Good evening. Thank you, Mary Ellen, the Trustees, Ladies and Gentlemen for your warm welcome.

I am so grateful for this honor. But actually I think I should be sharing this wonderful recognition with some Dutch women and men who had an important role in helping Women's World Banking become a reality. It all goes back to the 70s when the Stichting to Promote Women's World Banking was set up in the Netherlands. People dear to me continued to play a role even after. Like Pauline Kruseman, she was one of the first Dutch Trustees, and now Marlou van Golstein Brouwers, who plays this role today.

So as I accept this honor, I am thinking of all these women and of the millions of women around the world who dedicate their time to help other women to improve their lives. And you understand very well, a lot of you are present here today.

Thank you.

Women's World Banking resonates with me in so many ways, not only for its Dutch roots. Not also because I have been a banker in different parts of the globe and now, even becoming a UN special advocate for Financial Inclusion. But it is the woman part. Of course, I am one. And I am also a mother of three young girls, who are a constant source of joy, but also of responsibility.

As a working mother, I sometimes need to acknowledge all the tools that I rely upon in order to keep my family healthy and happy and, at the same time, do my job right.

Think about the mobile phone calls I make every day arranging pick ups and doctors appointments. The internet sites I use to do shopping so that I can spend more time with my children. The electricity and water that I always have available at home. I just need to open the tap. And the credit cards and payment facilities that help me arrange all of this.

My visits to Liberia, Rwanda, or Mexico repeatedly reminded me that there are millions of women around the world trying to achieve the same things. But they do not have these great tools, and certainly not even a checkbook or a bank account.

So why do financial services matter so much to them?

First of all, poor people live very complicated financial lives not in spite of being poor, but because they are poor. Living on USD 2 a day or less does not mean that you actually get those USD 2 every day. Perhaps it is USD 10 one day, and then nothing for a week, therefore very irregular. Poor families spend a lot of time making sure they have cash when they need it. And they depend on expensive informal methods, such as saving in livestock and then selling them when there is an urgent need. For some poor families in Uganda, these costs add up to more than 20% of their annual cash flow. Just imagine being charged USD 20 every time you took out USD 100 from an ATM.

Second, financial inclusion is not an end in itself, but a means to an end. It is literally what makes it possible for a family to have a roof over their heads, clean water, or food when the harvest fails. I cannot agree more with Mary Ellen. Financial services are not just about a banking product, but about meeting the underlying needs.

One study in Western Kenya offered poor income earners a savings account. After just six months, women with these accounts were investing 45% more per day in their business, and spent 10-20% more on food and about 30% more on personal items. As importantly, they were less likely to draw down inventories and working capital when faced with illness.
Also in Nepal, to talk of a totally different region, women with savings accounts were increasing their monetary assets by 40% after just four months, and were buying more livestock.

There is another way that access to savings by women can be empowering, and that is privacy and safety. A lady owner of a small store in Old Cairo confided in me that she doesn't go often to the bank. It is too far away, too inconvenient, too expensive. But, she told me, she still has a savings account. She wouldn't tell her husband about it though. This is her contingency fund just in case all else fails. That made her feel, she said, more secure and stronger.

What may come as some surprise to you is that every third person in this world, mostly poor and often in rural areas, must do without even the basic financial tools that you and I rely on every day. I think we can all agree that there is still a huge demand. The question is now how can we create inclusive financial systems that also meet larger development and growth goals?

First, we must focus on the clients, and particularly the needs of women and girls. These include water, education and health, but also improving their income or business. We need to deliver the right products, at the right time, at the right price, in a way that makes a difference to their lives.

There are some exciting innovations. For example, a program in Mexico is delivering cash welfare support through small stores in remote, poor villages. This saves the mothers, on average, 3 to 6 hours of travel time and significant expense every time they collect a payment.

A pilot program in Tanzania is providing microfinance clients with health insurance and local health clinics with SME finance. This allows the clients to have access to health in a way they can afford and it also allows the supply of health provision to be improved and actually become cheaper.

And what about water? In rural areas, women walk on average 6 km a day to get drinking water. In slums, vendors sell water that is 10 times more expensive than water delivered through pipes. Given the strong relationship between sanitation and health and the time that girls and women spend on collecting water, it makes it quite evident that we need to invest more time to see how the right financial mechanisms can deliver water and sanitation. In that way, we will really make a change in women's lives.

This leads to my second recommendation: all of this, ladies and gentlemen, must be done in a way that is scalable and sustainable, from water financing to health insurance to housing. Only at scale will we be able to reach everyone needing services in a way that is affordable to clients and also sustainable for the provider. We need to think big. And this requires innovation, piloting, assessing the actual impact, and then sharing best practices. Global networks with local presence like yours' are so valuable to this.

Third, we need to break down the silos between micro and enterprise finance and create a continuum of access. You know, in reality, the borders between them are very blurry. Not every entrepreneur starts by being a mid-sized company, but often as a micro-business. And, finding finance at these initial stages, especially for women, can be very difficult. Indeed, fewer than 20% of small firms in low-income countries have credit from a bank. Maybe it is time for MFIs to grow with their best clients.

Fourth, we know that small enterprises need more than just initial loans to flourish. They need longer-term capital, and current accounts and lines of credit to manage cash flow. Maybe they need some kind of insurance, or pension plans. And often they need technical advice or training—of the kind that Women's World Banking and its affiliates in 27 countries are now offering.

Finally, this all needs to come in an environment where women are able to understand the services available and their obligations, so that they do not take on more than they can afford. Developing women's financial capability is here an essential part of providing financial services that not only match clients' needs but also do so in a sustainable and responsible way.

I do really believe we have made much progress toward meeting these needs, and tonight is one proof. But more
kinds of quality financial services are needed, and more quantity of all of them.

All of this means that we have to get out of our comfort zone, and really put our thinking caps as to how can we better help these women to improve their lives with financial services. They deserve it. Most importantly, they need it. And even better, they are worth investing in.

Thank you.