obtain the money he needs to expand his small business? In Peru, an organization called the Entrepreneurial Finance Lab (EFL), a winner of the G20 SME Finance Challenge, has pioneered an innovative approach to gauging the creditworthiness of poor businesspeople, with results that are transforming lives.

A Lima fish seller named Severino experienced first-hand the impact of this strategy. Severino had walked the city’s streets delivering fish for many years. The tools he needed to expand his business—a car, a bigger refrigerator—were beyond his reach because, like most low-income business owners in Peru, he had no credit history and could not qualify for a loan.

But then the Banco Financiero adopted EFL’s detailed assessment of an individual’s business acumen and personal habits. This time Severino qualified easily. Loan in hand, he purchased his first car, which allowed him to increase his customer base, offer a broader range of fish, and save for a better refrigerator. His enterprise is strong, his family’s prospects are stable, and his oldest child is now receiving a higher education. The growth of one small business is fueling opportunity for the future.

In necessary infrastructure, and reforming regulations to promote effective roll-out of services. As projects aim for scale, government must focus on coordinating the efforts of entities ranging from finance and agriculture ministries to banks and telecommunications companies. Keeping all players engaged and forging a broader range of partnerships can make wide-scale implementation possible. “I have observed that when leadership on financial inclusion comes right from the top, countries progress fast. This has an immediate impact on the lives and livelihoods of the poor,” the Special Advocate said at the launch of Tanzania’s national financial inclusion framework.

Throughout the year she continued to encourage governments to use their own disbursements to support the scale-up of financial services. In Colombia, India, and beyond, countries are leveraging their social welfare transfers and payments to assure volume for nascent electronic payment efforts. In the process, they can strengthen infrastructure, increase efficiency, accountability, and transparency, and lower costs dramatically for all involved.

In India, innovative pilots, a biometric national ID system that has drawn great interest globally, well-developed finance and technology sectors, and a committed central bank have positioned the country on the cusp of full financial inclusion. Moving government payments to electronic transfers could make a transformative difference. “Considering the numbers of beneficiaries and volumes involved, further broadening this process could give a huge boost to payment infrastructure and agent networks,” the UNSGSA pointed out in a speech to the Reserve Bank of India.

With significant investments at stake around the world as pilots are scaled up, the development of detailed data is particularly urgent. “Data is important to realize the depth of the issues. It will also help us map potential demand of any services and that will be helpful for the private sector, and of course it will help us track progress,” she emphasized. The concrete impact of data is exemplified in multiple countries, including Malaysia, where detailed demand-side data has provided policymakers with an effective diagnostic tool that helped them determine how to design an agent banking model to reach rural areas.
Informing and protecting new customers

The expansion of financial services to the poor must go hand in hand with financial education, consumer protection, and responsible business practices.

“Access alone does not necessarily lead to beneficial usage,” the Special Advocate said at the launch of a new financial aptitude test by the Programme for International Student Assessment (PISA). “For consumers and entrepreneurs to get the full benefit of financial products, they need to be protected and they must understand their choices and rights. They need the right skills and the financial awareness to become discerning customers, demanding greater access to ever better products that meet their needs in full.”

Without adequate financial education and protection, millions of vulnerable low-income customers and small businesses can face potentially devastating consequences such as over-indebtedness, inadequate protection from setbacks, and loss of income and assets. It is “essential,” the UNSGSA insisted to financial leaders at the Morningstar Investment Conference, to provide clear guidance about handling money safely and wisely, to explain the benefits and risks of different services, and to establish safeguards and transparent regulations to protect consumers. “If this gap is not dealt with,” she reiterated later at the PISA launch, “we actually run the risk of doing more harm than good.”

One of the greatest challenges lies in the wide diversity of educational needs. More than 75 percent of low-income finance customers have never received basic financial education, a disparity that is significantly higher among women than men. To reach these customers, school curricula, adult customer education, and business trainings must employ a wide range of educational approaches to accommodate varying levels of literacy and numeracy, wide geographic spread, and language differences.

In Peru, where work on a national financial inclusion strategy is well underway, the ministry of education has announced that it will incorporate financial education into school curricula. Colombia’s National Financial Education Committee embraced the Special Advocate’s suggestion to organize financial education around preparing for life events—marriage, education, raising a family—as a complement to an initiative to integrate financial education into the schools. In India, the Reserve Bank has taken the lead on the country’s financial education planning.

