Good afternoon, Excellencies, Ladies and Gentlemen, friends.

I would like to start by thanking the Government of South Korea and the World Bank for organizing this fantastic, timely event. As UN Secretary-General's Special Advocate for Inclusive Finance for Development, I am especially pleased that an entire session has been devoted to financial inclusion. This clearly demonstrates the increasing understanding of the pivotal importance of access to finance on economic growth, and on growth that is equitable and reduces poverty. I would therefore like to commend the G-20 Group for its leadership and attention to this issue.

How big is this issue? Well, about 2.7 billion people around the world, most of them poor and lower-income, are not part of the formal financial system. They have no savings accounts, insurance or loans. Exclusion is highest, of course, in low-income countries and poor rural areas - often more than 70%.

This makes it hard for poor people to manage risks, build assets, manage cash-flow, and take advantage of opportunities like education or starting a business. Right now, poor people have extremely complicated financial lives because they are poor. Juggling diverse informal financial arrangements can cost them as much as 20% of their yearly cash-flow.

This financial gap is also reflected in small and medium size enterprises. Only 18% of small enterprises in low-income countries use formal finance. Studies confirm that access to finance is the second greatest need for enterprises to survive and thrive. And this is an important fact given that SMEs are the local engines of both economic growth and job creation.

A lot has been happening on many fronts in order to address this gap in access to finance. But there are two main reasons why we should now be even more committed to accelerate momentum and make financial inclusion a reality.

First, last September in Pittsburgh, the leaders of the G-20 recognized the huge impact this gap has on households, businesses and economies around the world. They mandated a Financial Inclusion Experts Group to identify lessons learned on innovative approaches to improve access, and to focus on the access to financial services by SMEs.

This is why we are pleased to have today three speakers to tell us more about the work underway.

Second, innovations in the field are helping us advance this agenda by drastically reducing costs of delivery and assisting us in creating products catered to the unbanked. Examples like M-Pesa, the wildly popular system in Kenya that uses mobile phones to make payments and even small savings, demonstrate that we can deliver services that poor individuals and businesses need in an affordable and sustainable manner. This, ladies and gentlemen, is about increasing access to finance.

Today we are here to talk about the challenges and the solutions in creating inclusive finance. When doing this, one thing we need to do is define financial inclusion. Financial inclusion means universal access, at a reasonable cost, to a wide range of financial services for everyone needing them, provided by a diversity of sound and sustainable institutions. Financial Inclusion is as much about enterprise finance as about individual finance.

Thus, as we consider the issues before us today, I encourage you not to think about microfinance in one silo, and SME finance in another. Rather, we need to speak in a common language that creates a continuum of access to finance across the value chain.
We also need to think about all the stakeholders who can improve this access: regulators, supervisors, policy makers, financial institutions of all kinds, mobile phone operators, retail companies, the whole rural sector, investors, multilateral agencies, donors and NGOs. The G-20 initiatives are promising. As they go forward, we want to think about how we can keep engaging all these stakeholders.

I am therefore looking forward to the presentations from the panelists, and discussion on what to expect in Toronto and Seoul, and of the agenda beyond November.

I look forward to a vibrant discussion. Thank you.