



Day 1, Session 1 - Welcome and Opening Remarks

Ann Miles, Director of Financial Inclusion and Youth Livelihoods, The MasterCard Foundation:

How is everyone this morning? We had a great turnout last night at the opening cocktail party. So, very pleased to see so many of you already there. And then, new people that have come this morning. So, welcome again.

Distinguished speakers and experts, colleagues and friends, good morning. Welcome to The MasterCard Foundation Symposium on Financial Inclusion. It's really wonderful to see all of you here in Kigali.

As many of you know, this year the Foundation celebrates 10 years as a grant-making foundation working in Africa. Our work has reached now more than 10 million people across our program areas. Our program areas are education and learning, financial inclusion and youth livelihoods, just to remind you.

A decade, as I'm beginning to realize more and more as I get older, is not a long time. But, in that time, we have seen a lot of change in financial inclusion. Some might call it a 'decade of disruptive innovation'.

I remember in 2006, and I think many of you here in the room will remember, when Muhammad Yunus and Grameen Bank were awarded the Nobel Peace Prize for their pioneering work in microcredit. A lot has happened since then. It's just amazing. Since then, mobile and digital payment systems such as M-PESA, bKash, have really changed the financial services landscape as we know it. And we have seen financial inclusion rates soar in some countries while, in others, we know challenges remain. In the last few years alone, I think we know from the Findex numbers that the number of people who are now financially excluded has dropped by half a billion - 500,000 million people; this is really a significant achievement.

Over the past two years...10 years, a confluence of events has brought us here. But, what would the world look like if the remaining two billion gained access to quality relevant financial services? And, what will it take for us to get there? Can we make the same kind of progress that we've made, let's say, in the last three years in the next 10 years going forward?

I think many of you are aware, a recent report has just been published by McKinsey. I'll have to be the first to admit I haven't finished reading the full report. I think it's 98 to 100 pages long. But I know that many of you in the room have read it, so good for you. But, we know that some of the data that they've produced from that report is really astounding. Globally...if everyone globally has access to financial services, the economic benefits would be huge. GDP would be increased by \$3.7 trillion, which represents a 6% increase on today's trajectory. Ninety-five million new jobs would be created across all sectors. And most importantly, it would boost growth in emerging economies, allowing millions to lift themselves out of poverty. So, how do we get there? And, I think that's what we're here to continue to talk about today in this room.

As many of you know, we've placed, at the Foundation, quite a bit of emphasis on client centricity. Understanding the needs of the people we serve is the only way to ensure the remaining two billion gain access to relevant, appropriate financial products and services to improve their lives.

So, over the last three years at the Symposium, and we saw by, you know, hands last night how many people have been attending these now over the past, you know, this is your fourth time. You know that we continue to focus on this topic. We've focused on the client journey.

At this Symposium, we're going to shift that emphasis, not just about the journey as it relates to your product, for those of you in the room that are financial service providers or service. But, think about the journey of the client over their lifetime. People's needs, as we all know from our own personal experiences, their needs change and evolve over their lives, over their children's lives, over their families' lives and within the financial ecosystem that they are living in.

We had a good conversation I think last night with some of the Client at the Centre Prize finalists about how our needs have changed over our lives in terms of financial services, and how reluctant we are to change providers. That seems to be a main sticking point and continues to be today. But, I think that's going to change in the future. So, let's think about financial services not just for today but for the next generation. And, think about your own institution's journey in becoming client-centric.

This has been the central theme to the Symposium. And, many of you have taken this message back to your organizations. We've seen it, because we work either directly or indirectly with many of you. Hundreds of you are contributing to reshaping this sector and how we think about financial services. You're forming partnerships to create new products to better serve customers. You have initiated new areas of work such as deeper research into client needs.

There was a very interesting session, I hear, yesterday about financial diaries and how can we get the work of these diaries to be used more effectively and by more senior people in organizations. I hear there was quite a robust debate at that session and I wish I had been there to hear it.

