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P R O C E E D I N G S

MR. WEST: Hi, I'm director of Governance Studies and director of the Center for Technology Innovation at the Brookings Institution, and I would like to welcome you to this forum on financial inclusion. And we are webcasting this event live, so we'd like to welcome our viewers from around the country, as well as around the world. And for those of you wishing to post any comments during the forum, we have set up a twitter hashtag at financial inclusion. So that's #financialinclusion.

Nearly 2 billion adults globally do not have access to bank accounts. This makes it difficult for them to access financial services, pay their bills, or transfer money to relatives. In addition, it's very hard for these individuals to be an entrepreneur because they're outside the formal financial system. It is also difficult for them to gain access to capital or to form a business when they do not have access to basic financial services.

But the good news is that many nations have made commitments to expanding financial services for poor people. They understand that financial inclusion is vital to economic development and social inclusion. So they have developed financial inclusion policies and are implementing policy frameworks that encourage inclusion.

Today, John Villasenor, Robin Lewis, and I are launching the second annual Brookings scorecard measuring progress on financial access and usage. With the financial support of the Bill and Melinda Gates Foundation, we have embarked on a three-year study of inclusion in 26 developing nations.

The short summary is that financial inclusion is taking off. We've seen progress in access to financial services in many countries. They're making efforts to help marginalize populations, such as women, minorities, refugees, and young people. And this is happening through mobile money, as well as digital financial services. So this week we have published our report and scorecard. Copies are available on the Brookings website. That's at Brookings.edu\fdip, f-d-i-p. So that will give you access to the full results.

And then also, for those of you who are in our audience here today, we have a short version, a four-page summary of the key findings, the scores of the various countries, and some of the key recommendations that we are making in order to help promote financial inclusion.

So we encourage you to read our report. If you have any comments or suggestions on it, you can email that to us at fdipcomments@brookings.edu. That's fdipcomments@brookings.edu.

So this is the second of what will be three annual reports, so we will incorporate feedback that we get and suggestions that you make into our next report.

And we do appreciate all of the feedback that we got based on last year's report that we put out in August of 2015. We got a number of suggestions from people around the world in a number of different countries. We talked with leaders in the NGO community who are active in financial inclusion, and we're very grateful for all the suggestions that they made.

So to give you a more detailed sense of the highlights of our study, my colleague, John Villasenor will summarize the key findings. John is a nonresident senior fellow at Brookings and he's a professor of electrical engineering, public policy, and management at UCLA. And he's written extensively on technology policy, financial inclusion, and the developing world.

And then after John's presentation, we will hear from the ambassadors to the United States from Uganda and Rwanda, who will tell us what they are doing kind of on the front lines of trying to use technology to bring financial services to the people in their country.

So we'll turn the presentation over to John.

MR. VILLASENOR: So I'd like to thank you, Darrell West, and thanks to all of you for taking time out of what I'm sure is a very busy set of schedules to spend a little bit of time with us here at the Brookings Institution as we talk about this latest study that we just released.

I'm going to give about a 10 minute or so overview of the report and its key findings and put it in context, and then as Darrell West mentioned, we'll then move to the panel discussion with the ambassadors.

The objective of this, and just as an acronym reminder, FDIP stands for the Brookings Financial and Digital Inclusion Project. And the objective is to provide policymakers, representatives of the private sectors, nongovernmental organizations, and the general public, which can help -- that can help information -- with information that can help improve access to financial services, financial inclusion, not only in the particular focus countries that we've looked at in detail in this study but around the world in general.

This is the second annual report. As Darrell mentioned, we launched this project about two years ago, so after working on it for one year we published the first annual report in August of 2015. After the second year of work, we published this report that is being released today, and then we are now embarking, in fact, I've already started gathering data for what will be the third installment of the report to be published next summer.

And what we do is we examine access to and usage of -- so both the provision and the consumption of financial services in a formal context across a set of 26 economically, politically, and geographically diverse countries. And one thing you might ask is why do it year after year? Why not just do it once? And there's a couple of reasons for doing that. One is what we're hoping, what we all want to see is change, is forward progress towards financial inclusion. And by taking annual snapshots, then we hope to be able to make not only valuations of the situation as it is in that previous year, but also comparative statements about relative progress as time progresses.

In addition, we, like anyone else looking at this field, we certainly have plenty that we can learn, and so based on feedback from people at many of your organizations and elsewhere, we've enhanced our scorecard metrics to what we hope will help us better capture the state of financial inclusion.

So, for example, in this most recent year, culminating in this report today, we gave greater attention than we had in the past to the existence of protection, consumer protection frameworks, as well as to the rate of adoption of smartphones, which we strongly believe are going to be very important in financial inclusion.

In addition, we increased the number of countries in the study from 21 to 26, and in this year's report we also highlighted some issues which are cross-cutting across many geographies, both within the jurisdictions that we've looked at, as well as beyond. Those include access by women to financial services, the issue of gender equity and gender parity obviously is a global issue not limited in any way to the particular countries in our study. And also, we've looked at some of the challenges facing refugees and under resourced migrants among other challenges they face. Obviously, they face a challenge in terms of accessing the financial services.

This is the list of 26 countries. Depending on how you look at it, this is either a big list or a small list. It's a big list if you're doing what we're doing, which is doing a very deep dive into each one of these countries and really trying to understand the financial landscape. On the other hand, you could argue it's a small list because there's nearly 200 countries in the world and 26 is obviously a small subset. So you might ask, well, why not, you know, why not go for close to 200 countries? And the reason is that just as a matter of scale it would be impractical for us to do the depth of analysis that we're doing in every single country in the world. And so rather than look at all the countries at an extremely superficial level, what we've chosen to do is look at what we hope is a representative subset of countries and look at each of those countries in a very detailed manner.

And this, as you can tell by sort of doing a kind of eye scan of the list here, this list includes countries that are very diverse geographically, politically, economically. So they are representative in many ways, not only obviously of their own financial situation but of the financial inclusion situation you'd find in many other countries.