It will be necessary to understand which educational approaches work in different communities, and why. The baseline results from the new PISA financial aptitude test will shed substantial light on how to best proceed, but further research and future PISA assessments will be instrumental in identifying ways to help people become financially literate.
Turkey’s new financial inclusion strategy, released in June, places a strong focus on financial education not only as a complement to financial inclusion but as a driver for the uptake of services. The strategy aims to expand financial services among women, farmers, low-income populations, and others by addressing demand- or customer-side goals such as building trust in the financial system and strengthening financial education.

Building trust and establishing clear consumer protection regimes represents a vital counterpart to financial education, one that can contribute to the strength and stability of overall financial systems. Financial supervisory agencies, industry associations, and consumer organizations all need to collaborate to find country-level solutions that will improve business practices and protect consumer rights.

“Responsible finance”—including transparency, redress, clear product information, responsible practices, and a regulatory framework to support responsible institutions—is essentially about mutual benefit. It recognizes that what is good for clients is ultimately good for the financial system provider. It means acknowledging, understanding, and acting in accordance with the interest of the client, the end user,” the Special Advocate emphasized at the Morningstar conference. “Providing financial products that add real value to customers in a transparent way and at a reasonable cost lies at the core of responsible finance.”

FINANCIAL PLANNING
CREATING OPPORTUNITY WITH PERU’S UNICAS

“Cuando uno lo tiene a la mano, lo gasta.”
–When you have it in your hand, you spend it.

In a single sentence, a young Peruvian teacher named Beatriz laid out the power of Peru’s UNICAs—Uniones de Crédito y Ahorro—small self-organized community groups whose members offer each other financial support by pooling savings and providing loans. Along with 11 other women, Beatriz saves money each month by buying interest-bearing shares in their UNICA, and she can take out short-term loans against their holdings if a promising business opportunity comes along or she needs extra cash for family expenses.

After some initial support from government-sponsored advisors, Beatriz and the other members of her UNICA now work together to run their fund. Collectively they decide on deposit and loan rates, make decisions about lending, set repayment terms, and determine the annual distributions for members. It’s an education in financial planning and management that can have as much impact as the economic gains. One woman brought her four-month-old daughter into the UNICA, she explained, so that she can grow up learning the discipline of saving. In another UNICA a father brought in his teenage son so that he could understand the shared business established by the UNICA’s members.

In operation in Peru since 2006, UNICAs have been responsible for more than 90,000 loans and have served more than 12,000 families who would otherwise have limited access to financial services. The government is now connecting the UNICAs and their members to bank accounts and to the wider formal financial system, another step towards the goal of widespread financial inclusion.
Over the last five years, global and national leaders have reached a broad consensus on the value and significance of financial inclusion. Agreement is now largely in place that the provision of financial services to the poor is a global economic and development priority, one that can contribute significantly to alleviating poverty, strengthening economies, empowering women, and improving food security. As the global economy emerges from a painful period of financial crisis, inclusive financial systems are a rising priority.

The next step is far more complex: making financial inclusion a reality in a manner that significantly deepens access to financial services while producing measurable and sustainable improvements in lives and livelihoods. A number of countries have begun this process, many have established formal plans, while others require significant assistance from the global community. “Human progress is neither automatic nor inevitable,” said Martin Luther King. As financial inclusion builds momentum, it is clear that little can be left to chance. The UNSGSA will continue to work closely with global and national stakeholders and partners on all levels to support this process.

Making scale a priority

The greatest challenge facing supporters of financial inclusion is reaching scale quickly and sustainably. This coming year the Special Advocate will stress the importance of public-private collaboration and will encourage further development of regulatory and business environments necessary for private-sector investment in proven models and new technologies. As countries look to better understand which pilots can scale up cost-effectively, sustainability demands a clear business case.

The release of the next round of Global Findex data in 2015 will reveal much about the last three years of progress, which issues are emerging, and what gaps remain. This new data, more than any other factor, will shape planning and action in the near future. Concrete figures will also be needed to inform the expansion of financial education and consumer protection. The Special Advocate will encourage the vigorous development of these key elements to ensure that the rapid growth in financial services does not place the most vulnerable at increased risk.

