



**UNSGSA** UNITED NATIONS SECRETARY-GENERAL'S  
SPECIAL ADVOCATE FOR INCLUSIVE FINANCE FOR DEVELOPMENT  
**ANNUAL REPORT TO THE SECRETARY-GENERAL** SEPTEMBER 2013

**KNOWLEDGE  
AND  
COMMITMENT  
INTO ACTION**

A woman with dark hair, wearing a red shawl over a blue top, is seated in a market stall. She is surrounded by large, open sacks filled with potatoes. The background shows more sacks and a white wall with a red stripe. The lighting is warm and natural, highlighting the textures of the potatoes and the woman's clothing.

Her Majesty Queen Máxima of the Netherlands was designated by United Nations Secretary-General Ban Ki-moon as his Special Advocate for Inclusive Finance for Development (UNSGSA) in 2009. Since then, she has emerged as the leading global voice on the importance of inclusive finance for achieving social development and economic goals. Her central message is that financial inclusion enables and accelerates progress toward national priorities including job creation, equitable growth, poverty alleviation, health, food security, and empowerment of women.

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# EXECUTIVE SUMMARY

Her Majesty Queen Máxima of the Netherlands, in her fourth year as the United Nations Secretary-General's Special Advocate for Inclusive Finance for Development (UNSGSA), drew continued recognition as the leading global spokesperson for the essential role of financial services in alleviating poverty, furthering diverse development goals and fostering equitable economic growth. The UNSGSA works with all stakeholders to share knowledge, inspire deeper commitments, and take action that results in meaningful impact for poor people and smaller enterprises.



This past year, Queen Máxima continued to champion financial inclusion as a key element of stable and thriving financial systems and of socio-economic development. The UNSGSA was an early and strong voice in the United Nations-led dialogue to identify development priorities once the Millennium Development Goals (MDGs) reach their target date of 2015. Her advocacy helped bring about recognition that inclusive finance will be an integral component of this agenda, which will shape action for years to come. The role of financial inclusion in overcoming exclusion and inequality overall, in the empowerment of women, and in achieving inclusive, sustainable growth and decent employment, is underscored in the United Nations Secretary-General's 2013 report on the MDGs and future UN development agenda.<sup>1</sup> As this dialogue evolves in the coming two years, the UNSGSA will continue to encourage leaders from countries, development agencies, the private sector and civil society to endorse a global aspirational goal for universal access to financial services by all households and small- and medium- sized enterprises (SMEs), backed by an ambitious time-bound target.

As UNSGSA and Honorary Patron of the G20 Global Partnership for Financial Inclusion (GPII), Queen Máxima advocated the importance of complementarity and coherence among multilateral and international policy and initiatives. Through meetings with Secretary-General Ban Ki-moon of the United Nations, President Jim Yong Kim of the World Bank Group, the leadership of Russia's G20 Presidency, and many others, she identified synergies and mutual interests across development, economic and financial agendas. She encouraged commitment to set policies and take action on financial inclusion building blocks such as consumer capability, innovative products, and specialized data. Her sustained outreach is credited with helping to inspire the Financial Access Task Force (FATF) to reaffirm the importance of financial inclusion—and thus issues of access and exclusion—to its important work to guard against illicit use of the financial system.

Every country's priorities and goals for inclusive finance and for development are different. The UNSGSA drew attention to common elements of success, including political leadership, coordination and evidence-based action. She welcomed progress against national

commitments made at the G20 Leaders Summit in 2012 to create cross-sector coordination mechanisms and strategies to achieve financial inclusion. She also welcomed new commitments from additional countries on measurable actions to advance financial services for the poor.

In support of these efforts and to encourage robust implementation, Queen Máxima joined the launch of Nigeria's National Strategy for Financial Inclusion, and discussed emerging priorities with the Presidents of Indonesia, Tanzania, and Liberia in follow-up to earlier visits to those countries. Regular contact with national policy makers and stakeholders—financial service providers, mobile phone companies, practitioners, and clients themselves—deepened the UNSGSA's strategic perspective and informed her elevation of local needs and successes to the global agenda.

During the course of the year, the UNSGSA took a fresh look at how financial services can bolster agricultural production and empower rural women, given the positive impact this would have on the world's poorest and most vulnerable. Access to savings, loans, insurance, payments and other services can enable farmers and small enterprises to generate income, invest in opportunities and strengthen resilience to shocks. To this end, Queen Máxima began a collaboration with the leaders of three UN agencies with rural development and agricultural mandates in order to harness financial inclusion to help end hunger, malnutrition and food insecurity.

Queen Máxima's forward advocacy agenda is to convert this expanding knowledge and commitment into meaningful action that brings scale and sustainability to financial inclusion. Formal financial services are poised to become affordable and trusted elements of the everyday lives of poor people and small scale entrepreneurs. As this happens, the impact of reduced vulnerability and increased empowerment will help move a generation permanently out of poverty and contribute to the growth and stability of developing nations. The UNSGSA is more committed than ever to inclusive finance for development, to championing this within the post-2015 development agenda process, and to realizing a future with financial services for all.

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<sup>1</sup> *A Life of Dignity for All. Accelerating Progress towards the Millennium Development Goals and Advancing the United Nations Development Agenda Beyond 2015.* Report of the Secretary-General, United Nations A/68/202. 2013

# PROGRESS AND OPPORTUNITY

Innovative financial products, enabling policy environments, and solid financial infrastructure underlie the expansion of financial services that have the potential to reach poor people and small and medium-sized enterprises (SMEs) everywhere. The force of this potential, coupled with better information on persisting gaps in access, has helped to galvanize political leadership and national commitments to financial inclusion. Next steps are to support robust implementation so that inclusive financial systems grow faster, sustainably and responsibly, and advance progress toward development and economic outcomes.



Financial inclusion is now possible, compared to even ten years ago. Game-changing innovations in public policy and regulation, financial products, private sector partnerships, and data and research have revealed the possibilities of a more inclusive financial future for all. Financial services provide the tools that poor people need to overcome poverty, spur business growth, and, on a larger scale, stabilize vulnerable communities and accelerate a country's achievement of its development goals.

## Financial inclusion for all

A country's financial sector can contribute to equitable and faster economic growth and social development when it engages the whole population and effectively serves enterprise activity. The importance of financial inclusion has steadily gained recognition in the last several years at both national and international levels, including in the ongoing UN-led global consultations to elaborate a development agenda that will take effect after the MDGs reach their 2015 target date. In this process, stakeholders are working to identify both urgent development priorities and efficient, sustainable ways to achieve them. Milestone reports by the UN Secretary-General and his High Level Panel of Eminent Persons on the Post-2015 Development Agenda each recognize the role of financial services. The Panel's report includes inclusive finance as an enabler and target in illustrative goals on ending poverty, empowering girls and women, and creating jobs, sustainable livelihoods and equitable growth.<sup>2</sup> The UN Secretary-General's report cites the importance of inclusive economies, where men and women have access to financial services, in order to leave no one behind and bring everyone forward.

Financial inclusion similarly remains a priority in global financial and political conversations, including on the agenda of the G20. Building on momentum gained under México's 2012 G20 Presidency, Russia's G20 Presidency in 2013 moved to increase synergies and coordinate policies across finance and development work streams on overlapping issues such as remittances, financial services for women and youth, and food security—which has great potential to positively impact outcomes in both work streams.

## Financial inclusion on solid footings

New and better data at all levels has played an important role in guiding policies, implementation and investment. It confirms that access to commercial bank services measured by indicators such as number of bank branches, ATMs, and new deposit accounts has grown steadily since 2004. A sharpening of understanding and diffusion of best practices has resulted in a marked improvement in regulations, policies, and financial services catering to low-income households and SMEs.

Among these, mobile money and agent banking are transforming the landscape of financial services. By the end of 2012, there were more than 150 mobile money services globally, most offering money transfers in developing countries to more than 30 million active clients. Six of these have more than one million subscribers each, demonstrating that scale is possible in this young industry.<sup>3</sup> Agent banking has also taken off in dozens of countries, spurred by powerful examples such as how Brazil made banking services available in all 5,600 municipalities through agents. By partnering with local retailers in un- and under-served urban and rural communities, banks and other financial service institutions are extending the provision of services, drastically cutting costs, and leaping over geographic barriers.

Concurrently, significant changes in global financial standards and national regulations have helped to open these and emerging paths for inclusive finance for development. Most global financial standard setting bodies have now issued guidance that gives national authorities more flexibility to reflect the local context. This has arisen through ongoing dialogue with regulators about their experiences, challenges and priorities. In countries as diverse as Brazil, Fiji, India, Malaysia, México, Pakistan, the Philippines, South Africa, and Zambia, regulators have taken steps to balance the stability and integrity of their financial system with the pragmatic need to ensure that it serves the whole population.

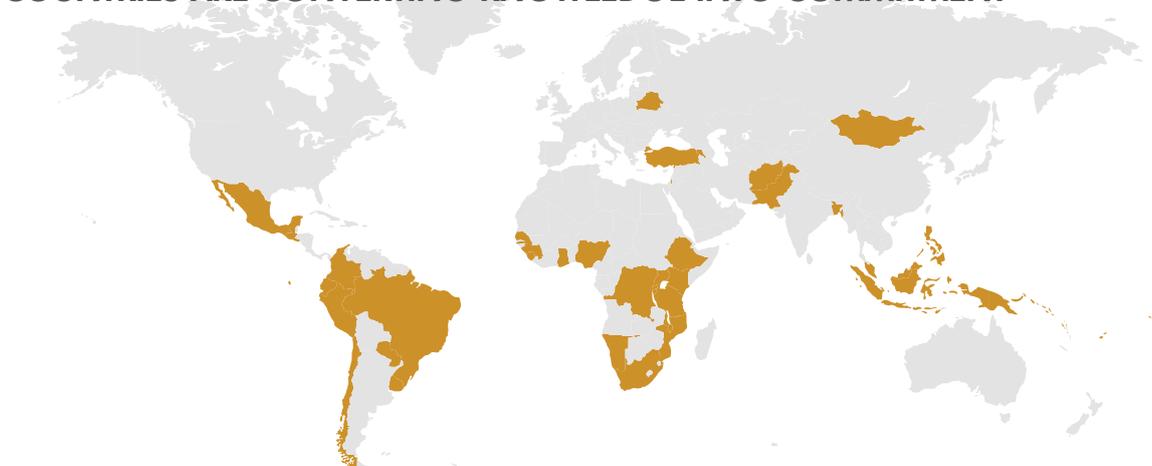
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<sup>2</sup> *A New Global Partnership: Eradicate Poverty and Transform Economies through Sustainable Development*. The report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda. United Nations. 2013. (page 47, and annexes).

