DRIVING THE NEW DEVELOPMENT AGENDA: WHAT IS THE ROLE OF FINANCIAL INCLUSION?
20 Oct 2015

After extensive negotiations and with much acclaim, 193 countries at the UN have now adopted an ambitious new development agenda with 17 Sustainable Development Goals (SDGs) at its core—an agenda that will address far-reaching concerns including poverty reduction, climate change, women's empowerment, and inequality, and will serve as a blueprint for global development efforts over the coming 15 years. UN Secretary-General Ban Ki-moon has called the SDGs "a to-do list for people and planet, and a blueprint for success."

Throughout discussions leading up to the adoption of the SDGs, also known as the Global Goals, the UNSGSA and her partners worked to ensure that financial inclusion was recognized and embedded in the agreement, not as an end itself but as a powerful enabler of development progress.

Now that the Global Goals have been adopted, what do they say about financial inclusion? And what can financial inclusion do for the Global Goals?

The Global Goals are strongly marked by a broad recognition of the importance of financial inclusion—starting with the agreement's preamble ("We will adopt policies which increase productive capacities, productivity and productive employment; financial inclusion; [and] sustainable agriculture."). Of the 17 goals, seven feature specific language on financial inclusion:

- **SDG 1: No poverty**—This goal makes a strong reference to financial inclusion in one of its targets: "By 2030, ensure that all men and women, in particular the poor and the vulnerable, have…access to financial services including microfinance.

- **SDG 2: Zero hunger**—Refers in one of its targets to "secure and equal access to financial services" as a means to double agricultural productivity and incomes of small-scale food producers by 2030.

- **SDG 3: Good health**—Mentions "financial risk protection" in one of its targets.

- **SDG 5: Gender equality**—Includes "access to…. financial services" for women under a means of implementation target.

- **SDG 8: Decent work and economic growth**—Lays out two targets: one related to encouraging "the formalization and growth of micro-, small and medium-sized enterprises, including through access to financial services," and another to "strengthening the capacity of domestic financial institutions to expand access to banking, insurance and financial services for all."

- **SDG 9: Industry, innovation and infrastructure**—Provides a stand-alone target about providing small enterprises with access to financial services.

- **SDG 10: Reduced inequalities**—Includes reducing the costs of remittances as one of the means of implementation targets.
Financial inclusion in the Financing for Development Accord

Language about financial inclusion also appears in a separate but closely related agreement on financing for development, adopted in Addis Ababa in July, which addresses the crucial question of how financing flows and policies can support the implementation of the Global Goals.

Here, financial inclusion features in sections on gender, access to financial services for small and medium-sized enterprises, financing gaps, access to financial services and financial literacy, responsible finance, policy and regulation, access to formal financial services for all, financial inclusion strategies, consumer protection, mobile banking, digitizing payments, access to credit for small and medium-sized enterprises, credit bureaus, the IFC, and the standard setting bodies.

The financial inclusion community and supporters will remain engaged in the financial inclusion aspects of the Global Goals’ implementation at the national, regional, and global levels.