The Special Advocate delivered these remarks at the signing of the memorandum of understanding (MOU) between the State Bank of Pakistan and Karandazz to establish a micropayment gateway. The event was held at the Pakistan Innovative Finance Forum, hosted by the Asian Development Bank (ADB) and Karandaaz.

I am delighted to be back in Islamabad with all of you today and to be present at the launch of this important MOU. Financial inclusion is pivotal for the development of Pakistan: for its economy to grow, to create opportunities for its people, and to build more resilience.

The World Bank's Findex survey from 2017 shows Pakistan has expanded financial inclusion from 13% in 2014 to 21% in 2017 of all adults. While this progress is welcome, it has been slow. There is great potential for more rapid change, particularly for women and the poor. Today, out of all the people that are included, 35% are men versus just 7% of women. And out of the poorest 40% of the population, just 14% have an account. A lot more attention is needed to be given to the poorest.

Promisingly, the new administration is redoubling the government’s efforts to spur financial inclusion. They recently issued a revised National Financial Inclusion Strategy. It targets creating 65 million active digital accounts, with 20 million of these accounts being held by women by 2023.

I also had the pleasure to meet with the State Bank of Pakistan Governor earlier today and he shared with me their new draft gender strategy on “Banking on Equality.”

In the private sector, there also seems to be an urgency to go beyond business as usual, and serve the poor and SMEs. Partnerships between fast moving goods companies and financial service providers, or telcos, are demonstrating that together we can digitize the supply chains and create benefit for all.

Also, new players are entering the market creating not only competition, but also developing more customer-centric financial services and this is crucial to go beyond access to usage.

For innovation to thrive and support financial inclusion, we really need the appropriate rules and infrastructure to make markets work better for all customers.

Key among this is creating an interoperable retail payments platform. Such a platform is essential for all customers to be able to transact with each other - whether they use the same provider or not.

It is encouraging that Governor Baqir is committed to set-up the micropayment platform and that all providers and government entities will be required to join in 2020.

The next steps in designing the appropriate governance structure, scheme rules, initial use cases, and pricing will be critical for the platforms to succeed and to have impact. I encourage you all to engage with the Industry Working Group led by the State Bank. And, to discuss and provide your inputs on the design.

My partners, the Gates Foundation, World Bank, and CGAP, are ready to provide coordinated support as needed. I know the task is huge - prioritizing use cases, sequencing action, learning from others, and implementing the work plans will be challenging. We will walk with you in this exciting path.

Finally, I call on each of you to consider the large impact that you can have on financial inclusion. I wish you a lot of success in all your efforts.