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Welcome address

Conference “Financial integration and inclusive development: A view from the Mediterranean Countries”/Banco de España e Instituto del Mediterráneo (IEMed)

Pablo Hernández de Cos
Governor

Good morning ladies and gentlemen,

It is a great pleasure for me to welcome you all to this Conference on *Financial integration and inclusive development: A view from the Mediterranean Countries*, hosted by Banco de España and jointly organised with the European Institute of the Mediterranean (IEMed) and the support of the Organization for Economic Co-operation and Development (OECD).

Let me start by thanking our colleagues from the European Institute of the Mediterranean and from the OECD for their cooperation in organising this Conference. The European Institute of the Mediterranean (IEMed), created in 1989 with the participation of the Spanish Ministry of Foreign Affairs and Cooperation, the Government of the Autonomous Community of Cataluña, and the Barcelona City Council, incorporates a broad representation of civil society and is a leading institution in the analysis of Euro-Mediterranean relations.

In accordance with the principles of the Euro-Mediterranean Partnership's Barcelona Process, and with the objectives of the Union for the Mediterranean, the aim of the IEMed is to contribute to mutual understanding, exchange and cooperation between the different Mediterranean countries. And Banco de España is delighted to collaborate to this objective in the field of economic and financial relationships. Our second partner today, the OECD, is playing an invaluable role in the international arena to shape policies that are decisively contributing to the well-being for all. It is no exaggeration to say that the world count on the leadership of the OECD in many fronts such as those that we are going to discuss today: financial inclusion, capital flows, migration, among others.

This is the fifth edition of this Conference organised by IEMed, with the support of the Banco de España, to discuss economic and financial matters in the Mediterranean region. The first and third editions took place in Barcelona, in 2014 and 2017, the second in Rabat in 2015 and the fourth in Tunisia in 2018, on those occasions with the support and hospitality of Bank Al-Maghrib and the Central Bank of Tunisia. Past editions of this conference had provided useful exchanges of ideas between different actors with interests in the economic and financial developments in this region. I firmly believe that forums like this are particularly relevant to shape public policy in times of change as those we are witnessing today. The deep-rooted transformations in economic and financial relations globally force us to re-think the design of economic policies in order to better contribute to the progress of our society. In particular, these forums are instrumental for central banks in its role of providing guidance for economic policies that are not in their mandates. Let me add that in order to exert this role of assessing public policies, central banks need to be granted with political and operational independence, in order to provide recommendations free from political pressure or vested interests.

The theme of this Conference, *Financial integration and inclusive development*, is particularly timely at this current juncture of the world economy. Global economic growth is at its lowest level since the global financial crisis, partly as a consequence of the high level of uncertainty surrounding trade and international relations. This weakness of the global economic landscape is adding to the new challenges that have emerged over the last decades: population aging, migration, security threats, the emergence of new economic and political powers, and climate change, to mention only some. And this evolution has taken place in an era of increasing globalization, that is being threatened by the emergence

of protectionist measures, and of digitalization and rapid development of new technologies. Together, these developments constitute a new frontier for policies that make it necessary to promote mutual understanding and make extensive coordinated efforts in the field of policies. In order to preserve the benefits derived from financial interconnectedness and technological innovation, it is now of the essence to put in place an internationally agreed response that allows to achieve the benefits of innovation while ensuring the mitigation of its potential risks. Policy-makers have the responsibility to support the research and analysis to base to foster growth and fight inequalities.

In this Conference we are going to debate on a number of challenges that our countries are currently facing: from technological innovations in finance to migration flows in search for better opportunities, going through increasing financial interdependences or the need of boosting financial education. I have no doubt that the quality of the discussions we have today will allow us to deepen our understanding of these challenges and, hopefully, allow us to draw some useful conclusion in terms of economic policy.

I leave the floor now to Mr. Isidro González, Deputy Secretary General of the Union for the Mediterranean, thanking him as well as you all for your presence here today, and thanking Mr. Senén Florensa, President of the Executive Committee of IEMed, for the cooperation in the organisation of this event.

Now, Isidro, the floor is yours.