And I'll also say that more generally, even though we have focused on the countries that you see here, financial inclusion is truly a global problem, and it is one that we have also here in the United States. There is a significant excluded population here in the United States. So by choosing this set of countries, we are in no way suggesting that the challenge is more acute here than in many other places. It is a global problem that affects every single country in the world.

In terms of methodology, and the ones in bold here are countries that we added in this year's study that were not present in last year's study. As I mentioned, we increased the number of countries from 21 to 26. In terms of methodologies, what we did is we looked at four -- we can call them dimensions of financial inclusion, four kinds of axes or different metrics. And then within each dimension we examined a set of indicators that help illustrate the state of financial inclusion with respect to that dimension. And I'm breaking the rule here -- don't show slides where people can't read what's on the slide. But just look at the left part of the slide. But the right part is there to illustrate how we presented the information, and in the handouts you have you see it more clearly.

But these are the four dimensions.

Country commitment. How committed is the country's government to steps that can promote inclusive finance?

Mobile capacity. That is the capacity in terms of the infrastructure with respect to mobile communications, which is obviously, it's a key factor in access via mobile devices, which is how more and more of the world is going to be accessing such services.

The regulatory environment.

And then finally, adoption. That's sort of an output. How much is actually being used?

And of course, these aren't completely orthogonal dimensions. You know, clearly all else being equal, a country with a strong commitment to financial inclusion will generally have a more favorable regulatory environment, so we're not claiming these are, you know, kind of mathematical sense, purely de-correlated, but collectively, they help provide a useful snapshot of the financial inclusion landscape in a particular country.

And on the right what you'll see is four colored columns, and that may be all you see, but what I see is a list of countries. And what we've done is for each -- the four dimensions are listed at the top there in small print and then you see the list of countries there. And for each country we have then identified a score associated with the country.

And I should also say as a caveat that we recognize that no scoring system is perfect. Any time you try to quantitatively assess something like this, no matter what you do, you are exposed to reasonable criticisms that you should have done it this way instead of that way. So we are in no way claiming that this is the perfect way to quantify these things. We'd like to think it's a good way to do it and a useful way to do it and one that contributes to the dialogue, but we're always interested in and welcome suggestions to do it even better.

What I'm going to do is briefly go over some of the -- how we actually calculated this. So when we're measuring country commitment, how do we do that? And so, for example, I'm not going to read word for word everything that's up here, but for example, with respect to country commitment, we have six indicators, and each one of these indicators is then evaluated with respect to the landscape in that particular country. And so, for example, whether there is a national financial inclusion strategy that has been published; whether that includes or whether the country has quantifiable financial inclusion targets. Next to last, existence of a dedicated financial inclusion body within the public sector, and so on.

So these are metrics that we use to evaluate country commitment.

Mobile capacity. We've looked at the six things listed here -- market penetration, 3G mobile coverage by population, smartphone adoption, availability of bill payments of the mobile money services, and so on. So those are the things that we've looked at for mobile capacity.

For regulatory environment, we've looked at the availability of agent banking. We've looked at the availability of mobile network operator-led, mobile financial service deployments, e-money regulations, account access and usage, and so on.

And then last but not least on the adoption side, we've got a set of indicators which is more than what you see on the screen here but I just put several representative ones on the screen. So, for example, looking at formal account, institution account penetration among lower-income adults, percentage of adults utilizing online bill payments, frequency of account usage. That's another important indicator because as everyone in this room knows, if you simply create an account and it sits there dormant, then arguably that hasn't done nearly as much to advance inclusion as if you create an account and it actually gets used.

And collectively, there are across these four dimensions, 30 of these indicators that you see listed here. So if you do the math, 26 countries, 30 indicators. You have well over 600 -- you've got a matrix with well over 600 entries and you're assigning a number in each one of those 600-something boxes. So it's quite a lot of effort. And then at the end of that process you can then tally everything up and end up with a total.

I'll briefly go over some of the key findings. In terms of country commitment, the countries that received a top score include Colombia, India, Pakistan, Peru, the Philippines, and Uganda, which is, of course, represented here. And so those are all countries where there was just a really -- very strong demonstrated move towards country commitment.

In terms of mobile capacities, the -- what's interesting is some of the top-scoring countries in terms of mobile money adoption, which include Kenya, Uganda, Tanzania, and Rwanda, were not among the top scoring countries with respect to mobile capacity, so that means that even though these countries are already doing terrific in terms of mobile money adoption, it means there is kind of low-hanging fruit and easy opportunity to do even better by just broadening the mobile infrastructure. So there's sort of good progress on top off already good progress opportunities that are present in those countries.

The regulatory environment, the country is receiving the strongest possible score, where Peru, the Philippines, and Rwanda, there's been some really good progress which I believe the ambassador from Rwanda will be speaking about in a few minutes so I won't do a spoiler on that one.

And then in terms of adoption for financial services, among our new countries, the Dominican Republic received the highest adoption score, and then in terms of we added in an indicator measuring actual usage of formal accounts and the top-scoring countries were all in Latin America and in sub-Saharan Africa.

In terms of cost action, the report identifies quite a bit of detail about this. I'll just briefly go over some of them now.

One is to establish the specific measurable financial inclusion targets. One of the challenges that we have is among our 26 focus countries, and probably more broadly as well, there's a significant percentage -- it's less than half, but still a significant percentage that haven't developed publicly available financial inclusion targets. And another important kind of aspect of that is that very few countries globally have established financial inclusion goals specifically focused on marginalized groups such as women. And this matters obviously because to the extent that quantifiable goals can be established, then that provides a yardstick or a goal towards which the country can then move.

Point number two is to collect and analyze data relevant to financial access and usage. And this is not news. I mean, for years people have been saying this is important, and great progress has been made. But there's still an opportunity to get more data. We see a lack of data related to things like frequency of account usage. Not the existence of the account but the actual frequency of the account usage. Data regarding, for example, trust in formal financial institutions, which is highly variable as you go from different countries.

