



# **Bridging the Gap in Financial Inclusion**

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# Eradicating Exclusion: The Ultimate Objective

- ◆ Countries all over the world employ financial inclusion to achieve inclusive growth
- ◆ Through financial inclusion, financially weak members of society can have access to the following financial services:
  - ◇ Payments
  - ◇ Savings
  - ◇ Credit
  - ◇ Insurance

# Financial Inclusion in Numbers



**2 Billion**

unbanked adult  
individuals worldwide

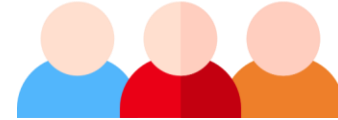


**438 M**

in  
Southeast Asia



# Financial Inclusion in Numbers



**52.8 M**

Adult Filipinos are  
unbanked



**536**

unbanked  
municipalities

**33%**

of the total  
1,634 cities &  
municipalities

The background features a series of overlapping, angular shapes in various shades of green and teal, creating a layered, mountain-like effect. The central area is a solid teal rectangle where the text is located.

# CHALLENGES IN FINANCIAL INCLUSION

# Challenges in Financial Inclusion

## Internet Connectivity

Need for a drastic improvement in the quality of telecommunications system which is critical in promoting financial inclusion.



# Challenges in Financial Inclusion



## Financial literacy

Low financial literacy among Filipinos should be addressed now if we want to stop it from being passed on to the next generations.

*\*photo taken during LANDBANK's Financial Inclusion Caravan in Tantangan, South Cotabato*

# Challenges in Financial Inclusion

## Policies and Regulations

Continued issuances to reinforce a solid financial inclusion framework.







# **BEST PRACTICES IN INCLUSIVE BANKING**

# India

Percentage growth of account membership:

35%  80%



# Best Practice: India

- ◆ Expand financial services to the poorest sectors.
- ◆ **Public sector banks** are mandated to open accounts for **all individuals** with **no mandatory balance requirements**.

# Aadhar National Biometric ID Program



- ◆ **Data** is linked to government-sponsored programs and private services.
- ◆ **1.2 billion or 90%** of India's population are under the national ID program.

# Kenya

The **only country** where **over half of its adult population** have a mobile money account.



# Best Practice: Kenya



- ◆ **M-Pesa** became the world's leading mobile money service.
- ◆ **614 million M-Pesa transactions processed**
- ◆ Serving **29.5 million customers**
- ◆ A network of more than **287,400 agents.**

# M-Pesa

With M-Pesa, the mobile phone becomes the wallet.

- ◆ Expanded in 10 countries
- ◆ Used for a wide array of transactions.



The background features a series of overlapping, angular shapes in various shades of green and teal. A large, dark teal shape forms a mountain-like peak on the left. Below it, a wide band of medium teal stretches across the center. The bottom of the image is composed of several overlapping shapes in lighter and darker green tones, creating a layered, landscape-like effect.

# OPPORTUNITIES FOR CFIs





***Many ideas grow better when  
transplanted into another mind than  
the one where they sprang up.***

*- Oliver Wendell Holmes*

# OPPORTUNITIES FOR CFIs

- ◆ **Country-specific** strategies and **tailor-fit** to conditions
- ◆ Goal is to support **an all-inclusive** and **sustainable financial system** that **accelerates economic growth**.



# **LANDBANK's THRUST ON PROMOTING FINANCIAL INCLUSION**

# Extensive Reach



**PRESENT**  
in all of the  
**country's**  
**81 provinces**

**400** ▮ Branches

**61** ▮ Branch-Lites

**2,018** ▮ ATMs

**120** ▮ CDMs

**44** ▮ Lending Units

# 2019 Targets

- 10** ‡ Branches to be opened
- 300** ‡ ATMs to be installed
- 40** ‡ Cash Deposit Machines
- 10** ‡ Additional Mobile ATMs
- 200** ‡ POS Cash-Out units

# Agent Banking Program



—▼—  
Aims to further expand  
the Bank's reach in  
remote unbanked  
municipalities



## Strategy

- ▶ To establish partnerships with client cooperatives, associations, SMEs, and individuals
- ▶ To pilot agent banking in 8 remote areas and expand in succeeding years

# Banking on Technology



‡ Retail banking channel



‡ Mobile app that allows clients to view their account balance and transaction history, pay bills, transfer funds, etc.



‡ Allows individuals to conveniently pay their bills, taxes, and other dues to government agencies & private merchants

# Financial Inclusion Caravan



**Ipon at Kabuhayan  
para sa mga Kababayan**

**LANDBANK Financial  
Inclusion Caravan**



- ▶ Aims to improve financial literacy in rural communities
- ▶ Targets third- to sixth-class municipalities nationwide



The background features a series of overlapping geometric shapes, primarily triangles and polygons, in various shades of green and teal. The top section is a bright lime green, followed by a dark teal triangle, then a medium teal trapezoid, and finally a bottom section of lime green. The text is centered within the medium teal section.

# **CONTINUING THE LEGACY OF PARTNERSHIP AND COLLABORATION**



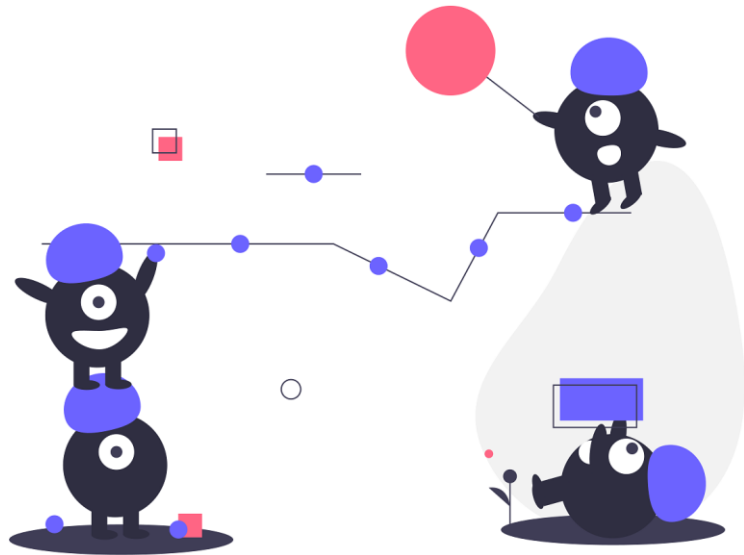
**Financial  
Inclusion as key  
strategy to drive  
inclusive  
growth.**



Learn  
from **best**  
practices.



**Adopt a  
holistic  
approach.**



**All hands on deck;  
there is room for  
everyone.**



**Collaboration  
is key.**