



AFI GPF 2013 Opening Ceremony

New technologies, national goals, and engagement with the SSBs were key themes of the Opening Ceremony of GPF 2013.

The UN Secretary-General's Special Advocate for Inclusive Finance for Development, Her Majesty Queen Máxima of the Netherlands, stressed the importance of coordination to achieve national goals, and encouraged AFI members to aim high with their targets.

In a video message, Bill Gates of the Bill & Melinda Gates Foundation described the vision behind the Maya Declaration as a paradigm shift in the way the poor are able to approach life, and that success will

require no less than changing the way we think about the financial system, from cash to innovative new digital technologies.

Governor Zeti Akhtar Aziz of Bank Negara Malaysia highlighted the importance of aligning financial inclusion, financial stability and integrity, and consumer protection policies, and Governor Amando Tetangco Jr. of Bangko Sentral ng Pilipinas and AFI Executive Director Alfred Hannig urged GPF delegates to use the AFI platform to drive policies with optimal impact.



“The champions cannot do it alone... setting up national targets has to go hand in hand with strong coordination mechanisms that will advance major development goals.”

Her Majesty Queen Máxima of the Netherlands, UNSGSA, and Honorary Patron of the G20 GPF



“We're at the cusp of another breakthrough innovation... Transforming the underlying economics of financial services through digital currency will help those who live in poverty directly.”

Bill Gates, Co-Chair of the Bill & Melinda Gates Foundation



“It is hoped that we can start to build a common understanding of proportionality in practice... to achieve the outcomes of financial stability and consumer protection that were intended by the global standards.”

Zeti Akhtar Aziz, Governor, Bank Negara Malaysia



Governor Zeti Akhtar Aziz rings the ceremonial gong to open the 2013 Global Policy Forum



Financial inclusion leaders celebrate the opening of GPF 2013

Today at the GPF

Morning

Report from the G20 Leaders' Summit, a dedicated session on mobile money and policy track discussions

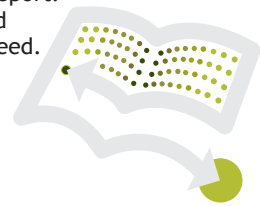
Afternoon

Announcement of new Maya Commitments, the Sasana Accord and Closing Ceremony of GPF 2013

Catch up on your reading

The AFI Library is stocked with new guideline notes for policymakers, external partner publications and the brand new 2013 Maya Declaration Progress Report.

Browse the shelves and take home what you need.



Venue: Sasana Kijang
Pre-Function Hall,
Ground Floor

FR Résumé quotidien

La collaboration entre pairs et des nouvelles façons d'aborder la question de l'inclusion financière ont été les sujets les plus abordés à l'occasion de la cérémonie d'ouverture, qui a marqué le point de départ de nombreuses séances concurrentes permettant le suivi des politiques concernant les points d'intersection entre l'inclusion financière, la stabilité et l'intégrité, ainsi que la protection des consommateurs. Les membres associés ont eu l'occasion d'examiner de nombreux sujets dont les bénéfices des nouvelles technologies permettant l'inclusion financière ou l'importance de la culture générale concernant la finance et les produits financiers. La journée a conclu avec l'étude de l'expérience en Malaisie concernant la lutte contre la pauvreté par le biais d'une politique efficace en matière d'inclusion financière.



Poken question of the day

Do you think new technology will be the driving factor for the future of financial inclusion? (Yes or No)

Driving policies for optimal impact

How are different countries aligning inclusion, stability, integrity and protection?



Central bank leaders discuss approaches to meeting ISIP objectives

How are different countries linking the core objectives of inclusion, stability, integrity and protection (ISIP) to achieve broader development goals? This session heard from central banks that are incorporating all four objectives in their mandate. What are the risks and opportunities? These are their stories.

Country experiences

Bank Negara Malaysia: All four objectives are part of our mandate. We were one of the first central banks to legislate financial stability and we have also legislated financial inclusion. We believe legislation, dedicated resources, goals, targets and outcomes align the entire organization.

