

Greetings and Opening Toast

Selamat Malam!

Good evening,

Dear friends,

On behalf of the Alliance for Financial Inclusion, AFI, I would like to welcome you to Bali and to our Second Global Policy Forum.

Some of us have traveled a long way to be part of this event. We are all excited and sure that it is worth the long travel.

The moment I made the closing remarks in Nairobi is still very present to me. In the meantime most of us have transited from Nairobi to Bali shaping the international and our domestic agenda for financial inclusion.

Since our first Global Policy Forum last year, Financial Inclusion has been recognized as a key component on the global development agenda. Policy makers in both developed and emerging economies have emphasized financial inclusion as a fundamental base for sustainable economic growth. Moreover, standard setters have begun to explore ways in which financial inclusion could become part of their working agendas to achieve their mandates.

The recognition on the importance of financial inclusion in the international arena is in part the result of the efforts made by the member countries of the Alliance for Financial Inclusion.

Supported by our dynamic and committed management unit, AFI has reached out to stakeholders that are committed to the

cause of financial inclusion. In particular, the network has brought a voice to countries that are not represented in some of the international initiatives and has promoted their visible input in the design of the initiatives. This more balanced equation allows countries to express own goals and appropriate methods to promote financial inclusion and implement policies in their jurisdictions instead of being told what to do.

In addition, it has been equally important that each of the country members represented here has put considerable effort in promoting financial inclusion on their domestic agenda. All the actions that we have implemented in the last year speak loudly of the relevance of financial inclusion for the well being of our population.

Policy solutions promoted by AFI have been adopted across the globe: among

them are the introduction of banking agents and mobile financial services, new rules for consumer protection and regulations that promote a flexible risk-based AML-CFT regime, among others.

All the policy solutions that have been deployed are the result of a process in which we are ready to learn from others' experience. In some way, the policies that we are designing in each of our countries are global solutions. We are testing solutions that do not necessarily come from our own region. Policies for financial inclusion should not be defined in isolation. Therefore, sharing is a critical component for success on promoting financial inclusion. AFI brings us a platform to learn, to understand, to compare and adapt into our local conditions ideas that could make a difference in peoples' life.

Sharing experiences is the core of the AFI network. Through AFI we recognize that the global outcome on promoting financial inclusion is the result of the sum of country efforts.

We are here on this spiritual place to share our experience in different areas but also to explore together how the challenges that we face could be addressed. We are here to make a stop and look for ways in which our efforts could have a greater impact, a quantum leap, mainly for concrete benefits for millions that are not realizing their potential as human beings because of a lack of opportunities.

Access and usage of financial services should not be perceived as a philanthropic effort or populist interventions that result from a temporarily fashion or an excuse to write speeches for front pages. Coverage with financial services is not a gift or a

luxury that some could afford to have and others can't. It is a basic need.

There is agreement that greater financial access brings a better allocation of resources and, even more important, spreads opportunities to both individuals and enterprises.

Access to financial services should be conceived as a responsibility of the Government in providing the basic infrastructure to all segments of the population. It is a precondition for economic development at the local level. We don't argue that the State should provide the services, but that the State should identify mechanisms to ensure that the services will be delivered to all segments of the population.

Usage of financial services requires that people stand to benefit from the

consumption of the **specific** financial products and services offered to them. Building the appropriate infrastructure to reach the yet financial excluded is not enough. Access without the right products severely limits the potential of our efforts on promoting financial inclusion.

The obligation for the State on promoting usage involves a creative and flexible approach on identifying the tools that can foster the development of new products and services for **all** segments of the population. This means the State should make sure the ecosystem around finance is conducive to the design of specific products and services targeted for yet underserved individuals and families. In this context, the role of government includes the provision of a sound regulatory framework as well as abundant information on business opportunities.

Dear friends,

During the next three days we will have the opportunity to share our knowledge about some key pillars that could support financial inclusion in our countries. But what is more important than the forum itself, is the fact that we will materialize the vision of having a network of financial inclusion policy makers **for** policy makers.

We, as policy makers, are the owners of this platform and we are responsible for maximizing its potential.

Finally, let me thank all of you for being here; including AFI's strategic partners. I also want to express my appreciation to Bank Indonesia, Governor Darmin Nasution and his staff for the effort made to carry-out this forum. Our gratitude goes to the Bill and Melinda Gates Foundation for supporting this initiative and their real commitment towards Financial Inclusion. I thank you very much for your attention.

Terima kasih atas perhatiannya