The Power of Financial Inclusion for Development

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Opening remarks at the Financial Inclusion for Development: Building on 10 Year of Progress Event at the 74th session of the United Nations General Assembly

Excellencies, Ladies and Gentlemen,

First of all, I’d like to welcome you and thank you, Mr. Secretary with all your bilaterals and all your interventions to make time for this very important issue, to celebrate the success of the last 10 years but also to discuss the challenges that are lying ahead.

In the last 10 years, I have seen the power of financial inclusion:

- In Nigeria, Nwakafor Agnes told me three years ago, that after enrolling in a new digital health insurance scheme, not only was she able to get healthcare for her whole family, but she can now save on her mobile health wallet.
- In Indonesia, I met Mas Ken, who runs a food stall. After starting to work with Go-Jek’s online ordering app, not only could he have access to more clients, but it allowed him instant payments through his phone which reduces costs, increases efficiency and gave him access to credit to grow.
- In Bangladesh, I met Izu Hassan, who had a dream to commercialize her grandmother’s hair oil recipe. With the help of ShopUp, not only did she get a loan quickly, but she also got back office and online administration help and access to markets. Today Izu has a booming business, employs more people and bought a house for her parents.

And there are millions of success stories like these. We have made great progress from less than 50% to 70% of the world’s adult population being financially included in these last 8 years.

But why is financial inclusion so important?

Financial inclusion is not an end in itself, but it is a means to increase family income, improve nutrition, increase access to health, improve education, empower, especially women. It allows affordable energy, as well as water and sanitation, and it creates jobs.

Basically, it is about including people in the economy. And it is giving them a tool to have a better future.

Now, all these successes needed a lot of collaboration these last years.

First of all, governments and their leaders. They are essential to change policies and regulations and investments to allow this.

Second, the Group of Friends, which was just mentioned, and my Reference Group of advisors, who have pushed, supported, made research, and followed up, in all the country visits I have done, and have been so action-oriented. I would like to say thanks to the World Bank and to the Gates Foundation—and to David and Melinda for being here today.

Also, the private sector leaders, who have realized that this is not only the right thing to do, but the smart thing to do. They are the ones who are going to be providing scale. I’m so happy that Dan and Ajay are here with us today.

And then we have the global standard-setting bodies, who realized that financial stability and integrity alone
makes no sense if it is only enjoyed by 20% of the population.

And all of you here, it has been an honor to collaborate with so many of you.

Lastly, I want to thank my office for your great work, the support of my friends, my husband, and my whole country.

Having said all of this and thanked you all, the reality is the work is not yet finished. We have still 1.7 billion people to go.

And technology presents today our best chance to reach them—by scaling quickly, reaching them affordably, and reaching them with better products.

Better products, both in developing and developed nations, can help decrease inequality, increase growth, improve financial health for segments of the population, help us tackle issues such as climate change and adaptation, and increase transparency across the board.

The challenges are that these new technologies present new risks like cyberattacks, breaches of privacy, dominating super platforms, threatening competition, and exclusion that could be created by algorithms.

Excellencies, Ladies and Gentlemen,

To be able to do all of this, we have to remain committed to allowing these innovations to happen while at the same time addressing these new risks. Dialogue between regulators and innovators and creating public goods to address these new risks is essential. Financial literacy and consumer protection will be key to protect the less empowered from fraud and over-indebtedness in the new digital credit world.

We also need to continue to seek better solutions for the hard-to-reach groups, like we just mentioned: women, micro- small, and medium-sized enterprises, and the farmers and the rural.

Lastly, we need to think beyond access and more of financial health.

We need services of good quality that meet people’s financial needs, protect them against shocks and help them plan for a brighter future.

I thank you, Secretary-General, for your trust, for your support. It has been a wonderful journey so far.