<sup>3</sup> Claire Penicaud, *Mobile Money for the Unbanked, State of the Industry: Results from the 2012 Global Mobile Money Adoption Survey*, GSMA 2013, 1-2.

# COMMITMENT

## COUNTRIES ARE CONVERTING KNOWLEDGE INTO COMMITMENT



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43 different developing countries have, as part of international frameworks, pledged to develop cross-sector coordination platforms and national strategies to achieve financial inclusion, to set measurable objectives in areas that have been proven to increase inclusion or to shift cash to electronic payments—and in a few instances, all of the above. In addition, 23 developed and developing countries have put in place national strategies for financial education, an important component of financial inclusion.<sup>4</sup>

Greater access to financial services by new clients has given rise to a new set of challenges. For example, instances of rapid expansion of consumer credit and the microfinance industry in some emerging markets resulted in higher risk of client over-indebtedness. They raised questions as to whether these new services are truly contributing to a household's welfare. This situation has galvanized attention on the importance of responsible finance and consumer protection for new and experienced users of financial products by local authorities and consumer groups, the G20 and leading financial institutions. A growing number of countries have now put in place national strategies for financial education.

All of this commendable activity has led to a period of consolidation of progress. Political leaders, service providers, policy makers, and other actors are working to secure gains and build them into a strong foundation for long-term and widespread expansion of inclusive financial services.

### Country level commitment and ambition

There is increasing recognition that getting to scale and positively impacting lives and livelihoods is a complex and long-term process. Headway is still modest in reaching the billions of mostly poor people who are excluded from the formal financial system. Progress is generally slowest in those areas and population segments where access is already the lowest.<sup>5</sup> Addressing this requires unprecedented coordination among diverse actors.

Leaders are taking on this challenge. In total, more than 40 countries have made commitments at the highest political levels to advance financial inclusion. (See box above.) Many have identified specific actions and targets that will build into measurable progress, and committed to implementing these as part of international frameworks and networks such as the Alliance for Financial Inclusion's Maya Declaration and the Better Than Cash Alliance. At the G20 Los

<sup>4</sup> For more information: national strategies as part of the G20 Financial Inclusion Peer Learning Program: [gpi.org/about-gpfi](http://gpi.org/about-gpfi) and [g20mexico.org/index.php/en/press-releases/459-evento-de-inclusion-financiera-en-los-cabos](http://g20mexico.org/index.php/en/press-releases/459-evento-de-inclusion-financiera-en-los-cabos); set measurable objectives: [afi-global.org/maya-declaration](http://afi-global.org/maya-declaration); switch to electronic payments: [betterthancash.org](http://betterthancash.org); national financial education strategies: [oecd.org/finance/financial-education](http://oecd.org/finance/financial-education)

<sup>5</sup> Only 41 percent of adults in developing countries have an account at a formal financial institution, as compared to 89 percent of adults in high-income countries. Within developing countries, the poorest adults, measured in quintiles, are only half as likely to have a financial account as the wealthiest. Source: Demiguc-Kunt, A, and L. Klapper. 2012. "Measuring Financial Inclusion: The Global Findex Database." Policy Research Working Paper 6025, World Bank, Washington, DC. USA.

Cabos Summit in 2012, seventeen countries pledged to create cross-sector coordination mechanisms and form national strategies to achieve financial inclusion. Since the Summit, Nigeria launched its strategy, Brazil and South Africa continue implementation of their strategies, and Chile, México, Rwanda, Tanzania, and Turkey are among those preparing strategies. Positively, more and more partners, including from the private sector, are engaged in these national strategy-setting processes and implementation. Many initiatives have arisen to support this trend, including, at the global level, the creation of the World Bank's Financial Inclusion Support Framework, the G20 GPF's Women's Finance Hub, and AFI's Financial Inclusion Strategy Peer Learning Group.

### **Harnessing financial inclusion for development impact**

Queen Máxima sees the coming period as a major opportunity to increase synergies and coherence

between the financial sector and the development arena. The formation of an aspirational global goal for universal access to financial services with ambitious targets would unify stakeholders, guide strategies, and frame nationally-determined country goals and targets for implementation. The UNSGSA remains committed to building global consensus on financial inclusion aspirations as part of the post-2015 development agenda.

Inclusive finance for development is not merely about ensuring access to and use of financial services for the poor. It is about creating economic and financial systems through which people can overcome poverty and advance toward life's goals. To achieve this on the scale that is needed, Queen Máxima remains steadfast in her work to uncover new knowledge, encourage deeper and wider political leadership and commitment, and inspire action that has direct and sustained impact on the lives of the world's poorest for the benefit of all.



Leaders of three UN Agencies and the UNSGSA agreed on a set of shared messages on the role of inclusive finance, food security and rural development. Left to right: Ms. Ertharin Cousin, Executive Director, World Food Programme (WFP); Mr. José Graziano da Silva, Director General, Food and Agriculture Organization (FAO); H.M. Queen Máxima of the Netherlands, the UNSGSA; and, Mr. Kanayo Nwanze, President, International Fund for Agricultural Development (IFAD). (Rome, Italy, March 2013)

# ROLE AND APPROACH OF THE UNSGSA

As UNSGSA, Queen Máxima works with diverse stakeholders to raise awareness, share knowledge, inspire leadership, and foster action toward greater access to and use of financial services for poor people and small enterprises. Inclusive financial systems contribute to poverty alleviation, job creation, equitable economic growth, and progress toward a spectrum of development goals including food security, clean water, good health, environmental sustainability, women's empowerment, and universal education.



United Nations (UN) Secretary-General Ban Ki-moon designated Queen Máxima as his Special Advocate for Inclusive Finance for Development in 2009 based on her experience in international banking, emerging markets, development, and her decade-long commitment to financial inclusion. The Secretary-General extended this mandate for a further two years in 2013.

The UNSGSA encourages universal access at a reasonable cost to a wide range of financial services, provided by diverse, responsible and sustainable institutions. She advocates that low-income clients and micro-, small- and medium-sized enterprises (SMEs) need a variety of providers and products, especially savings, payments, credit and insurance.

Queen Máxima was named the Honorary Patron of the G20 Global Partnership for Financial Inclusion (GPFI) in 2011. In this role, she works with governments, implementing organizations and partners to advance the G20 Action Plan on Financial Inclusion. She advocates the importance of complementarity and coherence among multilateral and international policy and initiatives in the area of inclusive finance, as well as the importance of engaging relevant stakeholders at the global and national levels.

### **Unlocking knowledge, building commitment, inspiring action**

Queen Máxima builds commitment and inspires action by calling attention to the enabling and accelerating role that inclusive financial systems play in the accomplishment of diverse economic and social development goals. She advocates that universal access is now possible.

In regular consultation with intergovernmental organizations and national leaders, global standard setters and financial regulators, civil society and practitioners, along with the private sector and the media, the UNSGSA shares knowledge and recommends priority actions. She seeks strategic opportunities to influence the agenda through high-level bilateral meetings, country field visits, speeches, and interviews. These diverse relationships and direct interactions provide the UNSGSA with a unique vantage point about opportunities and gaps for inclusive finance for development.

Within the UN system, Queen Máxima engages the breadth of programs, funds, and agencies to share insights and best practices about how financial inclusion complements and advances their missions. She is also an active voice championing the cross-cutting role of inclusive finance in the UN-led dialogues on the global development agenda to take effect after the MDGs reach their target date of 2015.

The UNSGSA emphasizes the importance of complementarity and cooperation among global and country-led initiatives, and of engaging all relevant stakeholders, including clients, in the process toward a more inclusive financial system. She cooperates closely with her international advisory Reference Group to encourage strategic approaches that unify stakeholders around common goals. Queen Máxima thanks the many partners, institutions, leaders and clients she has had the opportunity to collaborate with in the advancement of inclusive finance for development.

### **Financial inclusion in the Netherlands**

Queen Máxima also champions access to finance, entrepreneurship, and financial literacy in her home country, the Netherlands. In doing so, she conveys best practices and insights from Dutch and international experiences. She is a member of the Dutch Committee for Entrepreneurship and Finance, where she encourages coaching, business skills training, and loans to entrepreneurs starting or growing businesses in the Netherlands. Queen Máxima is Honorary Chair of the Money Wise Platform, a national partnership of banks, schools, government, consumer organizations, and research institutions to promote financial literacy. The Queen has been a long-term advocate for financial education, including for children and youth in the Netherlands.

# ADVANCING FINANCIAL INCLUSION: KEY ADVOCACY ISSUES

Financial inclusion is universal access to and use of a wide range of reasonably priced financial services, provided by a variety of responsible and sustainable institutions. It enables and accelerates equitable economic growth, poverty alleviation and human development.



Expanding the financial system so that it serves poor people and SMEs, including women and those in rural areas, requires new levels of dedication and coordination. Financial inclusion extends far beyond the innovation and delivery of financial products to include political leadership, consumer demand and capability, policy, infrastructure, rule of law, and good data. Bringing client-oriented financial services to scale, sustainably and responsibly, will only be achieved through a holistic approach.