Developing country-specific solutions

Deepening financial inclusion and achieving scale stands or falls with individual countries. This coming year the UNSGSA will continue to prioritize work with the country-level political, financial, and private-sector leaders who are on the front lines of change, including in India and China. Bringing affordable financial services to the poor in urban and especially rural areas requires rigorous planning and clear, ambitious, but attainable targets, a complex process that will be supported through information-sharing, consultation, and advocacy. In all contexts, the importance of national solutions to national challenges will be paramount.

It will also be necessary to delve more deeply into how to expand financial inclusion in countries where efforts are still in the early stages or the challenges are particularly daunting. These countries— including those trapped in deep poverty, facing natural disaster, or recovering from conflict situations—are the hardest environments in which to introduce inclusive finance but their needs are the greatest. Significant gaps exist in the understanding of which strategies and tools can be effective in these widely varying contexts. Stepped up efforts in this arena will require a more systematic approach to building on existing knowledge, practice, and empirical evidence.

Ensuring global support

Global backing for financial inclusion is a vital counterpart to country-level efforts. The coming year will involve efforts on many fronts to heighten that support.

In 2015, the UN will announce a new set of sustainable development goals, which hold immense promise for the next 15 years of global and country-level work. In order to move this Post-2015 development agenda forward, financial inclusion needs to be implemented as widely as possible and as soon as possible. The Special Advocate will work vigorously with the Group of Friends of Financial Inclusion and other UN partners to ensure that financial inclusion is reflected adequately in the Post-2015 agenda, not as a goal itself but as an exceptionally powerful tool to reach many of the most important goals under discussion. Such an outcome would provide the global political support necessary to achieve an ambitious target of universal financial inclusion by 2030.
To reach this level will require specific targets and strong commitments, supported by unprecedented cooperation in the financial, political, and development arenas. This coming year the Special Advocate will work with the changing presidencies of the G20 and will join with other global partners to align efforts at this critical juncture.

In all her work she will collaborate even more closely with members of her advisory Reference Group: the Alliance for Financial Inclusion, the Better Than Cash Alliance, the Bill & Melinda Gates Foundation, the Consultative Group to Assist the Poor, the International Finance Corporation, the UN Capital Development Fund, the UN Department of Economic and Social Affairs, the UN Development Programme, and the World Bank.

These and other global organizations, national governments, NGOs, and private sector partners will all have a role to play in shaping the future, guided by a commitment to international cooperation, an entrepreneurial approach to innovation, rigorous regard for hard data, and a broad recognition that financial inclusion can be a potent tool for improving the lives of those in poverty and building a better future.

In Ethiopia, the Special Advocate talked with students about a school feeding program that is linked to local farm production. The December 2013 visit was part of a joint mission with UN agencies to examine the connections between financial inclusion and food security, agriculture, and rural development.
ANNEXES
ABOUT THE UNSGSA

Designated in 2009 by the UN Secretary-General Ban Ki-moon as his Special Advocate for Inclusive Finance for Development (UNSGSA), Her Majesty Queen Máxima of the Netherlands is a leading global voice on the importance of financial inclusion for achieving development and economic goals. Her central message is that financial inclusion enables and accelerates progress toward numerous national priorities such as poverty alleviation, job creation, food security, gender equality, and equitable growth.

As UNSGSA, she works in partnership with stakeholders globally to raise awareness, encourage leadership, and foster action toward financial inclusion. She draws on her first-hand experiences gained through country visits and conversations with low-income families, small business owners, policymakers, and others to identify which financial services and policies can really make a difference for lives, livelihoods, and whole communities. She regularly consults with and convenes stakeholders from diverse sectors—linking up government leaders, technical finance authorities, mobile phone companies, agriculture experts, venture capitalists, development partners, and others—helping people and institutions learn from each other and form new collaborations. As Honorary Patron of the G20 Global Partnership for Financial Inclusion since 2011, she works with governments, implementing organizations, and partners to advance the G20 Financial Inclusion Action Plan. Within the United Nations system, the UNSGSA engages the breadth of programs, funds, and agencies to share insights and best practices about how financial inclusion complements and advances their missions. She actively champions inclusive finance in discussions leading to a new global development agenda to take effect in 2015.

