Mr. Caruana, Governor Ingves, ladies and gentlemen,

I am delighted to be here today and for the opportunity to address you at this important meeting. A special thank you to Mr. Caruana, Governor Ingves and the BIS [Bank for International Settlements] for hosting this meeting and for your continuing commitment and support.

What brings us together for the third time is our shared understanding that deeper financial inclusion is critical to the prosperity of households and businesses, but also to the stability, integrity, and transparency of the wider financial system and to people's personal security.

We have come a long way since our first joint meeting in 2011 with a small gathering of standard setting bodies, the World Bank, and CGAP. At our second meeting in March 2012, together with you, Governor Ingves, we expanded the participation and benefited from the presentation of country experiences by two central bank governors, that time from Brazil and Mexico.

In today's meeting we have tried to bring to the table even more voices from developing and emerging markets.

I see this as a very positive trend. The greater number of participants today is an indication of the importance of our collaborative work, and the growing appreciation of how the realms of financial inclusion and the work of the standard setting bodies complement each other.

As is also clearly indicated in the World Bank's background paper on the Financial Sector Assessment Programs, financial inclusion-related topics now feature very prominently in any serious analysis and policy recommendations on financial-sector stability and development issues.

Meanwhile, at the United Nations, from which I have just returned for the high level segment of the General Assembly, I am happy to report that financial inclusion is also acknowledged as a key component of any new global sustainable development agenda that will be adopted next September in New York. Ensuring that this is the case will be one of my key priorities for the coming year.

I wish to pay special tribute to the standard setting bodies [SSBs] and their leadership for the significant amount of work that has been achieved since our first meeting. These steps include:

- The establishment of subgroups within SSBs specifically focused on financial inclusion.
- The range-of-practice surveys among members.
- A greater emphasis on proportionate and risk-based application of international standards.
- The issuing of guidance notes specifically addressing financial inclusion.
- And the increased attention given to the potentially game-changing implications of innovative financial services delivery mechanisms.

But even with these advances, challenges remain, as I suspect they always will. Allow me to highlight two key
examples:

1. As I am sure we will hear today, challenges remain especially at the country level in applying complex global standards in a manner that balances the objective of ensuring the integrity of financial systems and the objective of deepening financial inclusion.

2. Secondly, evolving business models that leverage technological innovations, telecoms infrastructures, and non-traditional and until now unregulated players present the challenge of ensuring that regulation and supervision keep up with these developments without inadvertently thwarting innovations that can bring large numbers of unbanked households and businesses into the formal financial system.

Thus, a central priority remains finding the right balance at a time of constant change. With the advances in technology and innovation, we will need to be able to stay one step ahead of the potential risks through knowledge sharing, joint learning, and nimble adaptation.

Meeting this challenge will also require continued cooperation among key stakeholders, as well as further coordination among SSBs, of which this meeting is but one important part. With this backdrop I am sure we are all very interested to hear the updates that will be presented today from the SSBs.

I am also looking forward to hearing from Professor Ndulu, governor of the Bank of Tanzania, and Deputy Governor Espenilla of the Bank of the Philippines. Their presentations on their experiences in implementing global standards will be important to better understand and address the challenges they and other regulators may be facing in their efforts to deepen financial inclusion in their national contexts. I would like to add that these two countries have made wonderful strides, for which they should be commended!

I also welcome the contribution on the "Potential Impacts of Global Standards on National Financial Inclusion Policy Objectives" from the Alliance for Financial Inclusion [AFI], which will be presented by Muhammad bin Ibrahim, the deputy governor of Bank Negara Malaysia.

The perspectives and the important work of the AFI network, whose member countries account for more than 85 percent of the world’s unbanked population, are very welcome, and will continue to enrich and inform our discussions today and in the future.

Finally, I look forward to a rich and productive discussion today, which I am sure will contribute to our common objective to deepen financial inclusion while also ensuring financial stability, financial integrity, as well as overall transparency and security in financial systems. Thank you