Bangladesh Bank: Our financial inclusion strategy is our core mandate now; it is reflected in all our activities. When you go for financial inclusion, you really go for financial stability. Financial inclusion supports the real sector as well as the financial sector, diversifying asset bases and creating a very stable liquidity base and a larger deposit base.

BCEAO: We have conducted reforms recently that have led us to focus on the poor, primarily the stability of prices and loans. This allows us to provide loans to countries to promote growth. We then have to look at equitable distribution and reaching out to the poorest of the poor.

Engaging with the SSBs

What are the practical challenges of implementing proportionate and risk-based approaches to consumer protection, payment systems and other financial inclusion initiatives? A special leaders' roundtable session continued this dialogue.



Leaders gather to discuss AFI's engagement with the SSBs

“While global standards are sufficient to allow proportionate application, they were originally not established with financial inclusion as a consideration. This has led countries to adopt conservative approaches that limit innovation. We all need to learn how to manage the emerging and evolving risks that financial inclusion brings.”

Governor Amando Tetangco Jr.,
Bangko Sentral ng Pilipinas

Malaysia's Financial Inclusion Experience

Bank Negara Malaysia is implementing a set of initiatives to expand access to high-quality and affordable financial services for all, particularly the underserved.

Goal:

95%

of adults in Malaysia will have access to the formal banking system by 2014

Progress:

92%

of adults in Malaysia already have access to the formal banking system



Kamari Zaman Juhari, Bank Negara Malaysia

“The unique part of our efforts is the focus on women, particularly housewives. This has been very successful and significantly, the repayment rate of women to loans has been consistently around 99%.”

Datuk Hajah Zabidah Ismail, Amanah Ikhtiar Malaysia

How has BNM come so close to achieving its goal? With four key strategies.

Strategy	Key Result
Develop agent banking guidelines to adopt innovative mobile and agent banking channels	100% of districts in Malaysia served 86% of sub-districts (mukim) are currently served 100% of parliamentary constituencies have at least one physical financial services access point 97.7% of state legislative assembly areas are served
Expand the range of financial products and services to meet the diverse financial needs of the population	Issued a circular providing guidance on the development of flexible microfinance products, conducted research and engaged with the industry to develop a framework for long-term contractual microsavings, microinsurance and microtakaful.
Strengthen institutional arrangements to provide financial services to all	Developed a Financial Inclusion Index (FII) to monitor convenience and accessibility, uptake of products and services, responsible usage and customer satisfaction. Malaysia's FII score: 0.86 out of 1.00
Enhance the knowledge and capacity of the underserved to use financial services responsibly	The Credit Counseling and Debt Management Agency's POWER! program gives consumers practical information about personal finance and has already reached 150,000 people in Malaysia.

New policy issues spark questions

From payment systems to biometrics and microinsurance, these policy track sessions examined the potential of innovative new technologies and policies.



Transforming the Economics of Payments through Policy Innovation

Reforms to payment systems are an important part of financial inclusion strategies and our Maya Commitments. What kinds of policy innovations are driving these reforms? And where are these reforms having the biggest impact?

Key takeaway

Converting low-income households' transactions into digital form can strip costs and connect the poor to formal financial services.

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We saw the cost of disbursing government to person (G2P) funds transfers drop by 60% when we shifted from cash payments to electronic funds transfers through cards. We were then able to turn around these savings to incentivize more of the public to switch from cash to receive funds electronically.”



Felipe Herman, Ministry of Social Development, Chile



Can Biometrics Advance Financial Inclusion?

The unique identification of individuals through biometrics promises to establish secure identities that enable access to financial services. What are the possibilities and challenges of this new technology?

Key takeaway

Biometrics offers the chance to leapfrog paper-based identification systems and solve the problem of the “missing millions”. There are many success stories. In India, over 400 million ID numbers have been issued, at a rate of 1 million a day.