Advisory and administrative arrangements

The UNSGSA’s work is done in partnership and with wide consultation among the many stakeholders working to advance financial inclusion—and those affected by it. She collaborates closely with an advisory Reference Group of leading international organizations in financial inclusion to share expertise and suggest strategic opportunities that she can advance through advocacy and partnerships. Reference Group members include:

Alliance for Financial Inclusion*
Better Than Cash Alliance*
Bill & Melinda Gates Foundation
Consultative Group to Assist the Poor*
International Finance Corporation*

UN Capital Development Fund
UN Department of Economic and Social Affairs
UN Development Programme
The World Bank*

Members of the Reference Group and many other in-country and global partners play an important role in converting advocacy into action. The UNSGSA also consults widely with UN country teams, the International Monetary Fund, financial standard setting bodies, private financial institutions, companies, donors, and civil society organizations. A small staff works closely with the UNSGSA and her secretariat in The Hague to coordinate and advance her UN and G20 activities. The office of the UNSGSA is now housed at UNDP at the Bureau of External Relations and Advocacy in New York and receives generous financial support from the Bill & Melinda Gates Foundation.

Financial inclusion in the Netherlands

Queen Máxima champions access to finance, entrepreneurship, and financial literacy and education, including for children and youth, in her home country of the Netherlands. In doing so she conveys best practices and insights from Dutch and international experiences. She is a member of the Dutch Committee for Entrepreneurship and Finance and honorary chair of the Money Wise Platform, a national partnership that promotes financial literacy.

More information

UNSGSA: www.unsgsa.org
G20 GPFI: www.gpfi.org
Royal House of the Netherlands: www.koninklijkhuis.nl

*Implementing partners of the G20 Global Partnership for Financial Inclusion
OVERVIEW OF UNSGSA ACTIVITIES, 2013–2014

A selection of UNSGSA activities and speeches are summarized below. Full texts of speeches and other information are available at www.unsgsa.org.

COUNTRY VISITS

ETHIOPIA COUNTRY VISIT, 9–11 December 2013
The UNSGSA promoted access to basic financial services with UN food security and agriculture agencies—the International Fund for Agricultural Development (IFAD), the World Food Programme (WFP), and the Food and Agriculture Organization (FAO). She met with Prime Minister Hailemariam Desalegn, ministers of finance and agriculture, the deputy governor of the National Bank, and representatives of the African Union, the UN Economic Commission for Africa, development partners, civil society groups, and farmers’ cooperatives. She also discussed agriculture-based growth in rural areas with private-sector leaders. During a visit to the town of Hawassa, she discussed livelihoods and money management with small farmers and others.

TANZANIA COUNTRY VISIT, 11–13 December 2013
Visiting Tanzania for the second occasion as UNSGSA—this time on a special mission with UN partners (see Ethiopia visit above)—the Special Advocate congratulated leaders for the country’s rapid progress on financial inclusion. She met with President Jakaya Kikwete, ministers of finance and agriculture, and the governor of the Bank of Tanzania, and she delivered the keynote address at the launch of the National Financial Inclusion Framework (speech summary below). She also met with smallholder farmers in the Dodoma region, private-sector leaders, and other stakeholders.

Dar es Salaam, Tanzania, 13 December 2013
The UNSGSA recognized the importance of governmental leadership for linking together Tanzania’s economic development goals and applauded its rapid progress in expanding access to formal financial services. The new national financial inclusion framework will involve all stakeholders in its first phase, she noted, with a focus on tackling barriers of high costs, far distances, and asymmetries of information. She encouraged redoubled efforts to find innovative ways to help smallholder farmers, who are responsible for the bulk of Tanzania’s food production and GDP.
COLOMBIA COUNTRY VISIT, 3–5 March 2014
The UNSGSA delivered the keynote address at the launch of the roadmap for Colombia’s national financial inclusion strategy. She called for reinvigorated action in conversations with President Juan Manuel Santos and First Lady María Clemencia Rodríguez, as well as with private-sector actors and technical experts. During meetings with ministers of finance, agriculture and rural development, and education she advocated including financial education in the national curriculum and expanding consumer protection. In meetings with rural women and local finance organizations in Santander State, she highlighted the importance of reaching agricultural communities.

COLOMBIA, SPEECH, launch of the Roadmap for a National Financial Inclusion Strategy
Bogotá, Colombia, 5 March 2014
Colombia’s progress over the decade has been significant: today, financial institutions are present in 99 percent of municipalities and the number of loan accounts has doubled. Still, the UNSGSA noted, more must be done to include all, especially the poorest and those in rural and crisis-affected areas, in accordance with its new financial inclusion plan. Financial education, responsible practices, and product information are important elements in building a stable, inclusive financial system. (Speech presented in Spanish)

PERU COUNTRY VISIT, 5–7 March 2014
The UNSGSA discussed the coordination and implementation of a national financial inclusion strategy and gained greater insight into the financial needs of Peruvians as well as the challenges faced by clients and providers. She met with President Ollanta Humala and First Lady Nadine Heredia, the governor of Peru’s Central Bank, ministers of finance and of development and social inclusion, superintendent of banking insurance and private pension fund administrators, as well as with private-sector representatives and international partners. A site visit to the outskirts of Lima provided an opportunity for informal conversations with clients and beneficiaries.

