

Remarks

Closing of the 2011 AFI Global Policy Forum and Opening of the G20 Global Partnership for Financial Inclusion Forum

**H.R.H. Princess Máxima of the Netherlands,
UNSG's Special Advocate for Inclusive Finance for Development
Honorary Patron of the G20 Global Partnership
for Financial Inclusion Forum
Riviera Maya, Mexico, 30 September 2011**

Su Excelencia Presidente Calderón, Secretario Meade,
Gobernador Borge Angulo, Governors, members of the
Alliance for Financial Inclusion and the G20 Global Partnership
for Financial Inclusion. Que bueno estar de vuelta aquí en
Mexico. Creo que puedo decir en nombre de todos aquí, que
nos sentimos como en casa con tanta hospitalidad.

That we are here closing the AFI forum *and* opening the first
G20 GPFI forum is quite an achievement. That these two fora
are being held back to back is evidence of the growing
national and global attention to financial inclusion, something

we should all be very proud of. That I am speaking to you as both the UN Secretary General's Special Advocate and as the Honorary Patron of the G20 GPFI is also evidence of how development and financial conversations are becoming more closely integrated.

Inclusion now matters to whole financial systems and to equitable, sustained growth, as Mr. Schdlowsky of Peru's Superintendancy rightly pointed out at the AFI opening on Wednesday.

In my work, I have the honor of visiting many countries and speaking with many stakeholders to understand what kinds of financial services exist, what impact they make and what more needs to be done. What I now see is that there is a wider recognition that people and businesses need a diversity of financial services, provided by a range of institutions and companies. So many more conversations are now beginning

with the importance of a safe place to save, or just to be able to transact or for that matter, being finally part of the formal system. This is a remarkable change from just a couple of years ago.

Like all of you, I am energized by many exciting developments. The rapid growth and use of mobile phones for financial services. Innovations in regulation that are overcoming long-standing barriers, such as identification – to state a good example of Mexican innovation. Data initiatives that look at both supply and demand. New efforts to increase financial literacy and consumer protection. New types of public-private partnerships. Twinning of technical assistance with finance to support small enterprises. And I would like to add, even the clear recognition of the critical role SMEs have for employment, innovation and economic growth.

Another positive development is the commitment of so many people around the world—in government, the private sector, financial institutions and non-profits—to increasing access to financial services. And I think that the coming Maya Declaration will be a good example of that.

I am also thrilled to see the continued recognition the G20 leaders have given to the importance of financial inclusion. Which led to progress in the three Working Groups of the Global Partnership for Financial Inclusion

Another great example is the tremendous leadership Mexico has shown in this sector. I would not dare to say anything less in front of its President, it is really true. And this commitment is being crystallized by the formation of a high-level coordination body. Sr. Presidente, I am particularly happy to be here today at this announcement, especially thinking of the very positive conversations I had with you and members of

your Government when I visited your country in June. This body will provide the leadership, agenda-setting and coordination necessary to accelerate progress—while making sure that access is reached through competitive business models. This approach will be unique and also necessary to support all the advances already made in the regulatory front. I commend Mexico—and Hacienda and CNBV—for this visionary action.

This will be an extraordinary example for all countries to follow, in particular for the G20's work to promote financial inclusion.

But all of these efforts, to what end?

Many of you are familiar with *Portfolios of the Poor*. New research, now coming out in November, from Mexico vividly illustrates what I am talking about. A woman named Marta

lives a precarious existence in rural Puebla. She earns a living by working in fields, selling peanuts and seeds, and taking in laundry. She does okay most of the time, but she struggles to get out of her situation of dependence.

Because her income is not only low but very irregular, her need of appropriate financial services is even greater. She would like to buy her own land, but has no collateral for a loan and also savings when a friend did not pay back her loan. There are no banks around to keep her savings safe, and she says she doesn't fully trust local so-called "cooperatives". So she could easily be wiped out by anything unexpected—illness or even slow work. This is a story of many poor people around the world...and certainly not unique for Mexico.

Having a safe, reliable and affordable payment system, having the possibility to save for uncertain days or being able to finance your business idea, all have tremendous social and

economic impact. And people like Marta could really make very good use of it.

I therefore encourage you to aim high to build an inclusive and sound financial system as quickly as possible. The goal is to build an infrastructure—physical, legal, regulatory, business environment—that enables full access. Just like roads, ports or electricity.

Once that is there, then I encourage you to see what other kinds of priorities could be advanced by better access to the right financial services. Let us not forget that financial services are not an end in and of themselves, but a means to an end. It is the house you can buy with these services, the health you can afford, the water you can drink and the investments you can make.

Almost everywhere I go, governments are interested in using mobile phones and bank agents to make conditional cash transfers and other payments—and this is already happening in many parts. This increases efficiency and transparency, reduces real costs of collection and extends a formal financial system into areas of the countries once thought unreachable. I believe similar approaches would be timely for rural development and agricultural production, sustainable use of water, clean energy, remittances and much more. For this to happen, it is important to extend the dialogue to include other government departments, private companies outside the financial sector and all other relevant stakeholders.

In the end of the day, financial inclusion is about providing everyone with a tool that helps you fulfill your basic needs. It is a tool that can help create great impact. And the good news is; we are making it happen!!

I would like to thank President Calderon, Hacienda and the CNBV for their collaboration, and wish them all success, also with their upcoming G20 Presidency.

I would like to take this opportunity to thank the members of my Reference Group for all their great support the last years. CGAP, IFC, the World Bank, the Gates Foundation and of course AFI, which I today congratulate on the completion of their forum.

And of course, I would like to wish all success to the GPFI tomorrow under the guidance of the French, the Mexicans and the Koreans.

Thank you very much.

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