

Eli M Remolona: Going the extra mile for financial inclusion

Speech by Mr Eli M Remolona, Jr, Governor of Bangko Sentral ng Pilipinas (BSP, the central bank of the Philippines), at the 2024 Cerise+SPTF Annual Meeting, Manila, 5 June 2024.

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Introduction

SEC (Securities and Exchange Commission) Commissioner Javey Paul Francisco, Social Performance Task Force Executive Director Laura Foose, Cerise Executive Director Cecile Lapenu, Microfinance Council of the Philippines, Inc. Chairman Gilbert Maramba, Kabalikat para sa Maunlad na Buhay, Inc. President and BSP (Bangko Sentral ng Pilipinas) Adviser Ed[uardo] Jimenez, CARD Bank Vice Chair and Senior Management Adviser Dr. Dolores Torres, guests, ladies and gentlemen, good morning.

Welcome to the social performance task force annual meeting. We are set for four days. Four busy days of training, breakout sessions, and field visits here in the Philippines. Thank you especially to those who have travelled from afar to join us here today.

Our theme today is all about going the extra mile to build effective financial inclusion--a principle we at the Bangko Sentral ng Pilipinas hold dear.

Let me give you a quick overview of our progress.

Gateway to financial inclusion

In 2015, only 22 percent of Filipinos had bank accounts. By 2021, that figure had risen to 56 percent.

We see digital payments as a gateway to financial inclusion. These payments have increased dramatically from just 1 percent in 2013 to 42 percent in 2022.

This progress was achieved with the help of so many partners. It started with a strategic roadmap--the National Strategy for Financial Inclusion launched in 2015. It was followed by an updated strategy in 2022.

The Financial Inclusion Steering Committee, which I chair, includes 21 government agencies working together to develop inclusive policies.

As you know, for our efforts to work, it is critical to build trust in formal financial services. Hence, the BSP has been actively involved in consumer protection.

We have worked alongside lawmakers and regulators to enact the Financial Consumer Protection Act.

Moreover, we are developing a consumer protection and market conduct supervision framework. To make the most of financial inclusion, Filipinos need to be financially literate.

The BSP has set up a financial education partnership framework to extend our reach. Our programs now help educate a broad spectrum of the population including teachers, migrant workers, and farmers.

We have made substantial progress, but there is still work to do. As highlighted in the BSP activities during the visit of the United Nations Secretary General's Special Advocate for Inclusive Finance for Development, Queen Maxima of the Netherlands, we are focusing on making digital payments more affordable. So affordable in fact, that people will make it a habit to use digital payments.

As you can see, we are trying to go digital when it comes to financial inclusion.

Open finance

We are advocating open finance, particularly in the area of financial health.

Open finance facilitates consent-driven sharing of customer data among financial institutions and third-party providers. It also gives customers more access and more choices when it comes to financial services.

We believe that open finance holds significant potential to extend the reach of financial inclusion. It will do by fostering innovations in financial services.

At the center of open finance is the customer who must be served and protected at all times. This is why we, at the BSP, are implementing our financial consumer protection framework. This would ensure that the rights and needs of consumers always comes first and that their trust and confidence in the financial system is preserved.

So, thank you, our partners, for making this event possible and for advancing financial inclusion in markets like ours.

I hope you find your time in Manila rewarding.

Magandang umaga po at mabuhay tayong lahat.