The UNSGSA identifies emerging needs and opportunities to advance inclusive finance for development by engaging with political leaders, regulators, financial service providers, donors, investors, and clients themselves in local, national, and international contexts. In concert with her five ongoing advocacy focus areas, Queen Máxima prioritized two themes this past year:

### **Universal access to financial services in the post-2015 development agenda**

An active voice in the discussions around future development priorities after the MDGs reach their target date of 2015, Queen Máxima advocates that financial inclusion is essential to the success of many development goals. Moreover, financial services for all are now possible due to recent innovations in regulations and products. She advocates that a global aspirational goal of universal access be part of development agendas.

### **National strategies and cross-sector coordination for financial inclusion**

Through her close involvement with diverse stakeholders, the UNSGSA has recognized that financial inclusion priorities vary from country to country, but all require leadership from the highest levels. Coordination across finance, education, communications, social welfare, agriculture and other sectors is essential for achieving financial inclusion and to harnessing its power to advance national economic, environmental and social development goals. A strategy backed by time-bound and measurable action plans, realistic targets and good data is also necessary. She applauds those countries with such national strategies in place, and continues to encourage others to pursue their own.

In order to harness the power of financial inclusion, the UNSGSA focuses on five key areas for advocacy where her input creates the most impact.

**A. Diverse financial services:** Affordable access to, and use of, savings accounts, payments, credit, insurance and other financial services help families and small enterprise owners generate income, manage irregular cash flow, invest in opportunities, strengthen resilience to shocks, and work their way out of poverty. Billions of people and hundreds of millions of enterprises remain excluded from the financial system.

**B. Bridging household and SME finance:** SMEs play an important role in job creation and economic growth, especially in developing countries, where they create 66 percent of permanent, full-time employment.<sup>6</sup> In order to start up and thrive, enterprises need local access to diverse financial services as well as business advisory support.

**C. Responsible finance and financial capability:** Financial institutions can meet the needs of clients, environment, and business growth through responsible practices and appropriate products. Consumer protection and financial education enable clients to make well-informed decisions about household budgeting, saving for life's goals, and avoiding crippling debt.

**D. Financial inclusion, integrity, and stability:** Bringing more informed people into a client-oriented, responsible and supervised financial system lowers risks, promotes stability, and improves integrity.

**E. Financial inclusion data:** In-depth, harmonized and comparable data supports national strategic planning and monitoring, evidence-based policymaking, impactful investments, and innovative products. It enables measurement and assessment of the effectiveness of financial service policies, investments, and products on lives, livelihoods, and welfare.

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<sup>6</sup> "IFC Jobs Study: Assessing Private Sector Contribution to Job Creation and Poverty Reduction." IFC, January 2013.

## A. DIVERSE FINANCIAL SERVICES

Meeting the demands and needs of low-income clients and small enterprises requires a variety of providers and products, especially payments, savings, credit, and insurance.



### Financial inclusion, food security, and rural development

This year, the UNSGSA strategically focused on financial services to support agriculture and rural people due to the compelling opportunities for significant and lasting development impacts. (See Knowledge box, p. 15.) At a high-level event in Rome, the UNSGSA appreciated that the Food and Agriculture Organization (FAO), the International Fund for Agricultural Development (IFAD) and the World Food Programme (WFP), have made a call to end hunger, malnutrition and food insecurity. “When implemented, this necessarily involves financial inclusion,” she said. “Financial inclusion enables and accelerates greater food production and food security by helping increase and improve agricultural production, linking farmers to markets, and reducing risks for farmers and families.”

In recognition of these linkages, the UNSGSA initiated collaboration with leaders of these three UN agencies. Together, they released a set of joint messages, which were shared in support of post-2015 development planning. They also began pilot programs to better align agriculture and financial inclusion at a country level.

Queen Máxima also met with board members of the Alliance for a Green Revolution in Africa (AGRA), and addressed several large conferences on food security and the needs of the world’s 500 million smallholder farmers. Tailored financial services—long-term credit matched to crop cycles, insurance against drought or pests, and savings accounts for investments in seeds, fertilizer or efficient drip irrigation—could help smallholder farmers increase the quantity and quality of food grown, and move to higher-value market crops.

The UNSGSA stressed that the overall needs of the rural poor must be addressed holistically in order to leverage gains from agriculture into lasting socio-economic impacts. This too requires financial services. For example, saving small amounts of money at a time can help pay for school fees, build a safer house, or meet urgent medical costs.

### Scale and sustainability for development impact

Incredible progress has been made in a few short years to better understand the needs and preferences of low-income people and design corresponding financial products. As research and innovation continues, the next step is to take financial services for the poor to scale. Addressing industry leaders at CGAP’s 2013 Annual Meeting, she explained, “Where we see scale, a product is really meeting a clear demand. We also see both profitability for providers and affordability for clients. The one without the other two is not sufficient.” The UNSGSA urged government, regulators, researchers, and providers to collaborate around practical challenges, and to share lessons from failures as well as successes.

Deeper knowledge of local markets and strengthened public-private partnerships will also be essential to reach scale. The UNSGSA pointed out that 2 billion people have access to mobile phones but do not have bank accounts—and challenged a gathering of the European technology industry to close this gap. Queen Máxima welcomed the formation in 2012 of the Better Than Cash Alliance, which promotes the use of digital technology to expand financial services and inclusion. At its launch, she highlighted how electronic payments drastically lower the cost of doing business for governments, businesses, and individuals, and

# KNOWLEDGE

## NUTRITION, AGRICULTURE AND GENDER

Seventy percent of the world's poor live in rural areas. They comprise the majority of the world's 1 billion people who suffer from hunger, and overwhelmingly depend on agriculture for their livelihoods. Women produce more than half of all food grown in developing countries yet do not have the same access to markets, land rights, extension services, information and financial services as men.



One in eight people still go to bed hungry—a large proportion are children and young people.<sup>7</sup>



About 28% of the world's population (2 billion people) rely on small holding farming for their livelihoods and welfare.<sup>8</sup>



Women produce 55% of food in developing countries. Worldwide, roughly 1.6 billion women rely on farming for their livelihoods.<sup>9</sup>



Yet, in developing economies, 46% of men report having an account at a formal financial institution, while only 37% of women do.<sup>10</sup>

increase transparency. For example, Nigeria eventually expects to save some of the USD 1 billion per year on cash management through conversion to digital financial transactions.

Throughout the year, the UNSGSA asked “...how can we tailor these e-payments and technology to have a greater social impact? To promote education, or improve health provision?”<sup>11</sup> At the Global Forum on Remittances 2013, she highlighted that the USD 450 billion that international workers will send home this year can be a gateway to inclusive financial services. One community-oriented bank in Sri Lanka is demonstrating this by teaching remittance recipients how to manage better their household finances, and by providing dedicated products to help them save for goals like a house or school fees.

The UNSGSA continued to stress that building resilience to unexpected shocks is among the most important factors in alleviating poverty, and encouraged even more attention to insurance. “The good news is that more insurance is reaching low-income populations and businesses... The need now is to move from pilots to scale. It requires that policymakers and providers...work with each other and also coordinate closely with stakeholders in agriculture, environment, health, communications and financial services,” Queen Máxima said to the hundreds of participants at the 8th International Microinsurance Conference.

<sup>7</sup> IFAD, WFP & FAO. *The State of Food Insecurity in the World 2012. Economic growth is necessary but not sufficient to accelerate reduction of hunger and malnutrition*, Rome, 2012, 8

<sup>8</sup> Conway, Gordon. *On Being a Smallholder*, IFAD, Rome, 2011

<sup>9</sup> UN Economic and Social Council <http://www.un.org/ecosocdev/geninfo/women/women96.htm>. No year given.

<sup>10</sup> Asli Demirguc-Kunt and Leora Klapper, 2012, “Measuring Financial Inclusion: The Global Findex Database”, World Bank Policy Research Paper 6025

<sup>11</sup> Speech by Queen Máxima at the Better Than Cash Alliance launch event, New York, USA, 24 September 2012.



Left: During a country visit, Queen Máxima discussed the importance of financial inclusion for job creation, SME growth and rural development with Nigerian President Goodluck Jonathan (right) and members of his cabinet. She joined the launch of Nigeria's National Financial Inclusion Strategy with Central Bank Governor Sanusi Lamido Sanusi (left). (Abuja, Nigeria, October 2012)

Right: Queen Máxima signed the guest book at IFAD after her discussions with UN Agencies on increasing crop productivity, robust rural markets, and resilience through financial services. (Rome, Italy, May 2013)



## POST-2015 AGENDA

### INCLUSIVE FINANCE FOR DEVELOPMENT

The UNSGSA is an active voice in the UN-led dialogue on development priorities for the period following the MDGs target date of 2015. During the past year, a critical juncture in the process, she galvanized the financial inclusion community, and political and development leaders to recognize universal access to financial services for households and SMEs as a key enabler of economic growth, poverty alleviation and development.

To advance this opportunity, Queen Máxima met with UN Secretary-General Ban Ki-moon, Deputy Secretary-General Jan Eliasson, leaders of UN agencies, funds and programs, World Bank President Jim Yong Kim, as well as with President Ellen Johnson Sirleaf of Liberia and President Susilo Bambang Yudhoyono of Indonesia, Co-chairs of the UN Secretary-General's High-Level Panel of Eminent Persons on the Post-2015 Development Agenda, among others. In her speeches and outreach, she shared recommendations and analysis highlighting how inclusive financial systems enable and accelerate progress toward health, education, access to water, and increase

job creation, equitable growth and incomes, including by empowering women and building resilience. A milestone report issued by the High-Level Panel recognized this cross-cutting role, "There are some essential elements we know work across countries and regions...Financial services are critical to the growth of business, but also raise the income of individuals." The report recommended a target for universal access to financial services as part of a potential new development goal on jobs, sustainable livelihoods and equitable growth.<sup>12</sup>

The UNSGSA will remain actively involved as the process to define a new development agenda unfolds through 2015. Calling for an aspirational goal of financial services for all, she will work with stakeholders to encourage that an ambitious global target, aiming for the majority of the population to be included by 2030, be set to guide global aspirations and to reflect national targets that some countries have already set. She stresses the concurrent importance of nationally determined strategies, goals and targets, as well as international, national and local partnerships to make it happen.

