

# Pakistan Branchless Banking Conference 2010

## UKaid's Vision for Financial Inclusion

*State Bank of Pakistan, 17 April 2010*

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***“Creativity is thinking up new things.  
Innovation is doing new things.”***

*Theodore Levitt  
Professor Emeritus, Harvard Business School*

## UKaid's commitment

**Strong commitment to poverty reduction through inclusive economic growth (MDG-1)**

**Over £100m committed in South Asia for improving outreach and affordability of financial services to the poor**

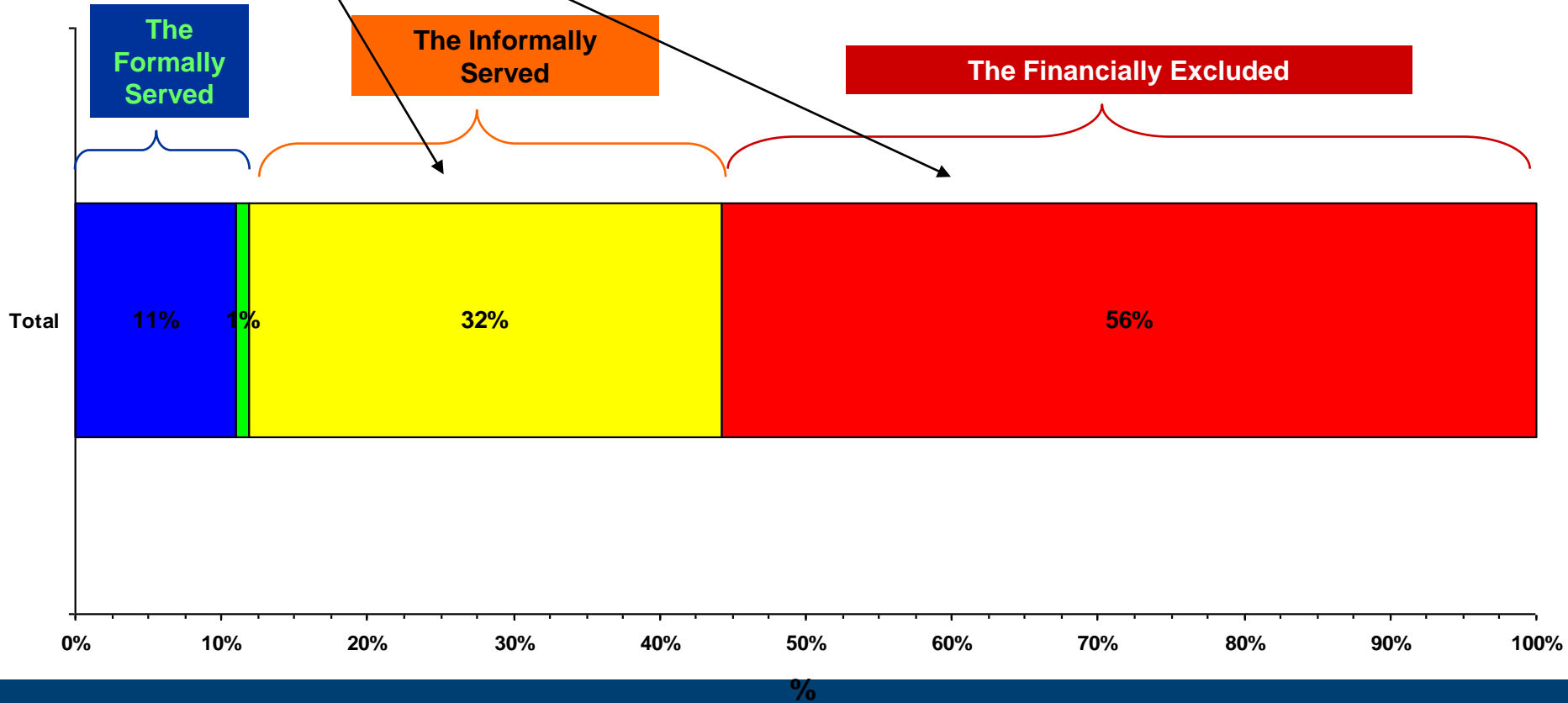
**Global initiatives to support financial innovation, research, regulations and best practices (support to CGAP)**