And then also demographic data gaps. We see, you know, for example, I've mentioned gender parity issues and we see a strong need for data to even measure what the lack of parity might be, and without that data it's, of course, then hard to know where the progress is or isn't and how to measure progress.

And then we also think it's very important, number three, to advance enabling regulatory changes. There's a list of regulatory steps which are known to be good for financial inclusion. So, for example, leveling the playing field for providers; ensuring an adequate consumer protection environment for consumers; adopting tiered know your customer requirements to make it possible for people across the economic spectrum to have access to formal services and so on.

And then last but not least, the fourth-called action we've identified here is enhancing financial capability, and just basically growing the challenge, you know, growing access to financial services so that people actually have the ability and the knowledge and the access to these formal financial services. And also promoting the use of these financial services in ways that advance financial health. Clearly if you provide credit services but then they are not used in a way that advances financial health, then you arguably haven't really moved forward. So it's important that the capability to use these services in an appropriate manner is enhanced as well.

So that's a summary of where we are. At this point, I'd like to invite the ambassadors to come to the stage, and I will provide an introduction and then we'll go into some discussions and questions.

(Applause)

MR. VILLASENOR: Okay. So I'm going to provide a very brief introduction of each of our honored guests here and then each of them will speak for about five minutes and then I have a series of questions I'll be asking and then we'll open it up to questions from the audience.

So immediately to my left is Ambassador Wonekha, who is he ambassador of the Republic of Uganda to the United States, and she has been in this position since summer of 2013 if I've got that right. Prior to that, she was a member of the Parliament in Uganda for 10 years during which time she was the founder of the Savings and Credit Cooperative Society. She earned a Bachelor of Science with honors from Kampala's Makerere University and also holds a post-graduate diploma in education from that same institution.

And then to her left we have Ambassador Mukantabana, who is the ambassador of the Republic of Rwanda to the United States, as well as the nonresident ambassador to Mexico, Brazil, and Argentina. Prior to her appointment as the ambassador, she was a tenured professor of history at Cosumnes River College in Sacramento from 1994 to 2013. She is co-founder and president of Friends of Rwanda Association, a nonprofit relief association created in the wake of the 1994 genocide in Rwanda. She holds a bachelor's degree in history and geography from the University of Burundi, as well as a master's degree in social work from California State University in Sacramento, California.

So I'd like to ask -- start by asking Ambassador Mukantabana to speak for a few minutes regarding some of the key highlights regarding financial inclusion in Rwanda.

MS. MUKANTABANA: Thank you so much, Dr. Villasenor.

Good morning. I need to start by saying financial inclusion in Rwanda is part of the big picture. In 2000, Rwanda set up the program, developed a program known as Vision of 2020 and that was to achieve middle income by 2020. And under that economic development for poverty reduction strategy (inaudible) of 2020 was in place. So it addressed many aspects, including financial sector reform (inaudible) country. So therefore, the Rwanda financial sector development was launched in 2006 with the vision to develop a stable and sound financial sector that is sufficiently deep and broad, capable of efficiently mobilizing and allocating resources to address the development of the economy.

So I needed to start by that. Under that vision, Rwanda and the leadership set up an infrastructure, and especially targeting technology on how we can prepare the people to take advantage of the financial sector. One of those was to put fiber optics all over the country. Ninety percent of our country is fit with the capacity to get mobile, this mobile economy we are talking about. And at this point, Rwanda now has 4G. So investment in technology is the primary and perquisite to be able to achieve what you have set up to do.

The second part was to increase access to financial institutions and increase uptake and usage of financial services for everybody. And this took also some changes in governance. So good governance is also a prerequisite to achieve what you are talking about.

In 2000, Rwanda decentralized the country. That means that all the sectors, economic sectors, were going to be able to reach all the people in the villages and so on and so forth.

We focused on the development of a stronger and more effective banking system. And for us, one of the biggest changes in 2011 was the change in the International Bank of Rwanda where they enable instant and reliable time cryptic banking transactions. So people, like for instance teachers, students, civil servants, workers, are able to make payments, pay bills, borrow money, save and invest through the commercial banking, so that was done through the central bank.

One of the biggest developments in the country is what is known as the Umurenge Savings and Credit Cooperatives for the people. It's called a SACCO. It's in the sector. It's in the villages, which is a grass-roots savings mobilization system that was launched in 2009 with the (inaudible) to reach out to areas that were not served by traditional banks. So we have what they call a SACCO. At this particular point, we have more than 500 throughout the country where people can get access to finance, to microfinance, and be able to start their own small business.

Because of that, the bank account deposits increased by 10 percent just within a few years. One of the results of financial inclusion has been that about 90 percent of adults are financially included. These are people who are able to use the bank, including both formal and informal financial products. About 5.2 million people, individuals are included, for a population of 11, almost 12 million people. So it's almost half of the population are included within that banking system.

About 68 percent of adults in Rwanda have and use a form of financial services (inaudible) the growth of bank usage, loans from bank, and high uptick of mobile banking.

About 65 percent of adults use other known banking systems, and those are the other (inaudible) type of mechanism where you can get loans, where you can pay by using mobile money, so on and so forth.

Excluded are about 11 percent of the people. So the people who are still excluded from this kind of use, of any kind of financing include the poorest people, especially with women (inaudible) represented and we'll talk about women may be an issue of banking and what the government has been doing about it, but also private sector. But young people once again, thinking that the Rwandan population, about 70 percent are below 30, it means that most of our youth are young and some of them are removed from the financial sector all together. But it's one of the aspects that you are following in the country.

So to conclude, I can say that it is something that you are pursuing and you are including more and more people. We are building more infrastructure. Especially with the development of what we call second (inaudible) cities that are going to de-clog the capital city of Kigali, that is (inaudible) financial sector. It's going to include even more people as we move in the next couple of years.

Thank you so much.

MR. VILLASENOR: Thank you very much, Ambassador Mukantabana. Very much appreciate it.

And so now we'll ask Ambassador Wonekha some context and highlights regarding Uganda and financial inclusion.

MS. WONEKHA: Thank you very much.