Noting that Peruvian women are renowned for their entrepreneurial spirit and that small businesses play a large role in Peru’s economy, the UNSGSA underscored the importance of financial services for these enterprises. The country’s training programs demonstrate what can be achieved when women are given opportunity, financial services, and support. She commended Peru’s regulatory framework and encouraged extending access to rural areas and low-income populations. Preparing a national strategy will help consolidate progress and unite government and the private sector around a shared vision for all Peruvians. (Speech presented in Spanish)

INDIA COUNTRY VISIT, 30 June–2 July 2014
The UNSGSA met with the newly appointed minister of finance, the governor and leaders of the Reserve Bank of India (speech summary below), non-bank financial services providers, members of the Indian Banks Association, and other stakeholders. She commended the important work India has done, encouraged going “the last mile” to reach those in remote areas, and emphasized the importance of financial literacy. The UNSGSA also visited the Sarvajal Water ATM project.

INDIA, SPEECH, Reserve Bank of India, Mumbai, India, 2 July 2014
Addressing the Bank’s governor and board, the UNSGSA noted that India has all elements in place to achieve full financial inclusion. Significant potential lies with pilots that are moving government social and welfare payments from cash to electronic means. She emphasized the importance of designing products that address client needs, and noted that government policies can support private-sector providers in this process. Multi-faceted financial education will also be necessary to strengthen client safety and build demand.
COUNTRY ENGAGEMENT

MEETINGS, World Bank Group/International Monetary Fund Annual Meeting
Washington, D.C., USA, 10–12 October 2013

The UNSGSA held meetings and discussions on progress and new opportunities relating to financial inclusion with central bank and finance leaders from the governments of Australia, Brazil, China, Colombia, Ethiopia, India, Mexico, the Netherlands, Nigeria, Paraguay, South Africa, Sweden, Tanzania, Turkey, and the U.S. She also encouraged countries that have not yet done so to set ambitious national goals on financial inclusion as part of a wider national financial inclusion strategy.


On the margins of the Nuclear Security Summit, the UNSGSA met with heads of state and senior national leaders from Australia, Brazil, India, Indonesia, Malaysia, Nigeria, the Philippines, Turkey, and Vietnam. Discussions centered on each country's progress, challenges, and opportunities related to financial inclusion.

POST-2015 DEVELOPMENT AGENDA

MEETINGS, United Nations, New York, USA
September 2013, October 2013, February 2014, June 2014

During the opening of the 68th session of the General Assembly in September, the UNSGSA met with leaders from the UN, heads of state and other government leaders, the private sector, and civil society to advocate that financial inclusion be adequately represented in the Post-2015 development agenda. In October she met and addressed ambassadors of the Group of 77 and China, heads of mission from the European Union, and other country representatives. In February she met with the UNDP Administrator and the Special Representative on Food Security and Nutrition, and in June she met with the Director of UNDP’s Bureau of External Relations and Advocacy and the Secretary-General’s Special Advisor on Post-2015 Development Planning.

CO-CHAIR, Second UN Inter-Agency Meeting on Inclusive Finance for Development
New York, USA, 23 September 2013

The UNSGSA and UNDP Administrator Helen Clark co-convened a meeting to identify opportunities and strengthen UN collaboration on the cross-cutting issue of financial inclusion. Leaders from 21 UN agencies, funds and programs were in attendance. (Speech summary below)

SPEECH, Second UN Inter-Agency Meeting on Inclusive Finance for Development
New York, USA, 23 September 2013

The UNSGSA highlighted how the UN is well-positioned to advance holistic approaches that involve more and diverse partners and utilize tailored financial services to accelerate progress toward development ends including food security, health, education, resilience, poverty alleviation and women’s empowerment.

