Mr. Fink, Ladies and gentlemen, I am pleased to be with you this evening. Yes, as was just said, I used to be a banker before I came to the Netherlands. But my activities over the past years have brought be back to the area of finance. Tonight, I would like to speak about financial inclusion and your role and about building robust societies.

The last couple of years, global discussions on the financial sector have centered on how we keep financial stability in institutions as well as in countries. As you know, new measures have been developed as safeguards, and financial institutions have by and large concentrated on restoring confidence and increasing their capital base.

While this is happening in what we could call the Western world, there is another trend going on elsewhere. This trend is the need to increase access to financial services by a majority of the population in a sustainable way. Emerging and less-rich economies realize that this is imperative. But at the same time, they have to follow global rules governing stability, such as Basel III and rigorous know-your-customer regulations. And these stability or integrity-oriented standards discourage measures to provide financial services to the majority of the people in these countries. I am here, in my UN capacity, to talk with you about this second conversation and how investors can play an important role in shaping our future.

There is growing recognition that a well-developed, inclusive financial sector is basic infrastructure that everyone - individuals, governments and businesses - depends upon. It is important for sustained, equitable economic growth. In Mexico, for example, only 28% of SMEs have a credit from a bank. Given the large role that SMEs play in employment creation, imagine what this could mean for unemployed youth if SMEs has access to credit. Or in India, a government project spent 40 cents for every dollar of social welfare just to get the cash to the beneficiaries. Imagine how much more they could give away if it would cost them less.

Globally, nearly 3 billion people and about 70% of small businesses do not have access to the kinds of financial services that you and I rely on every day. Instead, they resolve their financial lives informally. They save in jewelry and livestock, send cash with a bus driver to buy seeds, or borrow from a money lender to buy goods for the store. If their child falls ill, they pawn the bangle or sell the chicken or get themselves into debt. These informal means are expensive, risky and time-consuming. They cost as much as 20% of annual income, for those who can least afford it. Would you pay 20 euro every time you took 100 euro out of an ATM?

Informality also impedes productivity and growth. If you receive cash only when you sell your harvest, where do you physically put it until next season to buy fertilizer? How to keep it from family demands so that you have enough to invest in a plough or sewing machine? Last year, I met some small entrepreneurs in Cairo. They spend Saturday mornings going around to collect bills, so they can pay their staff that afternoon. A whole day they could spend making money or be with their family. Lack of easy payment systems, credit lines, long-term credit is their biggest constraint to growth.

There is another reason why this conversation is growing louder. And that is innovation is making financial inclusion possible. Mobile phones and using retail stores are particularly promising. By taking banking outside of formal bank branches and using existing infrastructure, they drastically reduce costs. This will mean a lot for people living in rural areas, for example.

These changes are so profound that they oblige the traditional finance sector to wake up. One of the most dramatic examples is M-Pesa in Kenya. This began as a simple money transfer product using just mobile phones. In 3 years, it has gained 13 million clients and now generates 8% of the phone company’s revenues.

Innovative banks are also seeing that these changes come with huge opportunity. I was in Mexico last week and
there I met a bank that is working on plans to reach the 60% of Mexicans who do not have a bank account. It is designing products that meet specific demands of low and middle-income clients as well as small businesses and partners with stores and phone companies to reach them. This bank recognizes that its returns may be initially smaller and slower. But in the long-term it sees a huge growth opportunity for the company and for the economy as a whole. As these Kenyan and Mexican cases illustrate, we all have a role in realizing this potential.

Regulators play a big role. Theirs is to develop policy that allows partnerships to flourish so that access becomes universal, while also protecting consumers. Brazil was among the first countries to permit financial institutions to partner with retail stores. This brought access to 1500 municipalities - roughly in Brazil - where there had been no bank branch before.

Clients have a role too, in understanding products and rights. These are increasingly diverse and complex. Just consider the choices people face while trying to select the right pension products. Or assess the full costs of mortgage options. It is in all of our interests to have capable consumers. And consumer capability and financial literacy are best achieved when service providers and governments facilitate it, and when clients actively pursue it.

Last but not least, investors have an extraordinary role to play in shaping our future. The companies you finance are agents of change. Growing the market is no longer just about providing more of the same product through traditional channels. It is about delivering the right product, at the right price and in the right place for that client. And I realize that this cannot be achieved in a day.

As a previous banker I have realized that it is very difficult for companies to have a long-term vision unless their shareholders actively pursue it. I believe in institutions that have such a vision, not only on responsible grounds but also for long-term viability. Asset growth depends on any profits today being maintained in the long run. It seems obvious to me, and I think to all of us here, that if the loans or insurance coverage is bad, business will eventually be bad as well. Only with strong, sustainable institutions and good products will we grow a strong financial sector - and vibrant markets.

I believe that this kind of vision is essential to a good financial system. It is wonderful that BlackRock joined the Principles for Responsible Investment (PRI) in 2008. As some of you may know, in January we launched the Principles for Investors in Inclusive Finance, which are now housed at PRI as well. These Principles provide guidance to help investors balance their financial returns with social returns, creating strong and sustainable financial institutions. I think it is obvious to say that investors who have not yet signed should seriously consider doing so.

Financial inclusion shows tremendous promise. But like many new things, the sector requires nurturing. It means that stability and sustainability are essential but inclusion is paramount. It means, basically, that we need to do more, not less, to continue to develop and grow inclusive financial systems.

As investors, you have the potential to influence how the industry grows and subsequently the kinds of financial products that are available to individuals and small and medium enterprises, in the developing world but also here. Today, the way the investment industry works gives too heavy an emphasis on short-term results. We need long-term visions to create equitable growth. Each and every one of you can play a role. I hope you will take up this opportunity.

Thank you.