In Uganda, the introduction of digital financial inclusion was such a welcome phenomenon because the formal institutions are so intimidating that they said the women, they would hardly go to the bank. Here, in America, when I go to a bank, as soon as I step through the door I'm welcomed, and at the end of my transactions I am asked whether I am happy.

In Uganda, it's not exactly the same. First of all, the structure alone is very intimidating, and for the women it's even worse. For the rural communities, it's even more worse if there is such English. Anyway, in Uganda, the coming in of mobile money, that possibility is so fundamental. As early as the late '90s, we had policy, regulatory, and legal frameworks that promoted competition and universal access to communication services. That was so crucial in this financial digital inclusion. The liberalization and private sector investment have been continuously and extensively promoted by government so much so that government has a regulatory body known as Uganda Communications

Commission to regulate the industry. We have a strong -- it's not only strong but it is independent and that factor gives confidence to those who are operating within the system.

We have established in the country a Rural Communications Development Fund to support those efforts to enable the rural people to access mobile money. The technological developments that have led to reduction in the cost of handsets, this has meant more and more people accessing handsets. These handsets, there are those that are cheap enough. They even have local names. Ka, meaning small, so you have ka touch, like this small phone. It even has a touch on it which is an incentive for you to buy it. There is ka tourist, you know, like tourists will use it for two or three days and leave it for you also to use. In the country, we have a repeat spread of ownership of mobile phones, so even in village centers you may be able to buy a cheap phone.

So the mobile phones are quite abundant within the country and this is insofar as rural and urban peoples are concerned. It means whereas not everybody in the urban center has a mobile phone, but compared to the rural people you have more people in urban centers having mobile phones, but also in the rural places you have people accessing mobile phones.

Now, of course, we have challenges. You saw from the presentation (inaudible) how we are ranking as a country. In terms of country commitment, 100 percent. Was it a percentage? Yes, 100 percent mobile capacity, regulatory environment, adoption. Insofar as inclusivity is concerned, our country has put in place legal regulatory frameworks to enable women specifically to not only participate, to contribute, and to be there, and to benefit from whatever is going on. We even have a fully-fledged ministry for gender, labor, and social development, to ensure that whatever legislation, whatever policies are put in place by government, different genders can benefit. How are they benefitting? That is the purpose of the ministry.

So, but we remain with challenges. When it comes to gender, truly there is a big gender gap between the women who are rural versus those who are urban. We have literacy. There are fewer women who are literate compared to the men, but government has -- we have universal primary education, for example, universal secondary education. Hopefully the women then will be more literate and be able to use these technologies.

Of course, women have time poverty. The access to the mobile phones, the handsets, is not the same for the men and the women. The men are more likely to access the phones than the women. The distances, those who are in the rural areas are less likely to access the phones, and then, of course, we have cultural norms as far as women are concerned. In a situation, let's say in a rural setting, who is more likely to own a phone, a man or a woman? It will be a man who will own a phone. So maybe even for the woman to own a phone she may have to ask for permission from the husband.

Then in Uganda, of course, we have the issue of taxation, which is also a challenge. It poses a challenge. There is a time when government has imposed a 10 percent tax on all money withdrawals, mobile money withdrawals, and that affects a lot of people. Then lack of interoperability. This is your word, interoperability. Yes.

So networks not cooperating with each other, so in Uganda, we have good MTN, we have AirTel, you have Warid. So sometimes if somebody has an account with Warid and then the Warid network is not working in that particular area, you cannot withdraw the money using MTN. So this is a challenge. But I think we're on the right path insofar as financial (inaudible) inclusion is concerned because we have these regulatory and policy frameworks in place broadly, so everybody has to see how to benefit within those frameworks.

MR. VILLASENOR: Thank you very much to both of you.

So I will ask a follow-up question to the ambassador from Rwanda. As a reminder for the audience, again, there were four dimensions that we looked at to assess financial inclusion -- country commitment, mobile capacity, regulatory environment, and adoption.

Rwanda was one of three countries out of the set of 26 to get a perfect score on regulatory environment, so I would ask if the ambassador from Rwanda could perhaps give us a highlight or give a little perspective on that.

MS. MUKANTABANA: Yes, thank you so much.

Rwanda developed a very appropriate policy legal framework for mobile banking systems. One of the -- I can give you an example. If you go to (inaudible) for instance and you want to exchange your money for dollars, no, for Rwanda money out of dollars, you don't need to go to a bank.

You have agents who are regulated through the banking system and who are able to provide the service. And this is all over the country. So you don't need to go to a bank, a specific bank to do what you are doing.

And because of that, people are able to really use the money. The money can circulate throughout the country. As we have been improving, especially on agriculture, because one of the sectors are developing to become more modernized is the agriculture sector because the majority of the people in Rwanda work in agriculture. It has helped them to be able to move the money around and to sell their products because you have those agencies and the agents who are doing that, but you are regulated within that particular framework.

One example I can again give to you is the (inaudible) circle. The circle is serving credit cooperatives, and this has been throughout the country. So people are able to get access, to get minerals, and they are insured. And especially now since you are able to get a collateral, collateral because of the titling to the land, every land deed has a title. This has helped women throughout the country because now they can inherit because of the legislation that was passed by the constitution in 2000, so all these kinds of agencies came together to be able to enable people to use the money within. And also to be more democratic in how they are assigning and they are able to allow credit and so on. Yeah.

MR. VILLASENOR: Thank you very much.

So I would like to then again ask regarding a perfect score on one of the dimensions for Uganda. Uganda was one of six countries to get a perfect score on country commitment to promoting financial inclusion, so I was wondering if Ambassador Wonekha could give us some perspectives on how that occurred and some highlights.

MS. WONEKHA: Well, first of all, right from the '90s, we have paid attention to the regulatory framework. In 1996, in 2006, 2013, and as late as January this year, we had the amendment to the Financial Institutions Act. And I think that speaks volumes that government is not just committed but will ensure that we have the regulatory framework within which everybody is included. I think that is strong in itself.

