Good morning, Your Excellencies, Ladies and Gentlemen, Minister Dijsselbloem, Mr. Knot. A very warm welcome to The Netherlands. Five years after the global financial crisis, the world economy is on the rebound. But there are still concerns, including in our own region. We need to keep addressing issues of growth, but also to look at building a more resilient and stable global financial system that provides opportunities to all people and businesses in all places.

An inclusive financial system is crucial to enabling and accelerating investment and equitable growth—as well as issues like reliable energy. Consider SMEs. Their growth is a priority for continued recovery and job creation. Supporting women is especially important. Women own approximately one third of formal SMEs in developing markets, but they have much less access to finance than men.[1] IFC's credit fund for women and the World Bank's financial education programs both try to help to close the global credit gap for female-owned formal enterprises. But this gap is about $300 billion.[2] And it is not just finance. Women—and men—also need savings, insurance, payments, and lines of credit to grow their businesses, formalize their economic activity, and move to higher value added sectors—all of which helps to unleash more domestic resources and stabilize public finances.

As many of you know, last October Dr. Kim announced a goal for the World Bank Group: to ensure universal access to financial services by 2020. This is very exciting—for the ambition it inspires and because universal access is achievable. National leaders, the G20, global financial standard setting bodies and the UN have also recognized the importance of financial inclusion.

Thus, the issue is how to achieve financial inclusion. The World Bank and the International Monetary Fund, with your support and that of many partners, have done very good work to understand barriers, to identify and share solutions, and to support countries in their own national efforts. This technical work has fed numerous regional and global processes, including revisions to financial standards by the FATF and Basel Committee. The evidence of this can be seen in FSAPs. In 2013, more than 60% of FSAPs took financial inclusion into account in focused technical notes and policy recommendations.

So, I would really like to commend the World Bank Group, the IMF and its constituencies for the many good efforts in recent years. It is making a difference.

I would not be doing my job without highlighting some priorities for continued attention. These are:

1. financial infrastructure
2. supporting the private sector, and
I could give many examples of good work on each of these. My point is: we have to continue, and do even more.

So the first priority was the financial infrastructure. A real time, low-fee payment network is key to digital and mobile financial services that will reduce costs, increase access and reach low-income households. Credit bureaus, warehouse receipt systems, and leasing systems are needed to develop local markets and to foster SME credit. The World Bank Group and IMF are well placed to help countries look at their context, prioritize investments and policies, and assist in implementation. For example, with the support of the IFC, Colombia recently launched a registry for movable property. This will help entrepreneurs overcome a big constraint and thus access more finance to help them grow and thrive.

Financial inclusion by 2020 also requires the private sector. Companies have driven so much innovation. But still, it has not always been sufficient to reach low-income populations in a scalable or sustainable manner—even where there is good financial infrastructure and enabling environments. Here, the World Bank, IFC and IMF programs have also played a valuable role, such as by identifying and mitigating risks through, for example, guarantee funds, or building better local market knowledge. Also, by forging public private partnerships, for example to leverage government payments to draw in clients, this will help increase volumes and lower costs. These and other measures are necessary to create an attractive business case and replicate good approaches. Being Dutch, I am of course proud to note that the Netherland’s new agenda for aid, trade and development prioritizes supporting private sector development.

A next priority is public goods, including evidenced-based policy making. The IMF and World Bank Group have made a significant contribution to measuring gaps, monitoring progress, and make global comparisons. Five years ago, we had very little data on financial inclusion. But in 2009, IMF launched a Financial Access Survey which now covers supply data in 189 countries during a 9 year period. And it does include SME finance. The Global Findex includes demand data from 176 economies, and is currently completing its second survey. This will give us a lot of information when released next spring. It is so important to continue to fund this work. And to support countries to expand national data collection efforts themselves.

Financial education is another public good, especially as financial services expand. Financial capability means that consumers and entrepreneurs can get the full benefit of financial products to manage life’s events and business opportunities. Financial capability also helps people to understand their choices and redress rights, thus contributing to consumer protection and overall health of the financial system.

Finally, I would like to encourage a focus on making rapid progress in specific countries. I am pleased
that the World Bank Group is looking to build momentum, codify knowledge and accelerate access, and is looking into some kind of focus so that we can make rapid progress in specific countries. I look forward to continue to collaborate on this process as well.

Ladies and gentlemen, financial inclusion should no longer be treated as optional. It is an essential part of the financial system in a given country. The World Bank Group and IMF have a tremendous opportunity to catalyze action at national and global levels, and make inclusive financial systems part of our new economic norm where everybody is not only financially included but economically and socially.

I wish you productive conversations and much success in your efforts.

Thank you.


[2] The credit gap for female owned formal SMEs in emerging markets is $287b, per Women-Owned SMEs: A Business Opportunity for Financial Institutions. A Market and Credit Gap Assessment and IFC's Portfolio Gender Baseline. See also IFC Enterprise Finance Gap Database.