<sup>12</sup> "A New Global Partnership: Eradicate Poverty and Transform Economies through Sustainable Development." Report of the High-Level Panel of Eminent Persons on the Post-2015 Development Agenda. United Nations. 2013. (page 47 and Annexes).

## B. BRIDGING HOUSEHOLD AND SMALL ENTERPRISE FINANCE

An important source of employment, income and economic growth, micro-, small- and medium-sized enterprises (SMEs) need access to a continuum of affordable financial services and business expertise to start up and scale up.



The UNSGSA advocates that financial services are essential to the formation and expansion of robust enterprises. More than 200 million SMEs in emerging and developing markets, however, do not have access to the finance they need to grow and thrive.<sup>13</sup> Queen Máxima observes that even when financial services are available, SMEs can be lost in a gap between services catering to individuals, and financial services offered by commercial banks targeting large businesses. That many enterprises operate in the informal sector creates additional barriers. As a result, entrepreneurs use inefficient informal tools or miss out on growth potential.

### SMEs integral in national strategies and economic growth

Observing that SMEs are essential to national economic growth, the UNSGSA continued to encourage the integration of SME finance into financial inclusion planning. A recurring conversation throughout her visit to Nigeria, for example, was how to harness financial services to help create thriving rural SMEs and boost agricultural outputs and job creation—top priorities for the Nigerian Government. Queen Máxima discussed policies and actions to achieve these goals with the President of Nigeria, as well as with the Ministers of Finance and Agriculture, among others. Joining the Vice-President and the Governor of the Central Bank to launch Nigeria's National Financial Inclusion Strategy, the UNSGSA applauded the strategy's multi-dimensional approach and ambitious targets for use of payments, savings and other services by 2020. She pointed out that "Approximately one in every

five Nigerians work for a micro-, small- or medium-sized enterprise. As you may know, many of these enterprises are informal. They do not have access to the affordable payment services, current accounts, insurance and long-term finance that will help them to grow and thrive. But imagine the impact if they actually would have access." She saw the potential first-hand when she met small business owners who benefitted from new savings products that enabled them to make bulk purchases and avoid costly loans.

### Unleashing the power of women entrepreneurs

The UNSGSA advocates that the needs of women-owned businesses deserve much more attention. In opening remarks at an event hosted by the G20, World Bank and the International Finance Corporation (IFC), the UNSGSA said, "I have seen that access to finance is crucial to entrepreneurship. Yet, women face particular obstacles. They take out fewer loans than men, and borrow less. They tend to settle in businesses that are smaller and less capital-intensive. As a result, they make less profit and they grow less. While being careful is good, taking well-calculated risks is an integral part of entrepreneurship, which of course requires finance." Female entrepreneurs cite lack of access to finance as a major constraint even more frequently than their male counterparts.<sup>14</sup> Globally, more than 1.3 billion women do not have an account at a formal financial institution. Poor women in the developing world are 28 percent less likely than men to have a formal account.<sup>15</sup> (See Knowledge box, p. 15.)

<sup>13</sup> IFC factsheet, *Access to Credit Among Micro, Small, and Medium Enterprises*, forthcoming.

<sup>14</sup> GPFI, IFC. "Strengthening Access to Finance for Women-Owned SMEs in Developing Countries." *International Finance Corporation. Washington, DC.* (2011).

<sup>15</sup> Demirguc-Kunt, Asli, Leora Klapper, and Dorothe Singer. "Financial inclusion and legal discrimination against women: evidence from developing countries." *World Bank Policy Research Working Paper 6416* (2013).

Part of the problem is that financial institutions do not cater to women’s needs—be it for running a store, filling fields or expanding a factory. In a video address with the Dutch Minister for Economic Affairs during the European SME Week, Queen Máxima noted that a business case is emerging. Institutions are finding better and profitable ways to serve women through tailored products, services and outreach—and, critically, by pairing coaching and business advisory support together with financial services.

### Financial infrastructure for thriving SMEs

The UNSGSA continued to spotlight how infrastructure and non-financial issues, including the broader legal regime and enforceable contracts, affect SME access

to finance. At a series of events in 2012 and 2013, the UNSGSA challenged policy makers, investors, bankers and donors to build more and better financial infrastructure. Real-time payment systems, credit bureaus and warehouse receipts can all help lower the cost of lending, and thus increase the flow of finance. Better data on SMEs, including informal enterprises, coupled with institutional understanding of local small business sectors, can make lending less risky and cheaper. Queen Máxima also challenged financiers to address the mismatch between demand for loans and excess involuntary liquidity in national commercial banks in under-developed financial and securities markets. In this way, banks can contribute to healthy and equitable growth.

## C. RESPONSIBLE FINANCE AND FINANCIAL CAPABILITY

**Responsible practices in financial services bring advantages to providers, clients, and the environment. Clients can maximize the benefits of access to financial services when they also have access to financial education, a key aspect of consumer protection.**



### Client capacity at pace with access

Consumer protection and financial literacy are becoming even more important as the provision of inclusive financial services accelerates, and people encounter formal services for the first time. Queen Máxima explained at a G20 conference, “The financial capability gap is growing in many countries. Rapid expansion of consumer credit can lead to crippling personal debts. We need to balance this with financial education and transparent pricing. Responsible governance, consumer protection and oversight are paramount.” Financial education and transparent information on products is essential to help people understand the real costs, their obligations, and how to choose the best product for their needs.

The UNSGSA urged participants of the 4th Responsible Finance Forum to address these and other challenges that come along with reaching new clients with innovative products. She welcomed the increased evidence that financial products are more widely

used, and contribute to a safer financial system when delivered in tandem with proven practices in responsible finance, consumer protection, and financial education.

Advocating the importance of holistic approaches, the UNSGSA noted that more than 20 developed and developing countries have put into place national strategies for financial education, and two dozen more are preparing them—demonstrating that financial education is essential for both experienced and inexperienced users. She urged other countries to include this kind of coordination and commitment as part of national financial inclusion strategies. Queen Máxima welcomed the creation of the G20 GPF’s new Subgroup on Financial Consumer Protection and Financial Literacy. She also welcomed new toolkits, measurement methodologies, and assessment resources that emerged this year from longer-term collaboration of the World Bank, the OECD, the Russian G20 Presidency, and country partners on financial literacy and capability.



Left: The UNSGSA met with H.E. President Ellen Johnson Sirleaf of Liberia, as Co-chair of the Secretary-General's High-Level Panel of Eminent Persons on the Post-2015 Development Agenda, to assess the role of inclusive finance within the future global development framework. They also reflected on Liberia's progress with financial inclusion since Queen Máxima's country visit in 2010. (The Hague, the Netherlands, March 2013)

Right: In her meetings with United Nations Secretary-General Ban Ki-moon, Queen Máxima explored ways in which inclusive finance enables and accelerates progress toward a wide range of development goals. (New York City, United States, May 2013)

## Transparency and accountability for responsible investing

Investors have an important role to play to encourage and reward services that promote financial inclusion, and responsible business and customer relations practices. They can drive change by attaching standards and expectations to the funds they lend to or invest in financial service companies and microfinance institutions. The UNSGSA, along with institutional investors, industry players, CGAP, and the UN Principles for Responsible Investing (PRI), developed the seven Principles for Investors in Inclusive Finance (PIIF) in early 2011 to help encourage this.<sup>16</sup>

This year, 15 of the 51 PIIF signatories, representing more than USD 6 billion in assets invested in inclusive finance, voluntarily tested a new reporting and measurement framework. Queen Máxima commended the pioneering fund managers for their continued work to strengthen implementation, improve accountability, and encourage replication. The initial reports demonstrate how far the Principles have been incorporated into policies and processes since their establishment.

For example, most respondents reported an overall high level of commitment to investing in microfinance institutions that offer a range of financial services beyond credit—including savings and insurance. Nearly 90 percent also reported a procedure to consider environmental issues in their investment decisions. The reporting framework will become mandatory for all signatories in late 2013.

<sup>16</sup> See more at [www.unpri.org/areas-of-work/piif/](http://www.unpri.org/areas-of-work/piif/)

## D. COMPLEMENTARITY OF FINANCIAL INCLUSION, INTEGRITY, AND STABILITY

**Financial integrity refers to safeguarding the use of financial systems for legal and legitimate purposes, while financial stability refers to monetary systems that absorb shocks and promote confidence in financial institutions and markets.**



### Evolving standards promote inclusion

The UNSGSA has maintained an active dialogue with global financial Standard Setting Bodies (SSBs) since her designation, including convening two meetings of the chairpersons and secretary-generals to discuss how financial inclusion, financial integrity, and financial stability are compatible, and also mutually reinforcing.

In 2013, Queen Máxima addressed the Financial Action Task Force (FATF) Plenary for a second time. She commended FATF's great strides to advance financial integrity and financial inclusion since she addressed the Plenary three years before. "FATF's new recommendations do hold the potential to bring many more people into the formal financial system without compromising the purpose of combating financial crime. And by doing this, they also greatly reduce risks associated with financial exclusion."

The UNSGSA's remarks ignited a productive discussion that—building on continued commitment of the FATF leadership, and support from members and partners—resulted in the integration of financial inclusion in FATF's future work agenda and mandate of a key working group.

The UNSGSA appreciates the tremendous shift that has occurred as other standard setting bodies also reflect how financial inclusion and their mandates reinforce each other. Most SSBs have now embraced a risk-based approach to regulations, which have been instrumental to encouraging innovation in local regulations and, through those, financial products, and to opening pathways for inclusion.