So, in addition to doing that deeper research into client needs, you've looked at new ways to measure success by focusing on customer satisfaction. And, others are finding new ways to reach

clients by leveraging technology. And, we can see it in this room. More of you in the audience are here representing fintech and mobile network operators than ever before. I remember in the first Symposium, we asked how many MNO's were in the room. I think we may have seen one hand go up, maybe two. And, at that time, the notion of fintech was still emerging. I don't think we even used the term, quite frankly. So, just within the span of our last three years, we've seen tremendous change.

So, including those two billion who remain without services is not an easy task, we all know that. But, if we work together it is achievable. So, collectively, I think we need to work smarter on the issues at hand. We need smart investments from the private sector that contribute to the bottom line, but that also reach people and reach those communities that we're trying to serve. And, the only way, we think, for this kind of smart investment is through partnerships and through truly knowing your clients.

The field of behavioural science, which is still somewhat new to me, has a lot to teach us, which is why we're spending more time at this Symposium to understand some of the insights it offers. Putting ourselves in the shoes of our customers is one thing, but understanding better their motivations and their decision-making will help us even more. You will hear more on that from Eldar Shafir in a moment, who is our first keynote to this Symposium. And, I will make a plug for his book, 'Scarcity', that he wrote with Sendhil Mullainathan, three years ago. So, it's been out there for three years. If you have time read it. Eldar is very accessible, it's a wonderful book. So, I encourage you to read it. It's called, 'Scarcity'. And, again, it's been discussed I think quite a bit over the last few years since it was published.

Let's not forget though what we've seen at previous symposia. The future of financial inclusion does not lie either as we know in brick and mortar banks and microfinance institutions, or fintech, but in both. Nor does it lie just in product innovation, but in product innovation together with how you communicate, listen to and assist your clients in using those products.

So, just briefly to touch on our work here in Rwanda. The Foundation's work now reaches 1.1 million people in 30 districts across this country. Two of the people that you see behind me, on the right is a woman named Vestine Uzasabimana and on the left, Violette Mukamukangane. I tried very hard to pronounce these, so I hope I didn't do too much damage to their names. They are both part of our program with Opportunity International, Urwego Bank here in Rwanda.

Vestine is a rice farmer. She saves as part of a cooperative. And, through these savings, she has been able to grow her business. She received an emergency loan from the bank when her home was damaged in an earthquake. She also uses mobile money to make and receive payments and to pay back her loan. She says that she's now doing well. I'm sure she'd like to do better. And, it's still difficult for her to make her loan payments if her rice harvest isn't good. And, she would like to build a bigger more stable house and diversify her crops to minimize the risks of crop failure. So, there's more to do with Vestine. And, I think importantly, we all need to remember Vestine at the heart of what we do.

Many of you are working with people like Vestine and Violette every day to help them plan their financial future. Much like at last year's Symposium, let's keep the client in the room and think about Vestine and clients like her, during this Symposium. And, let's think of ways we can work together with one another to better serve her and all of our clients.

So, we will hear later this afternoon from three innovative client-centric organizations in the next two days who are leading the way. As finalists in our Client at the Centre Prize competition, they've been chosen by an international panel of judges as being among the best in listening to and responding to what their customers are saying. And, I know that we can learn a lot from what they share with us and what they share with each other. Again, we met all of them last night. And, they're very interesting and exciting organizations. I think you'll enjoy the session later today.

So, in the next couple of days; today and tomorrow, I really encourage you to talk to people in fintech. Seek out those microfinance institutions who can help you with the next piece of the puzzle. Try not to sit next to people that you know. Try to be curious and open and learn and listen. Those of you who are sitting next to you, people you know, I'm going to come and get you and move you around. But really, let's try to be open, listen and collaborate to move our agenda of financial inclusion forward.

So, thank you very much. Enjoy the rest of today and tomorrow. Thank you. *[Applause]*