Good morning, Helen, David, colleagues. I am really pleased to see nearly two-dozen partners representing 18 agencies around the table, and many familiar faces. That this is the first time we are all sitting together reflects that we have been working on financial inclusion, but not really communicating with each other. So I think this is quite a good step forward to discuss what financial inclusion means and how to take the agenda forward.

The financial inclusion for development conversation began quite some years ago with microcredit. From that, we evolved to microfinance, and then soon to access to financial services for the poor. Today, we talk about financial inclusion. I am happy that Ms. Clark used my definition of financial inclusion. I will repeat it, because it is so important that we all share an understanding of what is financial inclusion.

Financial inclusion is universal access, at a reasonable cost, to a range of financial services for everyone needing them, provided by a diversity of sound and sustainable institutions. Financial inclusion recognizes that individuals need a range of services, from savings to insurance to payments to loans and more. It recognizes that small and medium enterprises also require a range of financial services. Actually, we need financing across the whole value chain, and not separate silos.

None of the 8 Millennium Development Goals mentions financial inclusion. And I don't believe they should. Financial inclusion is a cross-cutting issue. It is not an end in itself, but a means to an end. It is the insurance that pays your health bills. It is the savings that can add a room to your house. It is the financial scheme that has allowed you to have a solar panel that provides you with electricity, and even contribute to CO2 reduction. Or cleaner water. And, it is also a tool that can help us all do our work better.

How does this work? A good book, Portfolios of the Poor, describes how one of the main characteristics of poverty is the irregularity of income. It is not $2 a day, every day. For the individual, financial services helps them manage this irregular cash flow. And, cash is expensive and time consuming. Informal services cost poor families in Uganda more than 20% of their annual cash flow. Money they could put into productive purposes, or opportunities like education or a house if they had better financial products.

Financial services are also what will help a small enterprise thrive. The right credit lines, current accounts and loans will help it to increase productivity. This, in turn, helps create income. And generate jobs.

Financial services also facilitate overall growth indirectly. Without payment systems, for example, the private and public sector cannot operate. In Tanzania, I was told by the Minister of Finance that a teacher must sometimes leave her work for two weeks in order to get her monthly salary from the nearest bank branch. Two weeks. She should be at school teaching children.

One goal that I believe unites all of our work is helping people to get and stay out of poverty. Just to give you an idea of impact, 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, women with savings account were less likely to draw down inventories and working capital when faced with illness. To me, this is development. It is also reinforces my conviction that a safe place to save is the single most important financial service that poor people need. So this is something we should focus on.

Another important reason we are here today is innovation. Microfinance was an innovation. Now we have technology, and solutions for long-standing challenges of financial access and inclusion, solutions we did not really even have five years ago. As some of you know well, the fundamental problem with banking the poor is that the traditional bank branch model - the brick and mortar dedicated bank branch - just doesn't work for the
poor. It is too expensive.

We are seeing all kinds of innovations that are changing this. One approach is to take banking out of bank branches and leverage existing infrastructure, be it community level stores or mobile phones. Other approaches include partnerships among strange bedfellows, or addressing both demand, supply and scale issues at the same time. This is also about financing underlying needs, such as financial service providers partnering with water services.

We have another challenge. Financial services for the poor has too often been seen as microfinance. It's put in a separate box, and isolated in a corner. And we further compartmentalize it by a keen focus on particular issues: credit or savings or insurance. Mobile phones or MFIs. We haven't been looking at the whole financial sector framework, banks and MFIs and mobile phones all at once. We need to take a holistic view. Only in this way will we have a complete picture.

Also, financial services is a broad component of how we work in health, education and many other development sectors. I think that many of you may even be touching on financial inclusion issues without realizing it.

So I hope perhaps we can agree that inclusive financial systems are critical infrastructure, just like road. And we can also agree that inclusive finance is a tool that can help us all do our work better and more efficiently.

Through your work, you can be a catalyzer of financial inclusion. I was very happy to discuss with Mr. Lake some time ago this very issue. He told me that they were doing various kinds of social support to poor families in Malawi and a few other countries and these were done in cash. Mobile phone banking is just starting in Malawi. How much more effective could this be done if it was done through mobile phones? But it needs volume. Your role could be very powerful just by assuring that volume. Another example. Consumer protection is a very important part of financial inclusion. UNESCO does a lot on education. Financial literacy could be a powerful part of its work.

Which leads me to my final point. What is then my role? As the Secretary General's Special Advocate for Inclusive Finance for Development, my mandate is to identify emerging issues and policy solutions, to inform, educate and advocate with governments and other stakeholders, and to raise awareness of opportunities and challenges. I work on both global and national levels, in close partnership with members of my Reference Group, and other stakeholders. I visit five countries a year and I speak to regulators and policymakers and practitioners in global fora, including the G20, the WB, IMF, etc. I do not have programs nor staff on the ground, but I try to bring people together to work together to make financial inclusion a reality.

So, what I would like to take from this meeting would be:

1) Create an understanding of the importance of financial inclusion in the development of inclusive economic growth as well as an understanding of what financial inclusion really entails.

2) To realize that financial services can be a very powerful tool in development and poverty alleviation, and in creating access to different needs by poor people. Be it health, water, sanitation, energy, employment, food security, etc, when done on a proper scale, this could be a very sustainable solution.

3) Realize that you can be promoters of financial inclusion yourself without necessarily being financial service providers, when partnering with the right agencies and players in the field.

4) The need for partnerships and concerted action to allow all of this to happen.

Which leaves me to again, stress how important it is to be here together, discussing your views on how we can help advance this agenda by advancing yours. I am really thrilled to hear your thoughts on how does your agency look into this, and look forward to working with you.