The UNSGSA welcomes expanded attention by SSBs to the growing number of innovative financial services in the marketplace. These are key to reaching low-income populations, but often happen outside traditional bank branches and thus may require different regulatory approaches and increased coordination.<sup>17</sup>

As a result, SSBs will need to remain responsive to the rapidly changing environment by looking not only at emerging products, but how they are used. For these reasons among others, the UNSGSA encourages SSBs to keep financial inclusion centrally on their work agendas.

<sup>17</sup> For example, the International Association of Deposit Insurers (IADI) issued a survey and guidance paper on financial inclusion and innovation. The Basel Committee on Banking Supervision (BCBS) launched a financial inclusion work stream through its outreach body, the Basel Consultative Group (BCG). The International Association of Insurance Supervisors (IAIS) issued an application paper on inclusive insurance markets and established a Subcommittee on Financial Inclusion. FATF issued Guidance on New Payment Methods. The Committee on Payment and Settlement Systems (CPSS) noted financial inclusion as an important driving force for innovation in its report on retail payments, and started a new work stream on non-banks in retail payments.



Addressing the Plenary of the Financial Action Task Force (FATF), the UNSGSA commended this global financial Standard Setting Body for its substantive actions to reduce the risk of financial exclusion, and for recognizing the considerable task ahead by incorporating financial inclusion into its future work agenda. She is pictured with Mr. Sigbjørn Johnsen, Norwegian Minister of Finance (to her right), then-current FATF President Bjørn Skogstad Aamo of Norway (immediate left), and then-Vice President and current President Vladimir Nechaev of Russia (second to left). (Oslo, Norway, June 2013)

## Impact of standards far beyond financial systems

At this year's FATF Plenary, Queen Máxima called on member delegations to bear in mind that the ripple effects of their actions "can enable a generation of social, business and development advances that leverage financial services. This is indeed exciting." Examples of this include the ability of an African farmer to buy inexpensive insurance through his mobile phone when he purchases seeds, or a family who builds a safer house because a sister, working overseas, sends more money home more frequently, thanks to cheaper and secure regional remittance services.

For this to happen, innovations in global standards must take root in different country contexts. Common lessons, however, are emerging. México, South Africa, India, and Pakistan have demonstrated, for example, that tiered requirements for client identification combined with simplified accounts, value limits, and other measures can balance the prevention of money laundering and terrorist financing by enabling more people to open and maintain accounts.

In terms of wider implementation, the UNSGSA noted that the associated regional and consultative groups to the SSBs have a particular role to play to raise awareness and to connect national supervisors to knowledge, resources, and support. Implementing partners and technical agencies also provide valuable expertise. In this context, Queen Máxima welcomed the formalization of the Access to Insurance Initiative as the implementation partner of the International Association of Insurance Supervisors (IAIS). She encouraged the expansion of capacity building, peer learning, and regional coordination initiatives. She also urged more action to measure the impact of regulations on access, resilience, and other important outcomes.

## E. FINANCIAL INCLUSION DATA

Financial inclusion data measures the availability of financial services to households and small enterprises, the use of such services, and customer empowerment efforts such as financial literacy and complaint resolution.



### Targets to prioritize efforts

One of the successes of the MDGs has been the widespread recognition of the value of straightforward, ambitious, measurable goals with time-bound targets. This global lesson combined with the recent increase in available data has helped create traction around goal and target setting for financial inclusion.

The UNSGSA advocated that universal access to financial services could form the basis for a global aspirational goal in the post-2015 development agenda. In remarks to the UN Secretary-General's High-Level Panel, Queen Máxima encouraged stakeholders to set an ambitious global target grounded in national targets to guide implementation. She pointed out that a global goal and target should be complemented by indicators that enable monitoring of progress on quality of financial services as well as access, and development outcomes such as food security, resilience and equality (for example, through indicators on savings and insurance, access in rural areas, and use of diverse financial products by women).

Recognizing that countries have diverse starting points and priorities, Queen Máxima continued to stress the concurrent importance that countries develop their own meaningful and motivating financial inclusion goals and targets, noting some already set, including: Nigeria's goals of 70 percent access to payments and 60 percent use of formal accounts by 2020; Tanzania, aiming for 50 percent financial access by 2015; Rwanda, targeting 80 percent of adults with access to formal financial services by 2017; Ghana aiming for 70 percent financial coverage by 2017; and Malaysia seeking to ensure that 95 percent of its adults have access to financial services by 2014.

### Data brings the state of financial inclusion into focus

The UNSGSA's advocacy in prior years for better data on financial inclusion is showing dividends. Efforts that culminated in fuller and more synchronized global data in 2012, such as the World Bank's Global Findex<sup>18</sup> and the IMF's Financial Access Survey,<sup>19</sup> yielded new reports and on-line resources in 2013. Welcoming the *Financial Access 2012* report, Queen Máxima said "As we innovate to provide more people and enterprises with access to a range of responsible financial services, the type of data we collect must also evolve."<sup>20</sup>

Queen Máxima supported efforts to help national authorities develop and use data to achieve their goals. "Appropriate financial inclusion indicators will be so valuable to produce more and comparable data on which products, delivery models, and policies have the greatest impact on poor people and national priorities."<sup>21</sup> Workshops, such as those co-hosted by the Irving Fischer Committee on Central Bank Statistics and Bank Negara Malaysia, deepen understanding of effective approaches. In some countries, such as Fiji and Perú, numerous indicators on access, use, and geographical distribution of services help stakeholders track progress. In other countries, such as in Malaysia and México, composite indices give an indication of overall progress.

The UNSGSA welcomed the work of the G20 GPFI to expand on its Basic Set of Financial Inclusion Indicators<sup>22</sup> with additional measures for quality, usage and financial capability. She also welcomed a new initiative of the Bill & Melinda Gates Foundation and partners to map all financial access points in specific countries and overlay that with population and poverty data.<sup>23</sup> The next step is to find ways to track the impact that inclusive finance has on poverty, income, health, jobs, and other development outcomes.

# ACTION

## THE IMPACT OF INCLUSIVE FINANCIAL SERVICES

Financial services can help people improve their income and welfare, farmers increase crop output and cope with risks, and SMEs grow, thus alleviating poverty. Governments, the private sector, and development experts are rethinking financial products and systems so as to have a transformative impact on households, livelihoods, and countries.

### SAVINGS CAN BE TRANSFORMATIONAL:



With access to savings accounts, Nepalese women invested more in health and education for members of their household; their financial wealth grew by more than 50%, and assets such as livestock increased as well.<sup>24</sup>

### FINANCE CAN HELP SMEs GROW:



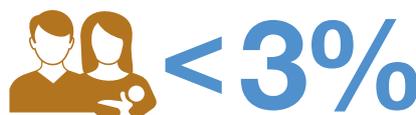
SMEs that received loans from one Sri Lankan bank had an annual job growth rate of 12% from 2009-2012, twice the country's average. Output per worker also grew.<sup>26</sup>

### INSURANCE CAN HELP INCREASE PRODUCTIVITY:



In Ghana, smallholder farmers with weather index-based agricultural insurance invested on average 13% more in their farms than a control group. Farmers with insurance shifted to higher value, but more weather sensitive maize, helping to make their crop portfolio more productive.<sup>25</sup>

### INSURANCE CAN REDUCE RISKS:



In México, the number of families that fell into poverty each year due to expenses from medical emergencies declined from 7% to less than 3% after the introduction of a government universal health insurance program.<sup>27</sup>

<sup>18</sup> See more at [www.worldbank.org/globalindex](http://www.worldbank.org/globalindex)

<sup>19</sup> See more at [fas.imf.org](http://fas.imf.org)

<sup>20</sup> *Financial Access 2012*. IMF, CGAP and IFC.

<sup>21</sup> Queen Máxima, Program for the Workshop on Financial Inclusion Indicators

<sup>22</sup> See more at [datatopics.worldbank.org/g20fidata](http://datatopics.worldbank.org/g20fidata)

<sup>23</sup> See <http://www.fspmmaps.com>

<sup>24</sup> Prina, Sylvia. "Do Simple Savings Accounts Help the Poor to Save? Evidence from a Field Experiment in Nepal." Mimeo, Case Western Reserve University, 2011. [Preliminary findings]

<sup>25</sup> Karlan, Dean, Robert Darko Osei, Isaac Osei-Akoto, and Christopher Udry. Agricultural decisions after relaxing credit and risk constraints. No. w18463. National Bureau of Economic Research, 2012.

<sup>26</sup> *IFC Jobs Study: Assessing Private Sector Contributions to Job Creation and Poverty Reduction*, 2013.

<sup>27</sup> "Stretching the Safety Net", *The Economist*, 24 November 2012, p. 12.

# THE ROAD AHEAD

The UNSGSA believes that greater knowledge, deeper commitments and expanded partnerships for implementation will foster action that can have major impacts on the lives of the poor and the vitality of smaller enterprises.



The conditions for universal financial inclusion now exist. Elements of success around products and services that work for the poor and SMEs are better understood. Global financial standard setters are committed to continue to evolve financial standards to reduce barriers and enable innovation, while more national regulators are applying these standards in ways that fit within their unique contexts. A growing number of national leaders have recognized how inclusive financial systems will accelerate progress toward their priorities, including equitable economic growth, job creation, and development. In more than 40 developing countries, they have made public commitments to this end.

### **Converting knowledge and commitment into action**

Going forward, the UNSGSA will focus on converting this knowledge and commitment into action. This includes inspiring the widespread political leadership that is still required—with the ultimate goal of directly impacting the lives, livelihoods and welfare of poor people and communities.

The UNSGSA is confident that country-specific solutions, delivered through partnerships, will help bring about the next level of inclusion. She remains supportive of national leaders as they develop their own coordination mechanisms, country strategies, and targets for financial inclusion. She applauds those countries that have embarked on strategic planning and partnership initiatives, and aims to work with them to share their experiences with other countries where inclusive finance is at an earlier stage.

