

Financial Inclusion Initiative for Latin America and the Caribbean (FILAC) Launch
Intercontinental Hotel, Cartagena, Colombia
15 November, 2016

*Welcome Remarks by Dr. Alfred Hannig, Executive Director
Alliance for Financial Inclusion (AFI)*

Ms. Carolina Robino, Senior Researcher, International Development Research Centre (IDRC);
Governors, Superintendents, Board Members and Presidents;
Distinguished Guests, Ladies and Gentlemen.

Good morning and a very warm welcome to all of you to this beautiful setting of Cartagena de Indias. Thank you for accepting our invitation to participate in the historic launch of AFI's Financial Inclusion Initiative for Latin America and the Caribbean- or as we have affectionately named it FILAC. Our event is being held under the theme of "*Partnerships for prosperity: working together for inclusive growth*". A phrase that not only captures the spirit of what we hope to achieve in the region, but also reflects cooperative and collaborative upon which our Alliance was founded.

While today will mark the beginning of FILAC, it is only the most recent development in what has been a rich and extremely productive relationship between AFI and its members from Latin American and the Caribbean.

When AFI was created in 2009, policymakers from this region were among the first to become part of the network. Banca de las Oportunidades (Colombia), the Comisión Nacional Bancaria y de Valores -CNBV, México, the Superintendencia de Banca, Seguros y AFP del Perú (SBS Perú), the Superintendencia de Bancos de Panamá, and the Superintendencia del Sistema Financiero de El Salvador all recognized the potential of financial inclusion, and quickly established themselves within the Alliance as champions for smart policy reform.

This region also saw the birth of AFI's landmark Maya Declaration. Announced during the 2011 AFI Global Policy Forum in Maya Riviera, the Maya Declaration is a legacy of Comisión Nacional Bancaria y de Valores -CNBV, México and the Superintendencia de Banca, Seguros y AFP del Perú (SBS Perú). Since the embrace of the Maya Declaration, fifteen (15) members from LAC have made measurable commitments to help unlock the economic and social potential of the poor. Quite impressively, I would like to recognize a member that joined AFI and within the same year made its commitments - the Central Bank of Suriname, congratulations! But the legacy of Maya goes far beyond LAC. Today the Maya Declaration and its many national commitments are the most influential- and most successful - driving force for financial inclusion around the world.

But beyond Maya, I want to take moment to give you some idea of how important and how engaged this region is in AFIs work.

The region is represented in all six our thematic policy working groups (Global Standards Proportionality, Digital Financial Services, Financial Inclusion Data, Consumer Empowerment & Market Conduct, Financial Inclusion Peer Strategy Group and SME Finance). If the AFI working groups represent the policy leadership engine of AFI, then our LAC members are providing the Alliance with plenty of fuel.

LAC members have taken a leading role in the creation of the Policy Profiles now hosted in our AFI Data Portal. To date, 19 LAC countries have reported their Policy Profiles and have shared their regulatory progress and the high-level of innovation and expertise on Financial Inclusion Data, DFS, Consumer Empowerment and Market Conduct, Integrity and National Strategies.

This region has also been at the forefront of AFI's Capacity Building activities. Joint Learning Programs have been hosted by Banco Central do Brasil and CNBV Mexico. Our First Peer Advisory Program brought Bank of Tanzania to Brazil and helped create a new supervision frame for banking agents. And just recently, Banca de las Oportunidades received a delegation from Burundi to teach about SME Finance.

And I have not even touched on the national progress that has taken place here! New regulations on branchless banking and correspondent agents in Brazil, Colombia and Peru. Innovative regulation of e-money recently passed by El Salvador, Paraguay and Colombia. Proportionate approaches to KYC, such as the one adopted in Mexico, have made a dramatic impact on the lives of millions.

With so many innovative members in the region it should not come as a surprise to learn that the idea for a regional initiative is not new. In fact, another AFI meeting took place three years ago in this very city when LAC AFI members gathered to examine experiences in digital financial services. The meeting concluded with a fascinating overview of the many interesting approaches underway, but more importantly, I think, it solidified the potential of closer regional cooperation in the minds of our members.

From that moment forward all of us knew that a regional initiative was not a matter of if- it was a matter of when.

And that when is today.

What does establishing a regional initiative mean to our work?

While LAC has an long history of success on microfinance, and banking network deployed, there is still a stubborn gap to be bridged. The latest FINDEX (2014) showed that only 51% of adults in this region have an account. The region must continue increase that level, and must work together to find new ways, new platforms and new regulations to make it happen.

Of course, working regionally doesn't mean the end of global responsibilities. AFI will still provide the services which have been so instrumental for the region: Working Groups, Grants, Capacity Building, etc. But with FILAC, we now have a regional platform of interchange that will allow AFI member institutions to share and produce similar challenges and find regional solutions to achieve greater financial inclusion.

To support this platform, I am pleased to announce that Mr. Carlos Alberto Moya Franco our Regional Coordinator for Latin America and the Caribbean will lead AFI's regional affairs, including the implementation of the FILAC. With his wealth of expertise and intelligence of the region, I believe that Mr. Moya will ensure that your needs are taken care of. However, to efficiently implement the deliverables and adhere to our member's requests from LAC, we need your support and cooperation to Mr. Moya - and I would like to thank you all in advance for this

Today's launch of FILAC will allow our members to better address the unique constraints to the expansion of financial inclusion in the region, and provide a platform where the region can convene to discuss global financial inclusion innovation and strategies, creating tools that can be tailored to other member jurisdictions. But we can do more! I therefore call out to all the fearless and active leaders present here today to help us to engage those institutions which are not yet AFI members to join the network and help strengthen the regions commitment to financial inclusion. Together, we can make a difference in making this initiative one that will be remembered as a life changing event in the history of financial inclusion policy.

Finally, I would be remiss if I did not acknowledge the efforts and contributions of our partners and friends. In particular, I wish to recognize and welcome the IDRC as AFI's official funding and intellectual partner for the realization of FILAC. IDRC will support FILAC over the next three years in what I know will be a fruitful partnership.

We see a bright future for FILAC! The lessons and knowledge we share and exchange here in Cartagena will further reinforce the importance of a regional approach in FILAC—where our identities remain singular but our regional fortunes are shared.

While I applaud these efforts, I also wish to offer my gratitude to our like-minded partners and stakeholders in this room for their contributions in supporting the financial inclusion agenda for LAC as well.

We all have the same mission—to break down the barriers that prevent access to high-quality, affordable and secure financial services for everyone.

On that note, allow me to wish us all a productive and rewarding deliberations and I encourage all of you to use the knowledge and lessons gained at this event to support our effort to build financial inclusion in the LAC region.

Thank you very much for your time and attention