

Amando Tetangco: Financial inclusion

Speech by Mr Amando M Tetangco, Jr, Governor of Bangko Sentral ng Pilipinas (BSP, the central bank of the Philippines), at the Signing of the Memorandum of Agreement for the Banking on Your Future (BOYF) Kiddie and Teen Account Program and the Awarding Ceremony of the 2015-2016 Guro ng Pag-Asa, Manila, 7 March 2017.

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Fellow advocates of financial education and financial inclusion, special guests, good afternoon and welcome to the Bangko Sentral ng Pilipinas!

On behalf of the Members of the Monetary Board and our fellow central bankers, we thank you for joining us to celebrate two milestones in our continuing program to develop an inclusive financial system to promote inclusive growth.

Today, our focus is on two complementary programs that we are implementing in partnership with the Department of Education and our banking industry.

Our goal is to raise financially responsible Filipinos starting with our schoolchildren and to promote good money habits such as saving regularly by providing our youth access to child-friendly deposit accounts and other bank products.

We are honored therefore that Secretary Leonor Briones of the Department of Education is with us, along with our outstanding finance education teachers whose achievements we celebrate today, bank industry leaders including Bankers Association of the Philippines President Nestor Tan of the BDO, Bank Marketing Association President Ann Marie Ducanes of China Bank, Bankers Institute of the Philippines President Liza Ortiz, and representatives from the Chamber of Thrift Banks and the Rural Bankers Association of the Philippines.

Our first milestone is the signing of a Memorandum of Agreement where the depositor-friendly Kiddie Account Program for children up to 12 years old is amended... to now include teens up to 19 years old. Under this program, Filipinos 19 years and below can open a savings account with 17 participating banks with a minimum deposit of one hundred pesos (P100.00), with no maintaining balance required. The MOA is timely as it is aligned with the DepEd's program to include financial lessons in the new curriculum of K to 12 students.

Aside from targeting a wider market of savers, we also wish to help those who have started the habit of saving to sustain it until they graduate and start working. Before the MOA amendment, Kiddie deposit accounts reverted to regular accounts once the depositor reached the age of 13 years.

The depositor-friendly accounts were introduced as part of the Banking on Your Future program of the BSP and the banking sector. That the number of participating banks has increased from 10 (in 2012) to 17 today is a good sign – rightfully, our banks are taking the long view that this is a developmental undertaking that will ultimately benefit not only young depositors but also our banks and our economy as a whole.

Let us therefore acknowledge the participating banks who have welcomed more than a million kiddie savers.

The top three banks with the highest number of kiddie savers are BDO, BPI and PNB, followed by RCBC Savings, Security Bank, PSBank, EastWest Bank, Veterans Bank, Development Bank of the Philippines, and China Savings Bank.

Let us also acknowledge the additional banks under our new Memorandum of Agreement: BPI

Family Savings Bank, RCBC, Maybank, UCPB, UCPB Savings Bank, Sterling Bank and Metrobank.

We look forward to higher numbers under this expanded Kiddie and Teen Account Program.

Our second milestone this afternoon is the awarding of our outstanding teachers for financial education under the DepEd-BSP's Gantimpala Para sa Ulirang Pagtuturo ng Pag-iimpok at Araling Pansalapi, more popularly known as Guro ng Pag-Asa.

Using teaching guides jointly developed by DepEd and the BSP, teachers developed creative and effective ways to impart lessons on saving, money management and basic entrepreneurship to their pupils.

The common denominator among our awardees is that they have also brought financial education to their communities to help improve lives. In other words, they have become agents of positive change not only in their schools but also in their communities.

At the same time, our student-awardee this year for Bida sa Pag-iimpok and Pangkabuhayan is remarkable not only for his good money habits but also for his entrepreneurial drive and social consciousness. He donated a sewing machine to a person with a disability so that she could start her own entrepreneurial venture.

Indeed, we are heartened by stories about children who took financial lessons to heart and went on to inspire their families to adopt sound financial habits.

Let us give all our awardees a well-deserved round of applause.

Let us also thank those who have worked behind the scenes to make our Guro ng Pag-Asa program a success — the Board of Judges, represented by Dr. Marilette Almayda, DepEd Director for Learning Delivery and the Screening Committee who went through voluminous nomination documents and visited each of our Finalists from all over the country.

Moving forward, I hope that the ties that bind us to our common goal will continue to nurture a new generation of financially educated and included young citizens.

To us at the Bangko Sentral and the DepEd, financial education is important and necessary. The ability to handle one's finances properly is a lifelong skill one must have to be a responsible and successful adult. The ideal place to start is in schools where children are learning and developing what could be lifelong habits on spending, saving and earning money.

We all know the phrase, "our children are the future of our nation." To us, this is not rhetoric. It is a truth and it gives us a sense of purpose and urgency. This has given impetus to our joint programs.

In fact, our efforts have caught the attention of finance education advocates in other countries. In 2013, the Netherlands-based Child and Youth Finance International which is at the forefront of a global campaign to promote finance education and savings gave us the country award for having the best finance education and savings program.

They were curious and actually wondered how we were able to work with our Department of Education to teach financial lessons as part of the curriculum as well as to inspire our biggest banks to welcome kids to open accounts with them with deposits of less than US\$3.00 at that time. Let us therefore thank the DepEd and our banks for their strong support and for being on the same page with us.

Ladies and gentlemen. The timing of this year's awards ceremony is fitting as it falls at the culmination of Global Money Week. This is a worldwide celebration that aims to create greater

consciousness among children and youth about proper handling of money and how it can help them secure a brighter future.

I am pleased to share that in November 2016, our participation in Global Money Week was acknowledged by Child and Youth Finance International as among the best in Asia. Under this, pupils interacted with those from other local schools and with their counterparts from Brunei and Russia through video conferencing and social media chats to share their views and practices on saving and handling money. Our students were enthusiastic and proud for being part of a “cool” global community of savers.

It is our hope that through our continuing joint programs, millions of young Filipinos will benefit from financial education, being financially included, globally competitive, and being able to contribute to making our economy better, bigger and stronger.

Maraming salamat sa inyong lahat!