### **Reaching scale and impact**

Moving forward, the UNSGSA's advocacy will include promotion of two issues that have become more salient. The first is reaching scale in sustainable ways. She will continue to work with technical experts and service providers to identify how to translate early successes and understanding of client needs into cost-effective delivery of products that reach all who need them, faster. Broader engagement of the private sector and public-private partnership will be essential. The second issue is creating lasting development impact through the design of financial services and policies. This will require better understanding of client

needs and behavior, and local markets. It will also require the twinning of financial services with delivery of basic needs such as food, education, healthcare, and others. The UNSGSA will also continue her focus on rural development and agriculture, promoting solutions that increase crop outputs and incomes of smallholder farmers, build resilience, and empower women, given the impact that each of these has on multiple development outcomes. The UNSGSA will maintain her emphasis on the need for more and better disaggregated country data on access and use of quality financial services, and, critically, how they contribute to development outcomes.

The UNSGSA will continue to increase the desired complementarity and cohesion between development and financial system agendas so as to create lasting impact. She will help speed the flow of knowledge and coherence among UN agencies, the G20, World Bank Group, International Monetary Fund, private sector, funders and investors, civil society—and, of course, governments. Bringing country level experiences and perspectives to the global dialogue will remain a core part of the UNSGSA agenda.

### **A global aspiration: universal access**

Every country has its own development priorities and pace. They all share a need for an inclusive financial system in order to attain their respective goals. Accordingly, the UNSGSA encourages countries to elevate the importance of inclusive finance for development in discussions at home and internationally, including at the UN and as part of a future global development agenda. In defining their own financial inclusion strategy and goals, and then moving from commitment to action, countries can set a powerful basis for global momentum and priorities.

One of the most pressing opportunities is to include universal access to financial services in the post-2015 development agenda, backed by an ambitious, time bound target. Moving forward, the UNSGSA will work with stakeholders globally to build consensus around this goal, and continue to help unlock the knowledge and resources needed for its achievement.

# ADVISORY AND ADMINISTRATIVE ARRANGEMENTS

All of Queen Máxima's work to advance financial inclusion is done in partnership and wide consultation among the many stakeholders working to advance financial inclusion—and those affected by it. This helps encourage coordination, knowledge sharing, and identification of priorities and opportunities in a fast evolving field.



The UNSGSA collaborates closely with an advisory Reference Group of leading international organizations in financial inclusion to share expertise and suggest strategic opportunities that the UNSGSA can advance through advocacy and partnerships. Reference Group members include:

- Alliance for Financial Inclusion (AFI)\*
- Bill & Melinda Gates Foundation
- Consultative Group to Assist the Poor (CGAP)\*
- International Finance Corporation (IFC)\*
- UN Capital Development Fund (UNCDF)
- UN Development Programme (UNDP)
- UN Department of Economic and Social Affairs (UNDESA)
- The World Bank\*

Members of the Reference Group and many other in-country and global partners play an important role in converting advocacy into action through their own programs and networks. In addition to the Reference Group, the UNSGSA consults widely with UN country teams, the International Monetary Fund, financial Standard Setting Bodies, private financial institutions, companies, donors, and civil society organizations.

In her capacity as Honorary Patron of the G20 Global Partnership for Financial Inclusion (GPFI), Queen Máxima collaborates with national leaders and other stakeholders to advance the G20 Financial Inclusion Action Plan. Several members of the UNSGSA's Reference Group are also implementing partners of the G20 GPFI (see \* above), furthering synergies and momentum.

A small staff works closely with Queen Máxima and her Secretariat in The Hague to coordinate and advance her UN and G20 activities in the field of inclusive finance for development. The Office of the UNSGSA is housed at UNCDF in New York and receives generous financial support from the Bill & Melinda Gates Foundation.

The UNSGSA is grateful to all of her partners for their insights and collaboration.

### More information

UNSGSA: [www.unsgsa.org](http://www.unsgsa.org)

G20 GPFI: [www.gpfi.org](http://www.gpfi.org)

Royal House of the Netherlands: [www.koninklijkhuis.nl](http://www.koninklijkhuis.nl)



**Left:** Addressing the CGAP Council of Governors Annual Meeting, the UNSGSA encouraged leaders of the financial inclusion industry to find ways to scale up successful models and maximize impact for women and the rural poor. (Amsterdam, the Netherlands, May 2013)

**Right:** Queen Máxima met with Dr. Jim Yong Kim, President of the World Bank Group, to discuss inclusive finance for development and the synergies this creates in development, economic and financial agendas. (Washington, D.C., USA, May 2013)

# ANNEXES



## **ANNEX 1: Overview of UNSGSA Activities 2012-2013**

Queen Máxima utilizes three main activities to conduct her outreach: country visits, high-level bilateral meetings, and speeches. As the leading spokesperson on inclusive finance for development, the UNSGSA was invited to address dozens of events over the past year, engaging hundreds of political leaders, regulators, businesses, international agencies, researchers, and low-income clients in many countries.

A selection of UNSGSA activities and speeches are summarized below. Full text of speeches and other information are available at [www.unsgsa.org](http://www.unsgsa.org).

### **COUNTRY VISITS AND ONGOING COUNTRY DIALOGUES**

#### **NIGERIA COUNTRY VISIT, 20-23 October 2012**

The UNSGSA met with H.E. President Goodluck Jonathan, Federal Republic of Nigeria, and the Governor of the Central Bank, Minister of Finance, and Minister of Agriculture and Rural Development, among others, to discuss how an inclusive financial sector can advance national priorities including jobs, economic growth and rural development as well as practical steps for implementation. She also met with the private sector, including the Bankers Committee. She visited a microfinance bank and spoke to clients about their needs and aspirations. She also met with the UN Country Team in Nigeria to exchange information and coordinate approaches. The UNSGSA used the significant press presence during her visit to support the launch of Nigeria's national financial inclusion strategy.

#### **NIGERIA, SPEECH "Making Financial Inclusion a Reality in Nigeria"**

##### **Launch of Nigeria's Financial Inclusion Strategy, Abuja, Nigeria, 23 October 2012**

The UNSGSA joined the Vice-President and the Governor of the Central Bank to launch Nigeria's National Financial Inclusion Strategy. She acknowledged its significance in changing the future for millions of Nigerians and encouraged all stakeholders to work together and across sectors in order to ensure its success.

#### **LIBERIA, Meeting with H.E. President Ellen Johnson Sirleaf, the Netherlands, 19 March 2013**

Following on from her country visit to Liberia in June 2010 and her meeting with the Executive Governor of the Central Bank of Liberia the following year, the UNSGSA and President Sirleaf discussed advances made for financial inclusion in terms of SME finance, mobile money and cross-sector coordination in Liberia, and the country's plans for the future.

#### **INDONESIA, Meeting with H.E. President Susilo Bambang Yudhoyono, Bali, Indonesia, 25 March 2013**

The UNSGSA and the President of Indonesia reflected on developments since her previous visit to the country in 2012, and looked ahead to identify approaches that could further accelerate progress toward financial inclusion in the context of the country's large and diverse geography and population. They discussed how to raise awareness of the country's national strategy to compel even more stakeholders to take action.

#### **TANZANIA, Meeting with H.E. President Jakaya Mrisho Kikwete, the Netherlands, 15 April 2013**

Following on from her country visit to Tanzania in April 2010, the UNSGSA and the President spoke about Tanzania's significant progress in working towards financial inclusion, including in the areas of mobile financial services and the establishment of a committee to prepare a national strategy for financial inclusion. They also discussed the benefits financial inclusion can bring to Tanzania's predominantly rural and agricultural economy.

## **POST-2015 DEVELOPMENT AGENDA**

### **MEETINGS WITH THE UNITED NATIONS**

#### **New York, USA; Bali, Indonesia; and the Netherlands; September 2012 – May 2013**

The UNSGSA held numerous meetings with UN officials throughout the year to highlight financial inclusion's role in enabling and accelerating a wide range of development outcomes, and national experiences. Queen Máxima met twice with the UN Secretary-General, as well as with the UN Deputy Secretary-General; Administrator of UNDP; Special Advisor on Post-2015 Development Planning; Assistant Secretary-General, UNDESA; Assistant Secretary-General for Strategic Planning and Policy Coordination, and the Executive Secretary of UNCDF, among others.

#### **MEETING WITH THE WORLD BANK GROUP, Washington D.C., USA, 8 May 2013**

The UNSGSA met with the President of The World Bank Group and the Vice-President for Sustainable Development to discuss the role of financial inclusion in financial system stability, equitable growth and development. They discussed opportunities to include financial inclusion in planning of development agenda's, how it supports the World Bank's call to end extreme poverty, and the importance of engaging the private sector more broadly in inclusive finance for development.

### **MEETINGS WITH THE UN SECRETARY-GENERAL'S HIGH-LEVEL PANEL OF EMINENT PERSONS ON THE POST-2015 DEVELOPMENT AGENDA**

#### **The Netherlands; Bali, Indonesia; and New York City, US, November 2012 – May 2013**

The UNSGSA encouraged members of the Panel to recognize inclusive finance within their recommendations, on a future development agenda. The UNSGSA discussed the cross-cutting role of inclusive finance in equitable and sustainable economic growth and job creation, as well as enabling diverse development outcomes such as resilience, with the Panel Co-Chairs H.E. President Susilo Bambang Yudhoyono of Indonesia and H.E. President Ellen Johnson Sirleaf of Liberia. She also discussed this with Panel members including Horst Köhler, former President of the Federal Republic of Germany, Betty Mania, Chief Executive of Kenya's Association of Manufacturers and Paul Polman, CEO of Unilever, and the Lead Author and Executive Secretary of the Panel.

### **SPEECH "PARTNERSHIPS TO ACHIEVE FINANCIAL INCLUSION FOR DEVELOPMENT"**

#### **4th Meeting of the High-Level Panel on the Post-2015 Development Agenda**

##### **Bali, Indonesia, 25-26 March 2013**

Lack of access to financial services remains a significant hindrance for households and SMEs. The UNSGSA demonstrated how financial inclusion enables and accelerates equitable economic growth, job creation and achievement of development goals. She urged the Panel members to integrate this cross-cutting issue into the post-2015 agenda. An inclusive financial system is essential infrastructure in a given country. She called for universal access to financial services, proposing a global target and urging the use of additional indicators that measure development impacts.

