Mr. Oudea, Mr. Sabatini, Mr. Mijs, ladies and gentlemen, I am delighted to be given the opportunity to speak about financial inclusion, a subject that is very dear to me, and provide some thoughts on the advent of Fintech and what it may mean for all of us.

I like to define financial inclusion as universal access to, and use of, a wide range of reasonably priced financial services. These should be provided responsibly by a variety of sound and sustainable institutions in order to strengthen development. Without access to such services, people's talents and entrepreneurial skills remain underutilized and their innovative ideas never see the light of day.

At present 2 billion do without even the most basic financial services that you and I rely on every day. No bank account. No safe way to save money. No safe way to make payments, no insurance. No credit beyond what they can borrow from a loan shark, sometimes at a 100 percent interest rate.

Even for the advanced economies of the EU, ensuring that socially vulnerable and small business owners get access to mainstream financial services remains an acute challenge. In the EU, one in ten adults do without access to the most basic financial services. Micro, small and medium enterprises in Europe lack the financing they need to fulfill their potential. Inadequate access to finance forces business owners to cut back on efficiency, innovation, growth, and of course job creation. This took a turn for the worse after the financial crisis and still hasn't fully recovered.

Ultimately our goals revolve around meeting the needs of clients and spurring the real economy. That means access to products and services that meet client needs while ensuring customers remain protected and do not find themselves worse off. Bringing this about would be impossible without the cornerstones of the financial system—your members, the banks.

But times are changing. Given the scale of these challenges and the enduring difficulties in getting the right products to all the people and businesses that need them, many increasingly place their faith in fintech.

So why all the excitement?

In general, technology can lower channel costs, improve credit and insurance underwriting and better match sources of capital such as savings with uses of capital such as investments. As a result, technology-led business model innovations have the real potential to reach more people with appropriate services at lower cost.

Add skyrocketing smartphone adoption and mobile data use to the mix and we get a glimpse of tantalizing new possibilities.

For instance, driven by the increased affordability of devices, the developing world will lead most of the growth in global smartphone adoption, reaching 63 percent by the end of the decade. The number of smartphones across the developing world will increase by 2.9 billion in 2020. This has the potential to allow us to reach hundreds of millions of previously unreachable customers, many illiterate or financially illiterate, through enhanced interfaces in richer more meaningful ways.

Exactly what will truly make an impact—and change lives—only time will tell. Like you in the banking industry, those of us occupied with financial inclusion, regulators included, are trying to determine what the advent of fintech means for us. What possibilities open up with these new players, products, technologies and channels entering the fray? Which risks should we be wary of? How to quantify these risks? How to keep competition in the market and prevent the winner from taking it all?
There will be significant change but some perspective is in order. Many have been predicting the demise of banks for some time. Five years ago it was to be at the hand of the mobile network operators. That has not happened yet and does not look to be happening anytime soon. Instead we see partnerships with banks using their infrastructure at the center.

Beyond the usual view of fintech as a threat to the banking industry, I believe, it presents a compelling opportunity. One, if handled right, that can help us draw in the previously unbanked with better, safer products. That is where you in the banking industry and us in the financial inclusion world align perfectly.

Two, it would be wrong to assume that technology is new to the financial sector. Technology has long been at the heart of how banks conduct their business. In fact, the financial services industry already has one of the highest ratios of IT spend as a proportion of revenue, with levels expected to reach US$197 billion in 2015.

In fact, there is still no way around banks and their infrastructure yet. A bank account still lies at the heart of most fintech services—take PayPal or Square.

A lot of questions arise on how fintech will emerge: Will there be different pillars (payments, savings, crowdfunding)? Will they emerge only as fintech or come from other disciplines (e-commerce, social media)? Will they provide solutions for SME finance or focus mainly on payments or insurances? What should be the public goods element?

A lot of questions. But whatever the answers are, technology, like financial inclusion, is a means to an end—not an end in itself. Let's not lose sight of the fact that financial services—if done right—serve people. And that goes for technology as well. Not technology for technology's sake. And fintech should not change that.

In this ever changing environment, as customers are faced with new providers and unfamiliar products, there is an urgency and need for consumer protection and financial education to keep them safe and ensure they get the most out of the services they now have access to. So are we opening customers up to new risks? This is something that concerns regulators greatly.

Financial services are too central to people's lives and for the stability of the economy for policy makers and regulators not to worry. As a result, we need to find new balance as we pursue the financial policy objectives of stability, inclusion, integrity, and consumer protection.

We are asking a lot of regulators as they are forced to walk a tightrope between safety and ensuring they do not stifle potentially beneficial innovation. In short order, they too need to get to grips with such potentially game-changing and complex innovations as bitcoin and distributed ledgers.

Like us, regulators and supervisors are trying to figure out what fintech means for them. We need to take them on this journey - not as an obstacle to be overcome but as partners. We are in this together.

Ultimately the key question is—will fintech deliver financial products that make a positive impact on people's lives?

And finally, a challenge: in a world with a smartphone interface in every pocket, data flowing all around all, new reinvigorating offerings and millions of untapped customers...

It should be a great time to be a banker again, as long as you feel you feel you are adding to society's challenges and all its promises. I hope you take this opportunity. Thank you.