MR. VILLASENOR: Okay. Are there -- and this is for either ambassador or both -- are there any takeaways from your particular country's experience that might be particularly relevant to other countries that are looking to make progress in financial inclusion? Sort of lessons learned, advice that you give based on the excellent landscape that you are creating in your countries?

MS. MUKANTABANA: For me -- sorry, go ahead.

MS. WONEKHA: Okay. Speaking for women, speaking for people with disability, speaking for the vulnerable persons, it's extremely important that countries actually make it possible for everybody to be included in times of legal frameworks, mechanisms that are put there. And in Uganda, this is done right from the constitution. The constitution provides for land discrimination, again, as to women, whether by culture or whatever, religion, ethnicity, all of these. So I think the legal framework is extremely important.

Following that, you must have the right policies that do address these vulnerable groups, and women remain vulnerable. People with disabilities, the migrants, the refugees. You know, so that would be my take.

MR. VILLASENOR: Thank you very much.

And Ambassador Mukantabana?

MS. MUKANTABANA: I think she touched on some of the same, but for us it is number one. Good leadership is important and good governance, those are the, you know, lack of corruption, all those things are important. But also to have a very specific pro-poor delivery system, especially for the majority of the people, to promote local development, and for Rwanda to be able to do that, in order to account for our development has been the development of programs that we might call home-grown programs, the ones that people can use for understanding how to use them, and that fit within that regulatory type of stuff. So banking, saving, investment, insurance, debt and so on and so forth, are embraced by the people because they follow the traditional norm on how they are able to use their resources.

And then the last one maybe is inclusive development. And that has to be the goal, inclusive development and looking at total demographics and how we can adjust the gaps especially there.

MR. VILLASENOR: Thank you very much.

So in terms of there's obviously multiple factors that contribute to an inclusive environment but some of them include as mentioned high level leadership, good leadership, public-private sector engagement and collaboration, and a thriving digital ecosystem. These are all things that are important. Of those, do you see in your countries ones of those three that are particularly important in the context of your country or are they all equally important? Any highlights you'd like to highlight with respect to leadership, private-public sector corroboration, the digital ecosystem in your countries?

MS. MUKANTABANA: (Inaudible) knowledge-based economy. So education is really the key to every single part of what we do, and I'm not talking about university education. For instance, now Rwanda is focusing greatly on investing in what they call TVET. TVET is Technical and Vocational Education and Training. That is going to democratize education in rural areas for people to be skilled in whatever they are doing, whether it's agriculture. Whether it's raising whatever you are talking about. So education is the key.

We've also been able to transform our challenges into opportunities. We are a landlocked economy, meaning that investing in technology is the key. Technology is big. So we are trying to get all our people connected, whether they are in the remotest village and to be able to do that. So to do that we have to build infrastructure. So we have been investing in infrastructure, technological infrastructure, but also, as I mentioned before, even creating small cities that can be a pathway to development for most of the people who are unable to reach the rest of the world in terms of what you're saying.

MS. WONEKHA: All those that you mentioned must move together. You ignore one, you are unlikely to include everybody in the finances.

MR. VILLASENOR: Okay. And then before we move to audience questions, one final question from me is how do you see the future of financial inclusion in your country? I mean, progress has been obviously really great and I assume you're optimistic about the future, but if you can give us some color on what that means, that would be of interest.

MS. WONEKHA: I think it's not done. We all have got work to do. The commitment from the leadership is very, very important. In Uganda, right now we didn't have a national ID. Right now the process is on. Not everybody has a national ID as yet, but I think that is just one of those steps to show that we are on it. You know, we're working on it. We're (inaudible) but the commitment is there from government, and I think the population is also waking up to these opportunities. As she said, my country, too, 70 percent of our population is young. Is below 30. It is a big challenge. So education, good governance, all these things, continuance of developmental infrastructure, whether it be roads, whether it be technologically, whatever. The fight is still on.

MR. VILLASENOR: Great. And Ambassador Mukantabana, any thoughts on the future of financial inclusion in Rwanda?

MS. MUKANTABANA: I would say this is dynamic, which will keep evolving to become more convenient and efficient as we move forward. And I can already see the difference, for instance, of what was last year. When people were still debating and resisting the use of modern money because we really don't know anything, that you can't touch it, you can see it's very difficult to do it. But when you get to Rwanda and you pay your bill by the phone, whether it's your power, whether it's your money for the phone, people are becoming caught up in that kind of cycle and it's very convenient for the people. And as I said, the biggest users are people in the agricultural sector, and our agriculture is being modernized in order to become just an economy of subsistence. An economy of commerce. You know, something that you can expand, meaning that people are finding it more efficient, but also better for them to just use the mobile money than going and counting the bills when you are selling 50 bags of potatoes. So it becomes in practice and people get used to it.

So what I'm saying is that we see that in the next couple of years, this will be more (inaudible), something, a practice, than something we have to push for. So I see it very positively.

MR. VILLASENOR: Great. Well, thank you very much.

MS. WONEKHA: Thank you.

MR. VILLASENOR: So we'll move to audience questions, and we have microphones. The one thing I'll say, when you ask a question, it would be appreciated if you could just state your name and your affiliation, and of course, ask a question. And so raise your hand and I'll sort of -- we'll sort of maybe start with the gentleman. Oh, okay. Well, we'll get you and then you, and we'll get to -- everyone who has their hands raised, we'll get to it and more.

MR. LARSON: Yes. My name is Eric Larson. I'm an analyst at the U.S. Government Accountability Office.

I don't know anything about the banking system in Uganda, but it kind of took me aback that the banks would charge apparently a 10 percent fee to withdraw money that they had. The banks here pay maybe half a percent or one percent interest. My guess is from what you described, the Ugandan banks don't pay any interest, and it sounds like negative interest if they're charging 10 percent for a withdrawal from the account if I understood your comment correctly. It would seem people would not want to put their money in banks under those conditions.

MS. WONEKHA: It's not the banks. It was Uganda Revenue Authority that imposed a tax of 10 percent on mobile money withdrawals. Yeah. So it is still a contested issue at home.