### **SPEECH "THE ROLE OF INCLUSIVE FINANCE IN DEVELOPMENT"**

#### **High Level Round Table Session: The Role of the Private Sector in the Post-2015 Development Framework, The Hague, the Netherlands, 5 March 2013**

The UNSGSA looked beyond the expiration of the MDGs in 2015 and stressed that access to finance should be a cross-cutting issue in the future development agenda. She suggested multiple ways for private financial service providers and other companies to become involved and make a difference. There is significant opportunity for the private sector to meet the enormous needs of the households and SMEs through more and better financial products. The private sector as a whole will also benefit when increased access to better financial services enables hundreds of millions of SMEs to reduce costs, improve performance and be stronger local business partners.



During her country visit to Nigeria, the UNSGSA met with executives, staff, and clients of the Hasal Microfinance Bank to hear about a new savings product and other financial services that are enabling small business owners to grow their restaurants, fishing industry products, photography studio, and auto-body parts store. (Abuja, Nigeria, October 2012)

## **PUBLICATIONS, INTERVIEWS AND QUOTES**

Queen Máxima participated in a short film developed by Unilever on the role of private companies in the advancement of MDGs. She pointed out that partnerships of many kinds are finally making it possible to engage the world's poorest, located in the hardest to reach places, in the formal financial system.

## **DIVERSE FINANCIAL SERVICES**

### **MEETING WITH THE BOARD OF THE ALLIANCE FOR A GREEN REVOLUTION IN AFRICA (AGRA)**

**Amsterdam, the Netherlands, 6 December 2012**

The UNSGSA underscored that financial services are key to meeting the needs of smallholder farmers. It can help them increase production, enhance their resilience and enable them to work their way out of poverty. She discussed ways to increase access with the Board members.

### **VISIT TO UN AGENCIES ON FOOD AND AGRICULTURE, Rome, Italy, 21-22 March 2013**

Queen Máxima met with the leaders of the Food and Agriculture Organization (FAO), International Fund for Agricultural Development (IFAD), and World Food Programme (WFP), and led a high-level session with permanent representatives to the UN in Rome and other staff on inclusive finance, food stability, agriculture, and rural development. Key issues included how emerging technologies and innovative approaches can increase access to finance for rural women, youth and small businesses, and risk management for smallholder farmers. The visit culminated in a set of joint messages and agreement to undertake further joint activities at the country level. The UNSGSA also met with the Ambassador of the United States of America to the United Nations Agencies in Rome.

### **SPEECH "A FRESH LOOK AT FINANCIAL INCLUSION TO ADVANCE FOOD SECURITY AND RURAL DEVELOPMENT"**

**High-Level Event, Rome, Italy, 21 March 2013**

The UNSGSA highlighted best practices in financial inclusion that can advance the mandates of the Rome-based UN agencies to end poverty and hunger. In addition to credit to increase crop production, savings and insurance are needed to build resilience to shocks such as price fluctuations or natural disasters. These and other financial services are also needed to boost income generation and access to health, education, water and housing. She urged particular attention to smallholder farmers and women. Concrete opportunities include working together as UN agencies to integrate agriculture agendas into national strategic planning processes for financial inclusion and to embed financial inclusion in the post-2015 development agenda.

### **SPEECH “WORKING TOGETHER FOR INTERNATIONAL FOOD STABILITY CONGRESS”**

**The Hague, the Netherlands, 1 November 2012**

The UNSGSA pointed out the central role smallholder farmers’ play in achieving food security for their own households, and at the country level. She stressed that farmers need credit, savings, current accounts, health insurance and other financial services that help them increase income, build up savings, invest in the future and protect themselves against unexpected setbacks. She also highlighted the importance of designing specific financial products for women and young people in rural areas.

### **SPEECH “FEEDING THE WORLD” 2013 Conference, Amsterdam, the Netherlands, 30 January 2013**

The UNSGSA reminded participants that only 22 percent of rural people in low-income economies have a bank account. She emphasized that good financial services, designed with local crops and local cultures in mind, can reduce many of the risks that smallholder farmers face. She underscored the need for financial products tailored to the needs of the many women who farm. Queen Máxima called on participants to form cross-sector partnerships to make the right financial services available along entire agricultural value chains.

### **MEETINGS WITH THE WORLD BANK GROUP (WORLD BANK, IFC & CGAP), Washington D.C., USA, 8 May 2013**

The private sector plays a pivotal role in financial inclusion and achieving scale and sustainability. To discuss how to engage companies more effectively around specific sectors and specific countries, the UNSGSA met with the Executive Vice President and CEO of the International Finance Corporation (IFC); Vice President, Financial and Private Sector Development (IFC); Director and Global Business Line Leader, Access to Finance Advisory (IFC); CEO of the Consultative Group to Assist the Poor (CGAP) and the Manager of the World Bank’s Financial Inclusion Global Practice.

### **SPEECH “SERVING CLIENT NEEDS WITH DIGITAL SOLUTIONS IN FINANCIAL INCLUSION”**

**SparkOptimus Event, Amsterdam, the Netherlands, 4 September 2012**

The UNSGSA highlighted that participation in the formal financial system is an important enabler of well-being and expanding opportunities. Digitally enabled business models hold great potential to reach once unreachable populations with more affordable financial services. They also foster greater transparency through real-time transactions and knowledge. Queen Máxima underscored the importance of continuing to improve the relevancy and adequacy of products in order to expand access even more. She called for cross-sector coordination and partnerships to further advance financial inclusion and sustainable development.

### **SPEECH AT THE BETTER THAN CASH ALLIANCE LAUNCH, New York, USA, 24 September 2012**

Queen Máxima highlighted the benefits of electronic payments in lowering the cost of doing business and handling cash for governments, businesses and individuals; bringing people into the formal economy; and increasing accountability and transparency of governments. She underscored the importance of political leadership as well as cross-sector coordination including with the private sector. The UNSGSA called for even more data to better determine targets and achieve greater social impact.

### **SPEECH “THE POSTAL SECTOR’S ROLE IN FOSTERING ECONOMIC AND SOCIAL INCLUSION THROUGH FINANCIAL INCLUSION”**

**Third panel session, 25th Universal Postal Congress, Doha, Qatar, 8 October 2012, by pre-recorded video**

In her address to the postal sector, Queen Máxima recalled the importance of postal networks in providing basic financial services such as remittances, money transfers and bill payments. She noted that around 1 billion people in more than 50 countries are banked through the postal system. She encouraged the postal sector to seek opportunities to partner with other institutions in order to deliver full banking services by taking advantage of the accessibility and affordability of post offices, if appropriate, to their circumstances.

## **SPEECH TO THE 8TH INTERNATIONAL MICROINSURANCE CONFERENCE**

**8th International Microinsurance Conference, Tanzania, 6 November 2012, by pre-recorded video**

The UNSGSA highlighted that the growth of the microinsurance industry, beyond an exclusive focus on microcredit, is evidence of how much progress has been made in financial inclusion. She emphasized the importance of microinsurance delivering value and growing carefully, while maintaining client trust, as key to the success of this relatively new field. Successful pilots should be scaled up at the right time to achieve scale. She noted the importance of coordination with other sectors and stakeholders, and the integration of insurance into national financial inclusion strategies.

## **SPEECH “BUILDING OPPORTUNITY FOR WOMEN AND ADVANCING DEVELOPMENT THROUGH FINANCIAL INCLUSION”**

**Opening Session of Women and Finance Event hosted by G20, World Bank, IFC, Washington, D.C., USA, 21 April 2013, by pre-recorded video**

Social and economic development goals can only be achieved if women are fully engaged and empowered. Financial services play an important role in making this a reality. In this context, rural women deserve particular attention and support. Queen Máxima commended the many stakeholders who have recognized this and are responding with products and policies designed for women. She also drew attention to the importance of helping women build resilience for themselves and their families, such as against illness and other emergencies.

## **SPEECH “DELIVERING ON FINANCIAL INCLUSION FOR DEVELOPMENT: REACHING SCALE, RURAL AREAS AND WOMEN”**

**CGAP Annual Meeting, Amsterdam, the Netherlands, 15 May 2013**

The UNSGSA congratulated CGAP on its new strategy and recognized the important role of the organization in disseminating knowledge and best practices on financial inclusion. She highlighted the significant progress that has been made over the last few years and suggested priorities going forward, including getting to scale, private sector engagement, and a focus on rural areas and women. Queen Máxima reminded participants about the importance of engaging in the post-2015 development process and the essential role of inclusive finance in poverty alleviation.

## **SPEECH “FINANCIAL SERVICES TO HELP MIGRANTS AND THEIR FAMILIES GET THE MOST FROM REMITTANCES”**

**Global Remittances Forum, Bangkok, Thailand, 20 May 2013, by pre-recorded video**

Queen Máxima highlighted the large role that remittances play in the well being of many households. But remitting money is expensive. The UNSGSA challenged participants from government and the private sector to work together to lower the costs of remittances for senders and recipients alike through new products, more competition and mitigation of currency exchange risk, thus putting more money in the hands of receivers. She encouraged providers to design products tailored to the changing patterns of migration, which include more women. Another area for priority action is helping receivers use the money in the best possible way by providing financial services that consider the many needs of their lives.

## **PUBLICATIONS, INTERVIEWS AND QUOTES**

The UNSGSA shared her advocacy positions by contributing to publications. Queen Máxima:

- wrote the foreword to the *Global Panorama on Postal Financial Inclusion*, issued by the Universal Postal Union.
- gave an interview for the Munich Re Foundation's *Annual Report 2012*
- provided a quote for the Microinsurance Innovation Facility's *Annual Report 2012*; and,
- provided a quote for the *New Microfinance Handbook* by the World Bank.



