Governor Amando Tetangco Jr, Members of the cabinet, Excellencies, representatives from Government, the private sector, non-governmental organizations and cooperatives, Ladies and Gentlemen,

It is an honor and a pleasure to be here today for the launch of the Philippines’ National Strategy for Financial Inclusion.

In my UN role as the Secretary-General's Special Advocate for Inclusive Finance for Development, I have long looked forward to visiting the Philippines. For many years, your country has been a fervent supporter and a model of best practices when it comes to financial inclusion.

Some important national institutions present here today - such as the Department of Finance and the Bangko Sentral ng Pilipinas - understood early on the importance of financial inclusion for the development, prosperity and financial stability of the Philippines. Today's event is just another example of the high priority the Philippines attaches to financial inclusion.

So just what is financial inclusion? Financial inclusion seeks to unlock economic opportunity for all, especially the poor, by expanding access to financial services such as savings accounts, credit, insurance, and payment systems.

These tools provide a path to empowerment for families and communities:

That is:

- A savings account where families can safely set aside money for tuition or health emergencies;
- or: insurance to protect farmers against drought or flood;
- also: affordable credit to enable small businesses to grow into larger ones;
- and: Payment systems that are reliable, convenient and inexpensive, so that people can send or receive money virtually anywhere.

In the Philippines, this is especially important. Millions of people from the Philippines are earning their livelihoods abroad, in the United States, Saudi Arabia, the United Arab Emirates or other countries. They provide a lifeline to their families back home. This country is among the top receivers of remittance flows. They account for 12.5 percent of GDP. But what is more important: they are helping to make growth and development in the Philippines possible. In this case, financial inclusion also means: maximizing the development impact of these remittances. For households and the nation as a whole!

As we are seeing around the world, access to financial services allows poor households and small entrepreneurs to invest in education, build their businesses, save for retirement, and confront unforeseen risks. This has a positive impact on equitable growth, job creation, and innovation. It helps make communities and nations stronger.

Despite a supportive regulatory environment here in the Philippines, many citizens still face real challenges in
accessing financial services. Some live too far away from access points. For others, financial products can be too costly and too complicated. The payments infrastructure is also not suited to the needs of all individual customers and the broader economy.

As a result of these and other issues, only one third of Filipinos have an account at a formal financial institution; among the poorest 40 percent of the population that figure drops to one fifth. Despite full mobile penetration and a tech-savvy population, only 17 percent of Filipinos use mobile financial services. And only 1 percent of the total volume of national payments happens electronically.

But I strongly believe that the Philippines can build on its earlier successes and address these challenges. Today's launch of the National Strategy for Financial Inclusion is a crucial step, along with the signing of a memorandum of understanding by 13 national agencies committing to its implementation.

The strategy defines a clear vision and provides an excellent platform to re-energize the financial inclusion agenda in the Philippines. It will help the national agencies carry out and coordinate the crucial reforms necessary to establish a more inclusive financial system. And it will create a framework for government, private sector, and other stakeholders, such as the diverse groups represented today, to work together towards this important goal. No one actor has all the answers, and everyone has something vital to bring to the table. So please give your support and assistance to this National Strategy!

Greater access to financial services alone is not enough. For consumers and entrepreneurs to get the full benefit of these services, they need to be protected in every sense of the word, and they must understand their choices and rights.

Therefore, the expansion of financial services must go hand in hand with financial education and consumer protection, as the National Strategy so accurately points out!

International best practices have shown that successful national strategies require unwavering high-level political support. They also need a strong and well-resourced secretariat, which I understand is envisaged within the BSP. In addition, it will be important to formalize the existing core inter-agency group that has been working on the national strategy.

The private sector, not only banks but also mobile operators, has an especially important role to play in implementing the national strategy. It is the backbone of the economy, the key generator of employment and economic growth, and the main source of innovation.

Financial inclusion means integrating more of your countrymen and -women into the formal economy.

Serving these new customers represents a major business opportunity for the private sector, particularly if it can develop new business models to take advantage of technological innovation. In this regard, the plans of the two mobile operators to enable payments to flow between GCash and Smart Money are very promising. They represent a chance for more citizens to use these services, or to get more out of them.

In time, these services could be expanded to include other products, especially if implemented in conjunction with a national retail payment system and other key initiatives envisaged by the national strategy.

In conclusion, I believe the Philippines is ready to start its journey towards a more financially inclusive and cash-light economy, building on the country's mobile and digital innovations. This path could yield real social, economic, and developmental benefits to all of its citizens. I congratulate you all on your vision in developing this national strategy. I am confident it can be a tool for combatting poverty, creating jobs and expanding prosperity.

My partners and I are committed to working with you in any way we can. We assure you, we will follow you closely every step of the way!

With this national strategy the Philippines continues to be a leader in financial inclusion. You can be proud of
your work!

Thank you.