MR. VILLASENOR: Just to clarify. So it's not -- in the traditional bank --

MS. WONEKHA: No.

MR. VILLASENOR: -- if you had a withdrawal, there would be no tax, but then if you tried to withdraw it -- okay, so that's --

MS. WONEKHA: Yeah. But talking about percent, about borrowing money from banks, the interest rate goes up to 30 percent. Yeah, it does.

MR. VILLASENOR: Thank you. I think the gentleman back here had his hand up. And we'll get to everybody else who has their hand up as well.

SPEAKER: Hi, my name is Adam (inaudible). I was a journalist. Now I'm a student here.

I interviewed Muhammad Yunus about a month ago and he said -- he was exceptionally scathing about the capacity of bricks and mortar, highly capitalized retail banks to ever really do anything to improve financial inclusion. Do you think that's too pessimistic, and if you think that's roughly accurate, do you think that will ever really change?

MR. VILLASENOR: So the question was --

MS. MUKANTABANA: It's for you.

MR. VILLASENOR: Oh, it's a question for me.

Well, I respectfully believe that's a little pessimistic. I think, you know, that places like Latin America, you've had tremendous progress with traditional bricks and mortar banks extending their reach through agent banking. Now, it doesn't mean they're actually building more bricks and mortar in every tiny little village in these countries, but the reach of these banks has been extended greatly through some very, very successful initiatives with respect to agent banking. And so I think inclusion is not an either/or thing. I don't think you need to say, okay, everyone has got to move to mobile money and nobody should use the traditional banks. I think that would be a big mistake, as it would also be a mistake to say everyone should use the traditional banks and nobody should use mobile money. I think what you want to do is offer solutions that give choice, and also solutions that are appropriate to the local context. And traditional banks in some jurisdictions have done a very good job of extending their reach, and other jurisdictions, for complex reasons, it actually turns out to be easier to extend reach using the mobile networks and the mobile systems, and in places like that with the right regulatory and leadership environment, mobile money has taken off.

So the short answer is my personal view would be that would be overly pessimistic, though of course there might be some who differ. I don't know if any of the ambassadors wish to --

Perhaps the gentleman in the front here? And then we'll go you. After her, then you.

SPEAKER: Thank you very much. A short question for John and then I think a short question for the two ambassadors.

Most of the African countries appear to be historically English as opposed to francophone, and I wondered if there was a reason for how that filtered into your selection of countries?

And then for the ambassadors, I'm curious about how people pay for mobile phones in your countries and whether or not -- how they pay, I mean, here there are zillions of minutes, packages, blah blah blah and you pay through a credit card or through a bank, so I'm wondering how the way you pay for mobile affects its accessibility?

MR. VILLASENOR: Okay. So on the francophone issue, Haiti is not in Africa, but do I get a little credit for Haiti?

But no, there was certainly no intent to choose countries that had more of an English-speaking heritage than a francophone heritage. That's a statistical accident, not anything that reflects any hostility towards those countries. We would have been just as happy to do it the other way around, but no intent there.

And the ambassadors?

SPEAKER: (Inaudible) for mobile phones or buys them, gets them, how you think that affects the accessibility given how much this is dependent on access to mobile phones?

MS. MUKANTABANA: In Rwanda, you can do it two ways. The first, you have people actually who are employed selling those cards. You go and you put the units. You can buy the card for 5,000 francs. You can buy one for 500. You can buy one for any money you have. And you just enter it in your mobile phone and then you can talk.

Or, you can directly send a SMS and you buy it through the servers, like MTN or Tigo. You know, we have all those phone companies that can send you the minutes and then you pay. So it has been accessible.

I can tell you that in my experience, at least all the villages I know, and I think he mentioned that I was the head of a nonprofit agency, we worked in a village, most people have cellphones. The challenges sometimes are power because we have to connect them and we have to charge them. So sometimes you'll find people going to the, you know, to the service in a government agency to plug your phone and to get it. But the more they've been expanding -- because one of the priorities also is to be able to give power to the rest of the country. So it's one of the journeys we are also working on using solar energy, but also off-grid or on-grid types of things. Yeah.

MS. WONEKHA: I think MSN, is it buying a phone or buying the air time?

SPEAKER: At least here there are different methodologies for how you pay for your mobile phone. You know, you pay for minutes, you pay for it for here. And I'm just wondering how it works, how it plays out and whether or not that impacts the degree to which people have phones.

MS. WONEKHA: In Uganda, when you go to towns, you'll find mobile phone shops. You know, they're just selling them. You can walk in with your cash and you buy. We don't yet have the system of credit cards. We don't have it as yet. So you have your money. You buy the phone that you can afford. They're just available. Of course, people in the rural areas, they don't have the chance to buy these phones as easily as those in town because they're not there. You know, you have these economic settings are different. They are poorer. The access is not so good and they are far. The towns are far from the rural areas. So you have to pay. You have transport and you are lucky if you have a good road and if you have a good car. You have all these issues. But otherwise, you're just working and buy your mobile phone.

MR. VILLASENOR: I think here.

SPEAKER: Thank you so much for inviting me. I learned a lot reading the 2015 publications and I do hope to read 2016 as well.

But based on the presentation you are giving here, I have a couple of key questions. Right? I mean, you have done this on four parameters. (Inaudible) option. So I looked at the scores on country commitment, mobile capacity, and regulatory environment and added them up and see whether a higher score on that necessarily translated to higher adoption. I don't see that here.

For example, the Philippines has a score of 294, probably one of the highest scores. But they have probably a lower score of 42 in adoption. So are we missing something here in terms of analysis? Are we missing something here? That's my first question.

The second question is you have looked at mobile capacity as one of the key aspects in this, but is it the only thing we should look at? Should we not be looking at other access points as well which will lead to an adoption?

MR. VILLASENOR: Right. I'll quickly respond. I'll go in reverse order.