The UNSGSA uses her speaking opportunities to share experiences gained through her wide consultation with financial service providers and clients, regulators and political leaders, among others. She connects stakeholders, shares knowledge and inspires commitment to inclusive finance. Here she addresses an event with FAO, IFAD, and WFP on the role of inclusive finance in ending hunger. (Rome, Italy, March 2013)

## **BRIDGING HOUSEHOLD AND SME FINANCE**

### **SPEECH “WOMEN’S ENTREPRENEURSHIP MAKES BUSINESS SENSE”**

**European SME Week Summit, Video message with Dutch Minister of Economic Affairs, Brussels, 17 October 2012**

Together with the Dutch Minister of Economic Affairs, Agriculture and Innovation the UNSGSA drew attention to the importance of micro and small entrepreneurs to the economy. She pointed out that their success depends not only on access to finance, but also on coaching and training. Women often make up a large proportion of small business owners, but have different risk behaviors and access to finance than men. This should be taken into account when designing financial products, training curriculum and other support initiatives.

### **SPEECH AT THE GREAT GAME BUSINESS CHALLENGE 2012, Istanbul, Turkey, 10 November 2012**

Recognizing the importance of SMEs as an engine of growth and job creation, Queen Máxima stressed that SMEs need financial services to start up and scale up. To this end, she welcomed Turkish policy that will reduce barriers to finance. The UNSGSA also pointed out that access to finance alone must be coupled with financial literacy and business knowledge, and that this is especially true for women. She congratulated Turkey for having committed to creating a coordination platform and a national strategy for financial inclusion during the Los Cabos G20 meeting under the G20’s Financial Inclusion Peer Learning Program.

### **SPEECH AT THE FMO CONFERENCE ON THE FUTURE OF BANKING**

**Amsterdam, the Netherlands, 12 November 2012**

The UNSGSA reflected on the importance of banks’ knowledge of the local markets, value chains and risks in order to design and deliver the right products for enterprises. She urged them to ensure inclusive financial services become part of the bank’s strategy and long-term sustainability. She also suggested that local banks create a dedicated team for SME lending in different markets and keep the needs of clients central.

## **SPEECH AT THE BID CONFERENCE “GROWING SMEs: CONNECT. CHANGE. INVEST”**

**The Hague, the Netherlands, 15 November 2012**

Queen Máxima encouraged BiD members to work with government and other partners to identify practical steps to enhance local entrepreneurship culture and to focus on specific sectors, like agriculture, where there is pressing need for more finance. She highlighted the importance of locally available financial services and thus of understanding needs in different countries. Queen Máxima illustrated obstacles faced by women entrepreneurs and welcomed BiD's Women in Business Challenge, which is providing financial literacy and better business knowledge so women entrepreneurs can take calculated risks that will help their businesses scale up.

## **SPEECH “TRANSFORMING EXCESS LIQUIDITY INTO FINANCE FOR SMEs IN EMERGING MARKETS”**

**The Currency Exchange (TCX) Anniversary Conference “What do Borrowers Really Want” Symposium, Amsterdam, the Netherlands, 9 April 2013**

Speaking in her capacity as the UNSGSA and Honorary Patron of the G20 GPFI, Queen Máxima congratulated TCX on its work to reduce currency exchange risks and strengthen local financial institutions. She called for continued and expanded efforts, considering that 200 million enterprises in emerging markets lack access to finance. A current issue is the mismatch between high demand for loans and excess involuntary liquidity in local banks. She challenged participants to address this by working on strengthening financial infrastructure, helping to develop financial and securities markets, and building local institutional capacity.

## **RESPONSIBLE FINANCE AND FINANCIAL LITERACY**

### **MEETING WITH THE EUROPEAN INVESTMENT BANK**

**Amsterdam, the Netherlands, 15 May 2013**

Responsible finance and financial literacy form a core part of the UNSGSA's advocacy. Queen Máxima met with the President of the European Investment Bank to discuss their shared focus on SME finance, responsible finance and microfinance.

## **SPEECH “ACCELERATING DEVELOPMENT THROUGH INCLUSIVE AND RESPONSIBLE FINANCIAL SYSTEMS”**

**G20 Conference on Financial Literacy and Education, Moscow, Russia, 13 June 2013, by pre-recorded video**

The UNSGSA highlighted the enabling role of financial services in moving millions of families out of poverty, but also the increasing gap in financial capability. She noted that financial education, consumer protection, and responsible finance must go hand in hand with increased access. The UNSGSA also highlighted the role of national strategies in bringing all of these separate elements together, and encouraged cross-sector coordination among stakeholders.

## **PUBLICATIONS, INTERVIEWS AND QUOTES**

Queen Máxima contributed a quote to the program of the Responsible Finance Forum IV—Promoting Stability and Inclusion in Emerging Markets. In this, she applauded the new types of products that are being offered while cautioning for greater awareness and action on the new risks these may entail.

## **COMPLEMENTARITY OF FINANCIAL INCLUSION, INTEGRITY, AND STABILITY**

**MEETING WITH THE FINANCIAL ACCESS TASK FORCE (FATF), Oslo, Norway, 20 June 2013**

The UNSGSA addressed the Plenary, met with the FATF President and Vice-President (and President-designate), and participated in a closed-door conversation with FATF leadership, FATF Steering Group, and associated Regional Style Bodies (FSRBs) to discuss practical ways to advance robust implementation of FATF standards in different country contexts while also addressing financial exclusion. She encouraged FATF to maintain financial inclusion centrally on agenda going forward.

## **SPEECH “STRENGTHENING FINANCIAL INTEGRITY THROUGH FINANCIAL INCLUSION”**

**FATF Plenary, Oslo, Norway, 20 June 2013**

The UNSGSA commended FATF’s leadership to address the risks of financial exclusion in its recommendations, guidance notes and mutual evaluation methodology. These hold the potential to bring many more people into the formal financial system without compromising the purpose of combating financial crime. She urged the FATF community not to stop its efforts, as many developing countries have yet to apply this guidance widely in diverse local contexts. Queen Máxima predicted that innovations in financial services will change the way AML/CFT risks are viewed. She voiced her hope that the Plenary would adopt pending guidance for new kinds of payments services, and continue consultations on emerging issues with financial service providers as well as regulators. She closed by highlighting FATF’s central role in helping build a safe, prosperous and equitable financial system, and the ripple effects this has on well-being far beyond the financial sector. She expressed her hope for FATF’s continued leadership on financial inclusion into the future.

## **FINANCIAL INCLUSION DATA**

### **PUBLICATIONS, INTERVIEWS AND QUOTES**

Queen Máxima contributed the back cover quote to *Financial Access 2012: Getting to a More Comprehensive Picture* report by CGAP, in which she applauded the advances that have been made in mapping the landscape of financial inclusion and helping policy makers and service providers understand the state of access, quality, and usage of financial services better. She also highlighted the emerging link between financial inclusion and equitable economic development.

The UNSGSA contributed a quote to the program of the “Workshop on Financial Inclusion Indicators” hosted by Bank Negara Malaysia in November 2012. She stressed the importance of data to policy makers and indicators as tools for comparing products, delivery models, and policies, and their impact on poor people.



**Right: At an event with technology leaders, Queen Máxima pointed out benefits of digitization, such as greater transparency and accountability of financial transactions, lower operating costs than traditional financial services, and the ability to reach people far beyond bank branches. (Amsterdam, the Netherlands, September 2012)**

**Left: Pictured with delegates to FATF and leaders of associated regional bodies from the United Kingdom, Mexico and China. (Oslo, Norway, June 2013)**

## ANNEX 2: First Three Years as UNSGSA, September 2009-August 2012

When the UN Secretary-General Ban Ki-moon created the role of Special Advocate for Inclusive Finance for Development for Queen Máxima in 2009, her aim was to inspire leadership and foster action, as it remains today. Her approach was to proactively engage national level leaders and decision makers, practitioners and clients to learn about challenges and successes first hand, to share knowledge, and to help elevate their experiences and needs in global policy dialogue. She took action to encourage cohesion, coordination and commitment, support collaboration around some of the most challenging barriers, and elevate the most promising approaches for greater impact.

During the initial three-years, Queen Máxima met with more than 250 leaders and stakeholders in bilateral or small group meetings to discuss priorities and share lessons. She made dedicated visits for inclusive finance for development to 14 countries in Africa, Asia and Latin America to see first hand the positive impacts and remaining challenges of financial inclusion where it is urgently needed—and where some of the most exciting innovations and leadership are occurring. Leveraging her unique insights from these direct experiences with clients, business owners, policy makers, service providers, political leaders, and others in-country, the UNSGSA organized or co-convened 10 events that brought together global leaders, experts, funders, standard setters and other influencers on issues from financial regulations on integrity and stability, to the role of responsible finance in development, among others. The UNSGSA is able to convey her messages broadly through public appearances, and she delivered more than 60 speeches on key issues in inclusive finance for development in her first three years.

Over the past few years many of the messages the UNSGSA has conveyed have helped change perceptions and inspire action, while some of the events she took initiative to convene now happen annually, and dozens of the introductions she made have turned into lasting partnerships. She appreciates the accomplishments of partners who have converted advocacy and knowledge into commitment and action, and will continue to work closely with them. All of this is helping in the pursuit toward creating a more inclusive financial future for all.

For more information, previous annual reports, and a full catalogue of speeches, visit [www.unsgsa.org](http://www.unsgsa.org).

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“We know that a financial sector will only contribute fully to a country’s equitable economic growth when it engages all the population and all enterprise activity. So, with a national strategy, backed by political leadership, coordination and good data, countries have the opportunity to build a financial system that also advances urgent social and development goals. This will mean acting on the belief that financial services are not an end in themselves, but a means to an end. And that end should be equitable development.”

– HER MAJESTY QUEEN MÁXIMA OF THE NETHERLANDS

The United Nations Secretary-General’s Special Advocate for Inclusive Finance for Development

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