**£50m Financial Inclusion Programme in Pakistan**

**The Financial Market Development Frontiers**

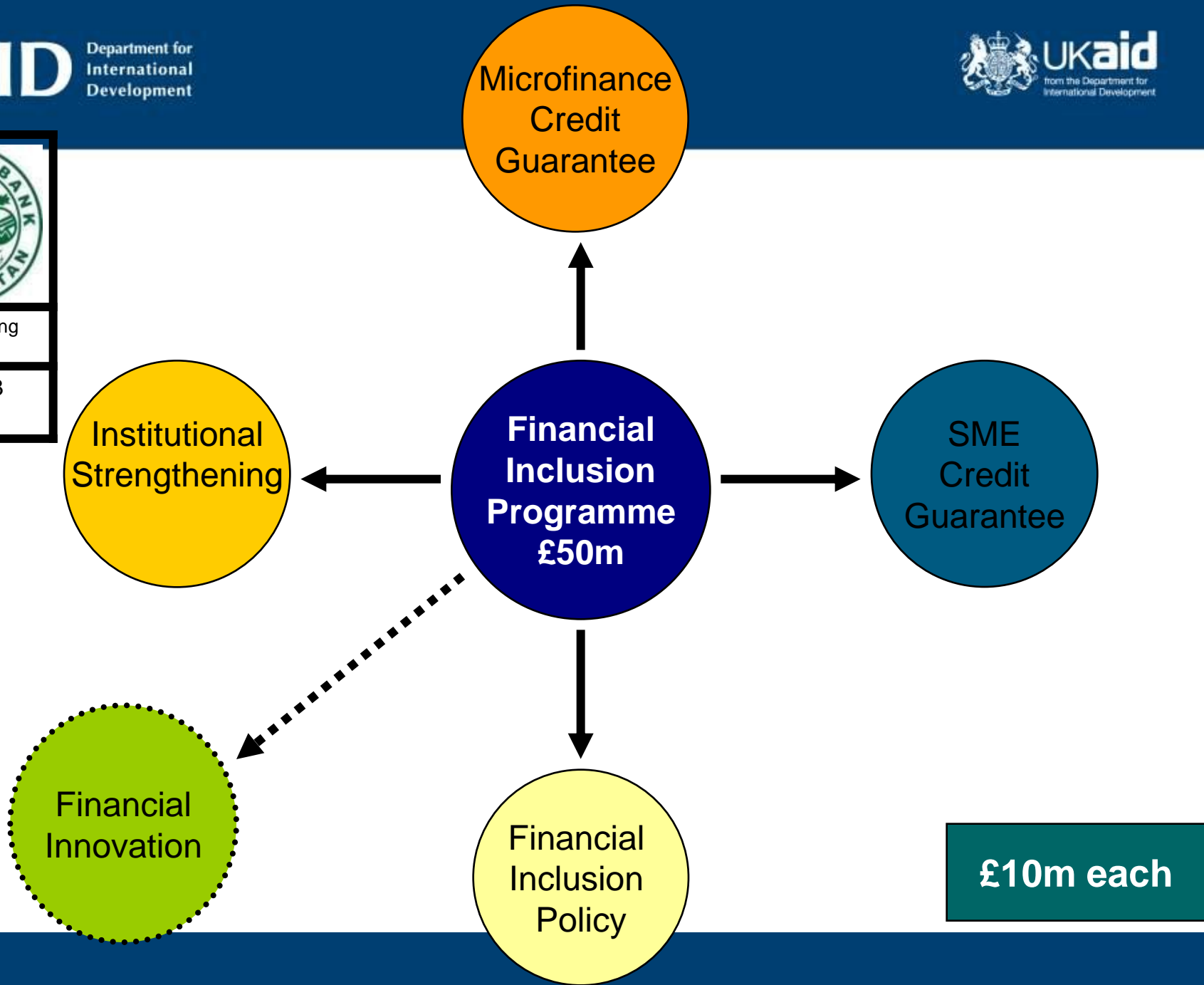
**Finscope Pakistan**

■ Banked ■ Other Formal ■ Informal ■ Financially Excluded





Implementing Partner  
2008-13



**BILL & MELINDA  
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## CGAP Technology Program – Phase II

The **purpose** of the CGAP's Technology Program is to use branchless banking to increase the number of poor people who have convenient access to a broad range of affordable financial products.