Mobile capacity we did indeed look at because it is an important indicator. And I'll emphasize not only for mobile money, but even if you're going to be accessing what you might call a traditional financial system, that access is going to much more in the future than in the past, everywhere, including here in the United States, be through mobile platforms. So mobile capacity is an important metric.

But for the exact reason of your question, it wasn't the only thing we measured. We measured adoption. We measured mobile capacity. We also looked at adoption. So that's why we have a constellation of things.

Stepping back to your first question, are we missing something? I think the answer is a couple of things. First of all, some of these dimensions are you could argue sort of leading indicators. Right? In other words, to the extent that you have an enabling regulatory environment and a committed country, you would expect that that would lead at some point in time to greater adoption of these services. We didn't only want to measure the kind of inputs because it's also important to look at how people are actually using these things. I would argue that you've pointed out there is a lack of correlation in some places, but I would argue that that, in fact, means it's a good thing in the sense that if they were 100 percent correlated, if adoption merely mirrored what you can already find out by looking at the other metrics, it wouldn't really be adding anything to measure it.

So the fact that we are measuring adoption and that it's giving us other information not directly inferable from the other three dimensions is in some sense meaning we're covering another dimension of this multi-dimensional space. So I would argue that it is additive to the information that we're creating when we measure it. And the fact of correlation or not is itself interesting.

I don't know who's next. I think the woman in the gray has had her hand up for a while. And then we'll go to -- and if when she's done you can pass the microphone to the woman in back of you, that would be appreciated.

MS. COCHRAN: My name is Judy Cochran with SIL International. Thank you for sharing with us this morning.

My question for the ambassadors has to do with adoption. You bought had mentioned rural communities, and you even mentioned the vulnerable. So my question is, to what extent is language a barrier to usage, particularly with regard to indigenous people and migrants? And any comments you have to addressing that barrier.

MR. VILLASENOR: Language?

MS. MUKANTABANA: The language in my country, we have three languages that are official languages. And in any setting, we use the three languages. The one that was francophone before it became -- now we use English as well. But also Kinyarwanda. The majority of Rwanda people speak Kinyarwanda, all of them pretty much, unless you were born in a foreign country and came back. But the majority speak that. English is always spoken. Nowadays, we've integrated the two languages, French and English into the primary level, meaning that communication has never been a big problem, even in the rural areas, because I talked briefly about decentralization. Centralization meaning that we have a national government, but all the way to the village level. Many people are, you know, you have all the government, even on the village level you have the executive. You have a (inaudible) if it's a little bit of a larger entity, meaning that people are from the same area. They create all the -- translate, difficult, you know, concepts in the Rocca language. So you find out -- and that also goes all the way to the national government.

For instance, one example I can give you, that has been -- one of the engines of development for rural Rwanda has been what they use -- it's like a social contract. It's called the Imhigo, where each village was given (inaudible) to develop what they have as resources in that particular field. And then at the end, they sign a contract of what to do with it to achieve every single year. And at the end, we have what is called a national dialogue. And it means that each part of the country is going to be able to show what they've been able to do with the particular contract that they have signed. And the leader of that particular area has to account for progress or lack of it, or why the resources that were not there, not to be able to achieve that.

So it's almost like a friendly competition. You see the region that is lagging behind, and then they have to explain why it's happening. So that has been achieved because of really the people ownership of their own development. So I don't think it could have been (inaudible) if we were doing it from a national government alone. It has been because of local homegrown initiatives, traditional ways to reach development. You know, collective work or cooperatives and so on and so forth.

MS. WONEKHA: Well, in Uganda, language can be a barrier, especially in the rural settings because English, if you're going to have a mobile phone, most likely you have to say some word or two in English. And English must have gone to school to learn it. But we also have Kiswahili. And I think in my presentation I also mentioned literacy as a challenge.

So to a certain extent, yes. You should be able to pick a few -- speak or say a few English words and also Swahili words. English is a national language. It is taught in school, throughout school, so universal primary education. University secondary education is fundamental. So language can be limiting, especially in the rural areas.

MR. VILLASENOR: Thank you very much. I think the microphone was going to --

MS. BEHR: Thank you. Sandra Behr with Personal Cities.

Given that financial literacy and financial inclusion are actually now newly recognized in some ways as a critical element of a smart city, I'm curious about how, when you talked about engaging the entire community, could you talk a little bit more about how -- and John, this is also for you, I think, how you engaged the private sector beyond the phone companies and some of the technology companies, the financial firms? I mean, there's a whole lot of expertise within a community within an area that I think needs to be brought in. They are stakeholders. But what exactly are you doing? How is that happening in your experience?

MS. MUKANTABANA: We are focusing a lot on encouraging the private sector, and the biggest part about facilitating them has been for us to extend credit, to be able to extend microfinance in rural areas where people can begin things, including, for instance -- I can give you an example. There is a part of history that I don't necessarily want to go back to but when we were trying to review the nation that was completely devastated by genocide, there was no infrastructure standing after 1994. So rebuilding was pretty much putting one stone over the other. But all the socioeconomic initiatives that we engaged in initially, whether it was from the private sector, whether it was from government, was to achieve that kind of economic leverage and to restore hope and to do whatever, but also as part of the reconciliation process.

So if, for instance, I'll give you an example. What I was mentioning when we were talking about home-grown initiatives, I gave you an example that you might know, like what they call peace baskets. The peace baskets that are sold now at Macy's. We got the contract. It's a contract for 10 years to sell those baskets at Macy's. But it started as a way to enable the women who are widows, who are heads of families, to be able to weave. It's a beautiful (inaudible). We had some interest of people who wanted to enhance their productive capacity but at the same time it brought women together. The women who were widows because their husbands were killed, but also the women whose husbands have killed. So that brought people together. So when you talk about reconciliation in Rwanda, it's also part of the whole socioeconomic initiatives. You have a variety of many economic programs that are driven by the private sector but that have also been able to bring people together in many different areas.

