May 2012

The Pathway towards Full Financial Inclusion

How do you bring appropriate financial services to the world’s more than 2 billion currently un-served individuals, especially the hard-to-reach? This question is exactly what the Center for Financial Inclusion hopes to answer through the Financial Inclusion 2020 (FI2020) project, which aims to build a movement towards achieving full financial inclusion, using the year 2020 as a focal point to clarify thinking and galvanize action.

This year, 2012, is an important time for FI2020, as key initiatives are getting underway. The Center is now working to generate a road map towards full financial inclusion by engaging critical actors in 1) a "Mapping the Invisible Market" exercise that examines major trends that will help accelerate (or not) financial inclusion over the next decade, 2) a consultative process to develop road maps in six key action areas and gain buy-in from a wide range of stakeholders, which will culminate in 3) a major conference of global actors to broaden consensus on the road map and movement towards full financial inclusion.

Last year, the Center surveyed industry experts and produced the "Opportunities and Obstacles" report, which revealed several major action areas around which the road map will be organized: product range, technology-enhanced business models, financial capability, credit reporting and client information analytics, client protection, and institutional capacity building. One very important emerging trend among these areas is the major shift in focus towards the improvement of the financial sector’s understanding of client needs and behaviors. Following this idea, the Center’s vision for financial inclusion homes in on the importance of quality in financial services and their necessary ability to reach under-represented groups, such as persons with disabilities and rural populations.

In order to effectively address real client needs, the Center is attempting to broaden the dialogue around financial inclusion to a more diverse circle of stakeholders, or in other words, identify the people currently missing from our “table”. We know that policy makers, bank regulators, mainstream banks, telecoms companies, technology companies, and the whole microfinance community need to be involved, but these players do not always communicate with each other or speak the same language. Connecting these groups of stakeholders is at the heart of the FI2020 project and essential for building the movement towards global financial inclusion.

Will you join the movement?

For more information about the major factors affecting financial inclusion and the pathway forward, check out the Center’s publication, "Opportunities and Obstacles to Financial Inclusion," and the Expert Exchange series on the Center’s blog.
Program Updates

Financial Inclusion 2020

This month, the Center will bring together experts around financial capability in the initial meeting for the Financial Inclusion 2020 consultative project.

Check out the Smart Campaign’s most recent Smart Notes: "Responding to a Crisis at FUNDESER" and "Appropriate Product Design and Delivery at Musoni". The Smart Notes discuss the Client Protection Principles in the context of different financial institutions.

A new publication, "The Financial Behavior of Rural Residents: Findings from Five Latin American Countries," examines access, use and attitudes towards financial services by rural residents.

Smart Campaign

May 1 - Input Needed on SPTF’s Universal Standards for Social Performance Management!, Posted by Center Staff

April 30 - Understanding Savings Behavior: A Comment on “The Financial Behavior of Rural Residents”, Posted by Guy Stuart, CFI Faculty Council

About the Center

The Center for Financial Inclusion at ACCION (CFI) was launched in 2008 to help bring about the conditions to achieve full financial inclusion around the world. Constructing a financial inclusion sector that reaches everyone with quality services will require the combined efforts of many actors. CFI contributes to full inclusion by collaborating with sector participants to tackle challenges beyond the scope of any one actor, using a toolkit that moves from thought leadership to action. www.centerforfinancialinclusion.org