Close to where they live so the cost of access is low

More than just payments: includes savings, credit, insurance, etc

At a price that is reasonable for poor people

**The Technology Program will have four areas of focus:**

**Outcome #1. Demonstrating innovation and scale**

**Outcome #2. Improving industry knowledge and practice**

**Outcome #3. Creating enabling regulatory environments**

**Outcome #4. Harnessing G2P and remittance flows**

## The G-20 Financial Inclusion Experts Group: Access Through Innovation

**1. To pursue stronger and more balanced economic growth by helping to spread new modes of financial services for poor people;**

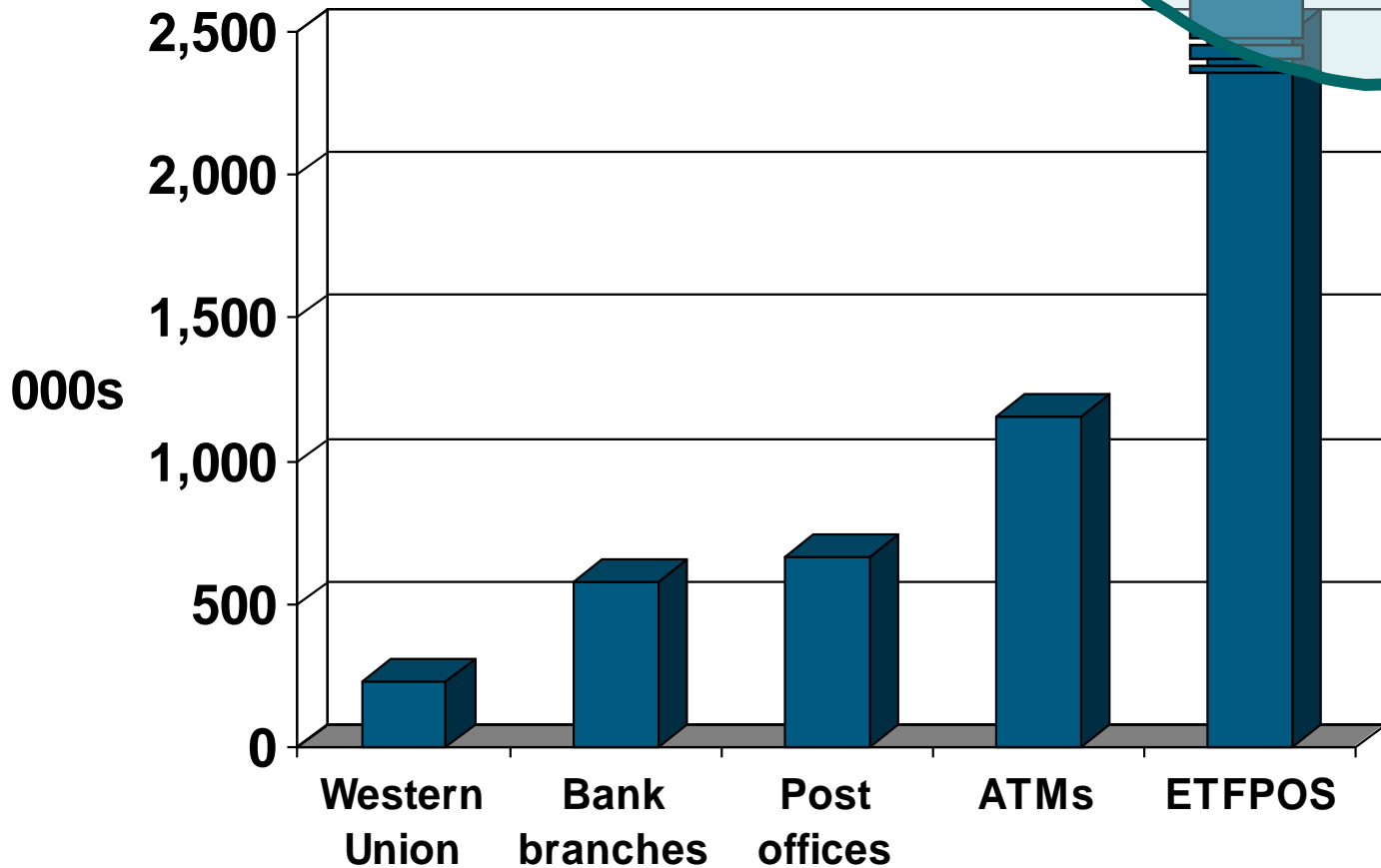
**2. To build strong enabling environment and approaches for branchless banking services;**

**3. A diagnostic tool to assess the state of policy and regulation on new modes of delivering financial services to the poor;**

**4. A framework for promoting success**



# So what is the existing retail financial infrastructure?



## Suggested Approach

**1. Allow for market to develop and promote innovation;**

**2. Proceed with flexibility yet with caution – need to build public confidence in financial services;**

**3. Understand risks and develop risk management tools;**

**4. State agencies must facilitate branchless banking by reducing cost of doing business and promoting fair competition.**

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