

ITUEvents

FIGI Symposium

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#financialinclusion

FIGI > FINANCIAL INCLUSION
GLOBAL INITIATIVE



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Where is Mexico standing right now ?

In the middle of a fundamental shift in the Government

Everything is changing (profund/deep change) **(The Fourth Transformation)**

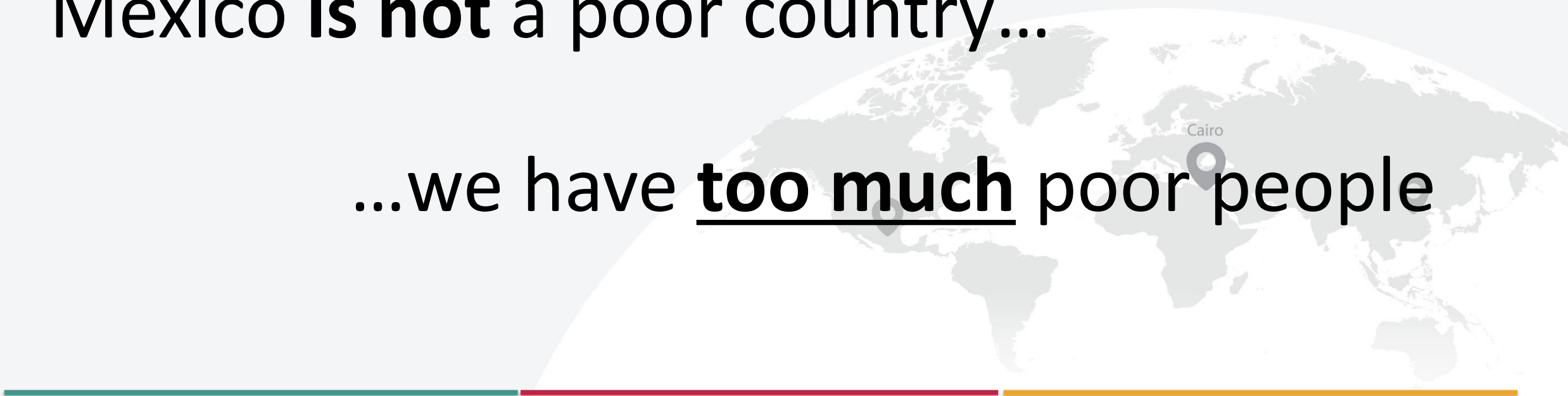
Independence (1810-1821), Reform (1858-1961), Revolution (1910-1917),

- Income Law (Nobody can earn more than the president 5,400 USD)
- Reduced the monthly earning of the people to half in a lot of cases in all sectors
- Eliminated health insurance for all the people that work at the Government
- A lot of people gets out of the government (Never seen in that magnitude)
(They got early, resigned or have been banned)



Mexico is **not** a poor country...

...we have **too much** poor people





Where are we Financial Inclusion?

- National Council for Financial Inclusion
 - 8 Financial regulators **NO Telco regulators**
 - National Policy for Financial Inclusion (2016)
- Banks are Banks and Telcos are just carriers
 - There is no shared strategy
 - Both sectors work mostly independently

What have been done recently ?



Before New Government

- Shared Network “Red compartida” March 2018 – Private – Government Association Network [Spectrum 700 MHz – Investments 7,000 Million Dollars]
 - 4.5G LTE-Pro
- **Fintech regulation** (Crowdfunding, Wallets, Prepaid, Sandbox, APIs)
 - 238 Mexico – 230 Brazil (Mexico is 1st Latin American Country)
 - Mostly influenced by Banks
 - Minimum assets and a lot of regulations



What have been done recently ?



IN New Government


- Mastercard authorization to be a transactional Switch
- CODI – Payments system based on SPEI
 - QR Codes on Mobile Phones
 - CLABE associated to each financial product (19 digit numeric digit)
- **Financial Sector Boost Program**
 - Eliminate stop barriers to include 15 to 17 years old people
 - Social Benefits programs +20 million persons
 - Collective Loans (No interests)





Financial Inclusion Report (CNBV)




 90.2 million adults

 17K branch offices

 900K POS

 49K ATMs

 42K Comissionists

- Debit 68M and 77M not used
- Credit 23M and 10M not used



Concerns

Acelerated use of **cash** (in terms of GDP)

Cash Remittances (2017 historical increase)

Amount per transaction

USD65 down to 31 (avg.)



National Survey of Financial Inclusion 2018



Sample **14,500** - Adult Population Represented **79,096,971**

1.9 Branch offices

4.7 Comissionists

5.4 ATMs

102 POS



	2014	2017
Money deposit accounts	11.6K	12.2K
Debit Cards	13.3K	11.9K
Credit Products	6.3K	6K
Credit Cards	3.2K	2.9K
POS tx	15.1K	17.4K
ATM tx	19.1K	19.2K

*Each 10K adults

¿ Opportunities / what should be done?



Prejudices can Change



Urgent to the country

- Capacity Building
- Practical education / share international success stories
- **Good will** of collaboration amount institutions

Promote financial products only by using biometrics **(No Physical ID)**

- Avoid the lack of documentation.
- Start with something little in amount and risk to create an appropriate profile of the person.

¡ Muchas Gracias !

شكراً

Thank you!