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Biometrics are introduced to prevent fraud. USD 2 billion is lost to identity theft every year. The biometric system will enable the country to deal with this problem.”

Chris Onyemenam, National Identity Management Commission (NIMC) Nigeria



Microinsurance: The Regulator's Challenge

Designed to protect the world's poorest and most vulnerable, microinsurance is often touted as a promising market-based risk mechanism.

Key takeaway

Regulators need to strike the right balance between allowing satisfactory space for innovation while simultaneously ensuring consumer protection.

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The biggest challenge to the regulator regarding microinsurance is how to have more clients and ensure sustainability, while ensuring consumer protection as well. It's a very delicate balance.”

Gerardo Butardo, Bangko Sentral ng Pilipinas



Alleviating poverty, driving development

It is generally accepted that financial inclusion has a positive impact on the poor by raising incomes, building assets and protecting against economic shocks. But how much evidence do we have? This lively talk show session discussed the value of timely, accurate and complete data for policymaking, the challenges of data collection, and the need for research that gives insights into the social dynamics of the poor.

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If we solve these large problems of financial inclusion, it will be with new business models, technologies and innovations. Data allows us to know which innovations work and which don't.”

Rodger Voorhies, Director, Financial Services for the Poor, Bill & Melinda Gates Foundation



Panelists engage in a lively discussion about the role of data in alleviating poverty

Getting our message out

Wednesday's press conference addressed a packed room of reporters from across the region, focusing on financial inclusion issues, the growth of AFI and the road to independence.



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We have a unique opportunity to work together to improve lives through financial inclusion and to have an enduring impact on global issues and development.”
Governor Zeti Akhtar Aziz, Bank Negara Malaysia

AFI leaders meet the press

Gala dinner



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Tonight we are affirming the commitment of members to advance the financial inclusion agenda. We are very honored to host this gala dinner.”

Governor Zeti Akhtar Aziz, Bank Negara Malaysia



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Tomorrow's agenda

Thursday / 12 September 2013

8:30 - 8:45	Report from the G20 Leaders' Summit Venue: Sasana Kijang Auditorium		
8:45 - 10:00	Banking Clients Through Mobile Money Venue: Sasana Kijang Auditorium		
10:00 - 10:15	Break		
10:15 - 11:30	Policy Tracks		Capacity Building for Financial Inclusion
	Financial Inclusion	Financial Stability & Integrity	Consumer Protection & Education
	Driving Innovative Policies for the Financial Inclusion of Agricultural SMEs Venue: Auditorium	Oversight of Non-Bank Financial Institutions Venue: Conference Hall 2	Beyond Access and Usage: Measuring the Quality of Financial Inclusion Venue: Conference Hall 1
11:30 - 12:30	Lunch Venue: Sasana Kijang Café	AFI Marketplace Venue: Sasana Kijang Pre-Function Hall, Lower Ground Floor	Member Zone Training (French) Venue: Computer Training Room Level 1
	12:30 - 13:30	Regional Cooperation	
	AMPI (Africa) Venue: Auditorium	Latin America and the Caribbean Initiative Venue: Conference Hall 2	Remittances in Asia: An Opportunity for Financial Inclusion? Venue: Conference Hall 1
13:30 - 13:40	Break		
13:40 - 14:40	Driving Policies for Optimal Impact: Reflections and the Way Forward Venue: Sasana Kijang Auditorium		
14:40 - 15:40	Maya Declaration: Raising Commitments & Measuring Progress		
15:40 - 16:10	Announcement of New Commitments to the Maya Declaration Venue: Sasana Kijang Auditorium		
16:10 - 17:30	Announcement of the Sasana Accord & Closing Ceremony of the 2013 AFI Global Policy Forum Venue: Sasana Kijang Auditorium		
17:30 - 17:45	GPF 2013 Evaluation & Video Highlights Venue: Sasana Kijang Auditorium		

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