LAUNCH OF THE G20 FINANCIAL INCLUSION PEER LEARNING PROGRAM
17 Jun 2012

Good afternoon, President Calderón, President Yudhoyono, President Piñera, Excellencies, ladies and gentlemen.

As I flew here last night, I was thinking about what a big journey we have taken. Los Cabos is far from the Netherlands - and Indonesia, South Africa, Nigeria, Fiji and most of your homes. Yes, we have travelled a long way. But also Financial Inclusion has made a sky-rocketing journey. Only a few years ago most people were discussing only microcredit. I would get a lot of questions when I talked about the need for savings accounts or SME credit, financial education or basic insurance. They would say, "I understand the credit part, but why savings? Do poor people have money to save?" Those were the questions I got seven years ago.

The situation is very different today. We see more and more policies, technologies and partnerships that are putting financial products at the service of poor communities and enterprises. The difference this has made to lives and livelihoods is real. It is particularly thrilling that so much of this innovation and progress is originating in developing countries.

Here, I extend my deepest congratulations to President Calderón. Mexico's leadership has been tremendous. Through your regulation, your data focus and in product development. But also, by presenting Financial Inclusion as a key goal for this summit Mexico has shown us the important role that Financial Inclusion has in sustainable and equitable growth.

Mr. President, you were the first head of state to create a national council to coordinate efforts in order to achieve financial inclusion. Looking around at the many countries with similar commitments today, it is evident how much Mexico has inspired and facilitated. When I think of the many positive conversations I have had with you and your Government these past couple of years, I can only say how happy I am to be here today and experience your progress. Mis más sinceras felicitaciones.

It also means so much for me to be here with countries I work with and have visited. From all of you, I have learned and I was inspired. Above all, you made it very clear to me why financial inclusion matters. President Yudhoyono, I recall that some of your first words to me were about how financial inclusion will help Indonesia reduce income inequality. And help enterprises thrive.

I heard similar points from leaders in Turkey, Brazil, Tanzania and beyond. For example, Brazil really started this journey to create a virtuous circle of macro stability. Stability, ladies and gentlemen, something that is central in this Summit. In Rio, Jakarta, Ankara or rural Rwanda, I have spoken to small business owners, farmers, migrant workers or even mothers. They all tell me that a safe place to save, a line of credit, an easy way to pay a bill, or a small insurance all help them manage their cash flow, make investments, weather life's events and achieve their dreams.

Building inclusive financial systems is no easy task. Each country has different needs and priorities. For some, it may be building a nation-wide electronic payment system. For others, it will be to reach marginalized people and more informal businesses. And in many places, quality of usage, financial education and consumer protection will be essential, something the Mexican leadership has really put these two very important issues onto the map.

The point I would like to make is that there is no single solution. But we do know common elements of success. One is the absolute necessity of coordination within a country. A wide array of public and private actors must be involved to build the financial infrastructure and regulatory framework in order to deliver the right products. To these ends, we can learn so much from each other's experiences. And in doing so, we will not have to reinvent the wheel every time. Another common element is good data for policy formulation, investments and monitoring.
There also we can learn from each other. Finally, political leadership is essential. Ladies and gentlemen, in making this commitment today, you have done a very important part of the work, showing political leadership and commitment.

These 17 countries together represent—and I have been calculating—1.1 billion people, or 16% of the world population. From all of these countries 483 million adults do not have access and cannot use good financial services to their own benefit. Your commitment today lays the groundwork to open the financial system to these people and their children, thus bringing the benefits of financial services to nearly 712 million people in total. This, so that these 712 million people can put their kids in school, get health care, buy seeds and fertilizer, and invest in opportunities. This is similarly promising for enterprises. In an average of all these countries, only 36% of formal SMEs have access to a credit line. So, imagine what it is like for informal SMEs. Much lower. So the goal is to expand the financial system in a way that we put it at the service of basic needs and sustained, equitable growth.

Each country here has exhibited tremendous vision in placing financial inclusion on its agenda. And I really wish you great success as you return home and continue to implement this very important commitment.

And looking forward, I hope that Russia will continue this leadership in Financial Inclusion from December. And I hope too, that the issue of Financial Inclusion is linked to issues like food security and development in general in the Sherpa track as Financial Inclusion can really help make it possible.

Personally, I hope that I can continue to be of service to all of you in your journey towards full financial inclusion.

Señor Presidente, fue un placer trabajar con su país y los muy de cerca. Muchísimas gracias y muchísimas suerte.