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## Conversations That COUNT

Within Reach: Opportunities in emerging economies to grow profitable and inclusive financial services

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Accenture Development  
Partnerships

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## Within Reach: Opportunities in emerging economies to grow profitable and inclusive financial services

**MOD: LOUISE JAMES, Managing Director, ACCENTURE DEVELOPMENT PARTNERSHIPS**

On behalf on Accenture and CARE, I would like to welcome you here today for this discussion on financial inclusion.

A great example of a partnership that we've worked on in ADP has been with Barclays ,Plan and CARE on a partnership called Banking on Change. And Banking on Change has been focused on trying to plug the gap of the two billion people around the world who still don't have access to formal financial services. And as part of our commitment we did this piece of research which looked at the current state of the banking market with respect to the unbanked.

Some analysis that Accenture did showed that there's actually a \$380 billion dollar revenue opportunity if you banked unbanked adults in the microenterprise sector. So the opportunity is there for the financial institutions, but actually many of the banks are being left behind. They're not adapting their business models fast enough to tap into that market. But there are two key enablers that I will mention. The first being digital. You can actually use data and analytics from things like the mobile top ups to give a kind of proxy for when they would be able to be somebody who could borrow money. And then second aspect is partnership. The financial service institutions need to look at partnering with others in the public and non-profit sector to access this customer base.

**Dr WOLFGANG JAMANN, Secretary-General and CEO, CARE INTERNATIONAL:**

We as CARE fighting poverty and fighting exclusions, social exclusion in particular and we do that by working mostly with women. At the same time we are trying in these complex environments to develop opportunities for people to get out of that situation. We are trying to develop almost ingredients for success. And one of the ingredients that we, as CARE have kind of co-pioneered 20 years ago is the Village Savings and Loans groups. And we see that even in very difficult unstable environments this is a mechanism that works.

So the report that we are presenting today provides us with a number of insights. Let me just add to the fact that the Savings and Loans groups from our point of view is an actually excellent entry point for linking banks and poor people. We also experienced that these groups that we work with provide actually quite a potential to address social norms that sustain gender inequality which is again one of the biggest stumbling blocks and obstacles to social and economic progress.

**MOD: LOUISE JAMES, Managing Director, ACCENTURE DEVELOPMENT PARTNERSHIPS**

It will be great to hear what Barclays experience has been on this journey.

**STEPHAN van COLLER, CEO Corporate & Investment Banking, BARCLAYS AFRICA:**

If you have a look at really what the issues are today, the reason why banks don't go further down the pyramid is sort of two fold. One is regulation makes it very expensive around "know your client" anti-money laundering and the old traditional legacy systems make very expensive to actually perform those talks prior to being able to onboard a client. And what's interesting if you have been to some of the financial inclusion sessions, some of the governments in developing countries are actually now creating tiered anti-money laundering, "know your client" legislation so that they are actually starting to take those cost and burdens out. If you start putting those things together you can see very quickly how this becomes a real bankable opportunity on a scale basis, so very excited.

**MOD: LOUISE JAMES, Managing Director, ACCENTURE DEVELOPMENT PARTNERSHIPS**

One of the things we've been saying is that the institutions need to think about this in a fundamentally different way. But also how can the broader ecosystem engage, so how can governments engage. We wanted to put the opportunity out there and to say hey this opportunity is there; you've got to move now because others are coming in. So that's part of what we want to try and do in getting the message out.

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