SPEECH, “Post-2015: A New Global Partnership,” at Unilever event, New York, USA, 23 September 2013

Inclusive finance is a means to achieve urgent development goals like food security and environmental sustainability, the UNSGSA said. The private sector—multinationals as well as small businesses—along with knowledge institutions will be important partners to achieve these outcomes and to reach scale and sustainability. She called attention to issues affecting both supply and demand as well as products that meet client demands and have development impact.

SPEECH, UN Special Event for the Millennium Development Goals, New York, USA, 25 September 2013

The UNSGSA noted that the process of defining the Post-2015 agenda means not only deciding which goals are important but figuring out how to reach them. This is where financial inclusion comes in. Financial services are a means to prosperity, resilience, ending hunger, and other urgent development goals. It cuts across sectors and is essential infrastructure in every country. As such, it should be recognized as a priority element in the Post-2015 development agenda. She urged participants to embrace a goal of universal access by 2030.
MEETINGS, Group of Friends of Financial Inclusion, New York, USA, February 2014, June 2014

In February, the UNSGSA attended the inaugural meeting of the Group of Friends of Financial Inclusion, an informal group that gathers a wide range of UN member states at different stages of financial inclusion to exchange information and experiences, and promote financial inclusion at the UN, especially in the Post-2015 development agenda. The UNSGSA’s visit to New York in June was a further opportunity to meet with the Group of Friends of Financial Inclusion to discuss progress and opportunities.

MEETING, UN Chief Executives Board, Rome, Italy, 8 May 2014

The UNSGSA addressed the chief executives of UN entities at their biannual meeting, chaired by Secretary-General Ban Ki-moon. Speaking during a session on financing for sustainable development, she highlighted the importance of financial inclusion as a means of raising the domestic resources necessary to achieve development goals.

CHALLENGES AND OPPORTUNITIES


Digital technology will play an important role in accelerating the drive toward universal access to financial services. The UNSGSA encouraged government, industry, and development leaders to set their ambitions high, deepen partnerships, and expand coordination to ensure that electronic payments become a gateway to extending insurance, savings, credit, and other important goals. Meeting the needs of poor households and small enterprises through better product design will have the greatest impact in terms of reducing the costs and risks of cash.


In a dialogue with World Bank Group President Dr. Jim Kim, the UNSGSA welcomed the Bank’s newly announced target of universal access to financial services by 2020. This is now within reach, she said, especially if more private sector partnerships can be forged to encourage scalable digital solutions. Inclusive finance can accelerate progress toward economic growth and poverty alleviation. Partners should invest in the “global goods” needed by all countries to enable their inclusive finance ambitions, including better data and knowledge of best practices.


During a WFP event at the World Economic Forum, the UNSGSA noted that most of the nearly 900 million people suffering from hunger are excluded from the formal financial system. To overcome their vulnerability, people need access to financial services, particularly saving accounts. Citing a savings and payment program in Ethiopia that is coupled with local agriculture purchase and school feeding programs, she emphasized that integrated approaches are necessary to make inroads against hunger.

SPEECH, Reaching the Poorest Global Learning event, CGAP-Ford Foundation Graduation Program Paris, France, prerecorded video, 21 February 2014

The UNSGSA highlighted the importance of a holistic approach to helping the world’s poorest move out and stay out of poverty. Integrating best practices in social protection, livelihood promotion, and financial inclusion has proven to be transformative. Savings can be a powerful buffer against life’s shocks and a conduit for opportunities. More data is necessary to stimulate savings and understand its impact on social development. Taking pilot programs to scale is crucial but often requires new business models, better infrastructure, and expanded staff. Stakeholders from different sectors should work in partnership to reinforce country-level commitments and to set bold targets.

SPEECH, German Media Award ceremony, Baden-Baden, Germany, 21 March 2014

Is it possible to break the vicious cycle of poverty and lack of opportunity? The UNSGSA addressed this question at a ceremony honoring her work to advance financial inclusion. While noting that financial inclusion still has a long way to go around the world, she stressed that it will be vital for economic growth, job creation, and social empowerment, particularly for women. Expanding financial access must be accompanied by careful regulations and financial education, but the potential impact on individuals and entrepreneurs can be transformative.
MEETINGS, UN Food Security and Agriculture Agencies, Rome, Italy, May 2014

Continuing her collaboration with the UN’s Rome-based food and agriculture agencies (see Ethiopia and Tanzania trips, page 23), the UNSGSA met with leaders and technical experts from IFAD, WFP, and FAO to discuss follow-up on their joint visits to Ethiopia and Tanzania. They also addressed advancing financial services for smallholder farmers and enterprises, explored new opportunities for collaboration, and reviewed joint advocacy efforts relating to the Post-2015 deliberations.

