

## Zeti Akhtar Aziz: Financial inclusion – enhancing access to banking services in Malaysia

Speech by Dr Zeti Akhtar Aziz, Governor of the Central Bank of Malaysia, at the Launch of Bank Negara Malaysia's MobileLINK, Kuala Lumpur, 9 December 2011.

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Coach' Bergerak Laman Informasi Nasihat dan Khidmat Bank Negara Malaysia ini, iaitu "MobileLINK" adalah untuk memperluaskan rangkuman kewangan kepada masyarakat luar bandar. Saya amat berbesar hati untuk mengalu-alukan kehadiran Tuan-tuan dan Puan-puan ke Majlis Pelancaran Rasmi "MobileLINK".

Financial inclusion has now become an important global agenda to ensure sustainable economic growth. It has become one of the main pillars of the global development agenda in which importance is given to outreach so that the economic growth and development that is achieved will be inclusive. Financial inclusion is an integral part of this process. Financial inclusion aims to ensure that all segments of the economy, regardless of income levels, economic activity or regions have access to financial services.

The Bank's efforts towards promoting financial inclusion is focused in **enhancing access to basic banking services; and to financing; and undertaking financial education, and to build greater and awareness on financial matters and management**. We have seen significant progress on several fronts as more and more of the members of the population enter into the financial and economic mainstream and as those that are already participating in the financial system are able to do so in a more effective manner. Deposit accounts have increased from 19,738 deposit accounts per 10,000 adults in year 2000 to 29,311 deposit accounts per 10,000 adults this year. Similarly, there has been significant increase in loan accounts from 3,105 loan accounts per 10,000 adults to 8,600 loan accounts per 10,000 adults. More than 80% of our adult population have some form of deposit accounts. The ranking by World Bank's Consultative Group to Assist the Poor shows that Malaysia is in the 20th position globally, *[Singapore is in the 16th position; Thailand: 33rd; Indonesia: 70th; and the Philippines: 71st]*. While we have made considerable progress in improving financial inclusion agenda, the Bank is unrelenting in our aspiration to shape our financial system to be more inclusive and effective in supporting a balanced economic growth for our country.

Our financial sector Blueprint that will chart the direction of development of our financial system in the next ten years places a high priority on the financial inclusion agenda. Among the areas of focus are the development of cost efficient delivery channels that will enhance the outreach of financial services, expand the range of products and services to meet the distinct financial needs of the underserved and strengthen the institutional arrangements to enhance the capacity of providers of such financial services. Equally, important will be the attention accorded to financial consumer education and protection in which the standards of consumer care are high and consumers have choices and are confident about making their financial decisions.

The launch of the Bank's MobileLINK today is one of the efforts to facilitate the achievement of the objective to enhance our reach to a wider community. This custom-made coach is equipped with all the supporting facilities, and is another avenue for members of the public particularly from the non-urban areas to engage on matters relating to banking services which need to be addressed and on any other financial services that are offered by our financial institutions. This will allow members of the public including SMEs to receive rapid response and facilitation on financial matters. It will also enable the Bank to hear directly from the public on financial issues concerning our financial system.

The journey for MobileLINK will begin today to cover about 50% of the identified the non-urban areas nationwide in the next 3 years. In the first phase, the MobileLINK's journey will

start from Mersing, Johor and will continue to northern states and later back to the south to Jerantut, Pahang. This part of the journey will be completed in December 2012. The Bank looks forward to this new venture. It would also help to identify the specific financial needs of the local communities and the financial assistance and the advice for the different communities in our country.

The terminals in the MobileLINK coach are connected to the Bank's information technology systems such as Central Credit Reference Information System, Customer Redress Mechanism System and the Bank's corporate website. Among the services that will be available are advisory services on banking, insurance & takaful and SMEs financing related matters; retrieval of personal credit status through the Central Credit Reference Information System (CCRIS); and advisory on any other financial related matters under the purview of the Bank.

The introduction of MobileLINK complements the series of consumer financial advisory initiatives that have been introduced by the Bank since 2005 with the establishment of BNMLINK at the Bank's six offices; the Bank's call center, BNMTELELINK; as well as BNMLINK mobile counter services in semi-urban areas to provide access of financial information and consumer redress mechanisms.

The introduction of MobileLINK also provides a platform for enhancing financial literacy and financial capability of consumers to make well informed and responsible financial decisions and thus participate meaningfully and effectively in the financial system.

Akhir kata, saya ingin merakamkan penghargaan kepada semua hadirin sekalian yang memberi sokongan kepada inisiatif "MobileLINK" ini. Kami berharap inisiatif ini akan dapat merealisasikan usaha Bank dalam mencapai rangkuman kewangan yang menyeluruh. Bagi mencapai objektif ini, kerjasama pihak yang hadir pada hari ini dengan Bank Negara Malaysia adalah dialu-alukan bagi memastikan usaha yang lebih bersepadu dan berkesan dapat digembleng bersama.