UNITED NATIONS SPECIAL EVENT FOR MDGS
25 Sep 2013

Good afternoon, Co-Chairs. Thank you for this opportunity to contribute to the discussions on priorities for the post-2015 agenda.

As the UN Secretary-General's Special Advocate on Inclusive Finance for Development, I focus on the importance of financial inclusion in equitable and sustainable development processes.

I would like to begin by stressing what it is we are seeking to achieve. That is to end extreme poverty, create jobs, equitable economic growth and build lasting prosperity. We want to achieve strong development goals such as women's empowerment, food security, health, education, clean water, sustainable livelihoods, and sustainable energy.

The post-2015 development agenda is looking at how do we get there, not only the end outcomes. This is where financial inclusion comes in. Financial services are a means to an end; a means to prosperity, to build resilience, to end hunger. Financial inclusion cuts across sectors, enabling and accelerating progress toward many economic, social and development goals. As such, an inclusive financial system is essential infrastructure in any given country.

Today, one out of every three adults—2.5 billion people—are excluded from the formal financial system. And at least 200 million enterprises in emerging and developing markets lack adequate financing. Because of that, they cannot create employment, or work as efficiently as they could. Did you know, that every year, 100 million people fall into poverty due health incidents? What if they had savings or insurance? We must protect people and also help them to unleash their own potential.

So, financial inclusion not only makes a lot of sense, but should also be considered a priority element of infrastructure in the post-2015 development agenda. And please let us make it a bold and inspiring vision -- an aspirational global goal for universal access to financial services both for households and enterprises by 2030, backed by a global target, perhaps even 90%. This suggested target is based on national targets that various countries have set for the coming years.

This is achievable, if we look at level of ambition that some countries have already set, including those starting from low levels.[1] Reaching this will not imply huge funding. But it will need political will and coordination across sectors.

Two final points. Financial inclusion will also contribute to development and growth by mobilizing domestic capital through savings. These savings will of course be used for investments afterward. At the same time, by encouraging formalization of businesses, financial inclusion helps to increase the tax base and therefore improve finances. The post-2015 development agenda provides an opportune framework to set the stage for working together, in partnership and across sectors to deliver inclusive finance and therefore development.

I wish that these roundtables feed into a promising process where development will be put at the center.

Thank you.

[1] For example, Nigeria has set a target of 70% for payments and 60% savings by 2020 from approximately 36%; Tanzania is aspiring to 50% by 2015 from 22% in 2009; and Rwanda to 80% access by 2017 from 21%. Ghana 70% by 2017 and Nigeria 70% for payments by 2020. And Malaysia, 95% by 2014. Furthermore, some countries are setting targets on savings accounts, insurance and pensions, which actually improve welfare and resilience. Or on SME credit to reflect job creation. On loans to women to reflect empowerment.