SPEECH, Working Group Meeting of the Development Finance Institutions/International Finance Institutions
The Hague, the Netherlands, 5 June 2014

The UNSGSA emphasized that small and medium-sized enterprises (SMEs) are a big part of financial inclusion and called for a sustained focus on scale, formality, financial capability, and data on SMEs. Taking proven solutions to scale is a priority, but scale introduces significant challenges. She emphasized the role development finance institutions can play in connecting the private sector with under-served clients, and encouraged greater action to bring SMEs into the formal economy. She also underscored the importance of access to finance and business skills, especially for women.

SPEECH, release of the first financial literacy results from the Programme for International Student Assessment (PISA), Organisation for Economic Co-operation and Development (OECD) event, Paris, France, 9 July 2014

As access to financial services has increased in recent years, countries face challenges in improving financial literacy. There is a pressing need for research to provide solid evidence of what works best and what leads to wise financial behavior. Data from the first round of PISA testing will show gaps, allow for the creation of appropriate responses, and hopefully spark innovation in financial education the same way it has been driving the provision of financial services.

RESPONSIBLE FINANCE, INTEGRITY, AND STABILITY

SPEECH, “Public-Private Partnership to Strengthen Financial Inclusion and Financial Integrity,” at the G8 Public-Private Sector Dialog on Anti-Money Laundering and Combatting the Financing of Terrorism
Swakopmund, Namibia, prerecorded video, 6 September 2013

Global standard setters are moving toward a concept of risk-based regulations that can open doors for regulators and service providers to explore new ways to reach the unbanked. The challenge now is for more countries to apply this idea to their own settings. The UNSGSA pointed to opportunities for public-private partnerships to strengthen the synergies between financial integrity, stability, and inclusion.
SPEECH, Alliance for Financial Inclusion Global Policy Forum, Kuala Lumpur, Malaysia, 11 September 2013

Despite expanded commitments to financial inclusion, one-third of the world’s population and hundreds of millions of small businesses remain without access to formal financial services. The UNSGSA urged national regulators to implement global financial risk-based standards more widely and reminded participants that inclusive financial systems are a means to reaching much larger goals. Challenging countries to aim high as they set national targets, she urged participants to help shape an inspiring vision for inclusive finance in the Post-2015 development agenda, calling for universal access by 2030.

SPEECH, 4th annual Morningstar Investment Conference, Amsterdam, the Netherlands, 27 March 2014

A stable financial sector is an inclusive financial sector, the UNSGSA underlined. While bringing individuals and businesses into the financial system is key, doing so while guarding against the risks this entails is essential. Responsible finance is a means of doing so. This is not only a developing country consideration but applies equally to the European context. The UNSGSA stressed the positive role investors can play in furthering responsible finance through their investments.

SPEECH, “Inclusive Financial Systems as Part of the ‘New Normal’,” World Bank/International Monetary Fund Dutch Constituency Group meeting, The Hague, the Netherlands, 31 May 2014

While efforts to advance financial inclusion are making a real difference, the UNSGSA called for greater action. She underscored the importance of supporting the development of financial infrastructure and the private sector, and encouraged partners to create an attractive business case and replicate effective approaches. She also encouraged the development of data and called for greater focus on financial education.

SPEECH, Innovation in Oversight Conference, Netherlands Authority for Consumers and Markets

The Hague, the Netherlands, 20 June 2014

In her opening speech at an international meeting of regulators, the Special Advocate discussed the dilemma of building equitable development, safeguarding stability, and strengthening consumer protection without getting in the way of innovation. She praised central bankers and others who are enabling the provision of financial services to those who need them most, citing regulators in Africa whose innovative attitudes have made it possible for mobile phone companies to provide financial services to those without access to banks. But regulatory change must be matched with consumer empowerment, protection, and capability.

Note: The names of some individuals mentioned in this report have been changed to respect their privacy.

Data Sources for Map, pages 9-10


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“Let us work together to advance a bold and inspiring vision: universal access to financial services for households and enterprises by 2030.”

— H.M. Queen Máxima of the Netherlands

THE UNITED NATIONS SECRETARY-GENERAL’S SPECIAL ADVOCATE FOR INCLUSIVE FINANCE FOR DEVELOPMENT