A second one I can give you as an example because (inaudible) is like one cow per family. You know, it is (inaudible) but we adopted it because Rwanda is -- the cow has a central place in terms of reconciliation, in terms of friendship, in terms of whatever they do. So what do they call one cow per family? They call it (inaudible) in Rwanda. It means that a poor family is given a cow with (inaudible) towards paying it forward. So once you get your own, you give it to your neighbor. And even if you didn't talk before, because of the symbolism of your cow, it brings the people together slowly but surely.

So we have many -- then the community work that is now recommended stay in Rwanda, that is our brand, what they call Moganda. This is what brings people together from the top to the bottom. I don't like to call people "bottom," but I'm saying all the sectors, from the president to the person in the remotest village when you build your country. Rwanda is known as the cleanest country because the people are doing it themselves. It's not an imposition. But once you have that ownership of your country, you do this and that, then you really develop the thinking that this is for me, for my family, not for somebody else.

So we have that coming from private, but also sometimes the governmental sector. But we try -- initially it was very (inaudible) because when we did -- when the people formed cooperatives, it's because also they are bringing a semblance of families. You know, before traditional, people worked in families on farms. You had like 20 people working on our farm if we go to where I came from. But because of dying or people leaving the country, you ended up being by yourself. So building cooperatives were bringing about another (inaudible) type of family but for economic development. So we have all those kinds of homegrown-type of initiatives that have been pushing the people throughout the country to do that. But those are private sectors. It's not government (inaudible).

And then there are some that are, for instance, supported by USAID and other agencies outside of Rwanda that have been also helping the people to form those kind of economic-led type of initiatives.

MR. VILLASENOR: Any thoughts from Ambassador Wonekha?

MS. WONEKHA: Well, in Uganda, it is a private sector-led economy. Having private sector engagement. But there are no two ways about it. And we have this strong regulatory body, Uganda Communications Commission that works closely with the Ministry of Finance, works with other government agencies to ensure that there is fair play and the private sector is truly engaged. It is a policy. And for Uganda, we still have a long way to go. We recognize that, but we are working hard and any support, every support that we can get is most welcome.

MR. VILLASENOR: And I'll respond not in the context of Rwanda and Uganda but more generally. Of course, I think it would be fair to say that financial inclusion will not be sustainable unless there is sustained and continued engagement from the private sector. And for that to happen, the private sector needs to view it as a profitable enterprise. It can't be, in the long term, it can't be a money-losing enterprise. So we want the private sector, I would think it would be the key ingredient for continued private sector engagement will be that they see some of these services as good business opportunities. Yet, at the same time there's a balance. We don't want these services to be exploitative, right, because obviously that would then undermine the very goals that we're trying to advance here.

So for this all to work, there has to be this middle ground where the private sector is engaged and wants to be engaged because they see these as good business opportunities, but also at the same time where there's this balance where the people who are receiving the services are free from exploitation at the hands of these private sector providers.

There's a question here. Maybe the gentleman in pink and then the woman in the orange, if that's --

SPEAKER: Hi, I'm (inaudible) from Poland.

I just wanted to ask about the internet access because you are talking about the use of smartphones but without internet this would be not very useful; right?

MR. VILLASENOR: In general, there's enormous progress in coverage. That's not saying anything that anyone doesn't know here. And while there are always going to be -- or at least for many years there are going to be some pockets of some countries that are not accessible, not covered by 3G networks, I think you'll see those pockets becoming smaller and smaller, and of course, our ambassadors here could comment on that.

The other thing to point out is there are an enormous number of financially excluded people living in these enormous urban centers throughout the world, and all of those urban centers are covered by extremely good networks. They are living under this incredible coverage. So just in terms of pure numbers, there's just an enormous set of people for whom coverage is not the challenge. There are many other challenges, but coverage is not one.

I'll let the ambassadors speak to the specifics.

MS. WONEKHA: No, no, no. Precisely. Precisely. What you just answered is the same. It's what's happening at home. You know, your internet access is not a given in some areas because the infrastructure is not so well developed in those areas, but most of the urban centers, they are well covered with internet access. And it is an ongoing development insofar as the technology is concerned of which I'm not an expert.

MS. MUKANTABANA: I have to say that internet is also, for Rwanda at least I can say the internet is very much -- they are trying to develop it as a tool for education. We have a program called On Laptop per Child that has been expanded also in rural areas, so it's something that they have started even actually to put together, you know, the computer in Rwanda, meaning that they want to give everyone who has the capacity to connect, some computer. Or at least to put them in centers where people can go and have access. So it's something that you are using also as a backbone to education because we believe that internet capacity comes with this kind of (inaudible) of education and democratization of education.

MR. VILLASENOR: And just to add to that, you know, these things change faster than all of us expect. A few years ago I started writing about what I thought was smartphones as a key vehicle, and some people said to me, well, that's ridiculous. Some of these people aren't going to -- these people aren't going to be able to afford smartphones. But of course, the price of the basic, the entry-level smartphones has plummeted. And now they are within reach to an enormous set of the population. You're seeing this incredible global shift towards smartphones, which over the next couple of years is going to continue to occur.

One stunning statistic I read not too long ago was that in China there are over a million smartphones sold every day, every single day, just flowing into the economy. And so we are quickly moving to a world where nearly everyone will be able to afford mobile internet access in the sense of being able to afford a smartphone of some kind or another. And an increasingly greater fraction of the world population is going to live in areas that are covered by networks that are capable of delivering internet. Not always. You'll always be able to find some places which are still off the sort of coverage grid, but those places are becoming smaller. And I think without in any way minimizing the challenges that remain in those places, it's still something to celebrate when we have huge swaths of the global population having wireless access to the digital economy. I think it's a good thing.

I think the woman in orange was next.

MS. DEVEER: Hi, Annmarie DeVeer. I'm a grad student in business and public policy.

I wanted to ask about your views on credit assessment. So I know both in Uganda and Rwanda there are really interesting things happening using technology to get information on telecommunications, social media, and that's enabled a different way to view credit scores. So just wondering your views on that, how that's enabled more financial service adoption and access to credit.

MR. VILLASENOR: Not about Uganda. I can't speak in great detail about credit assessment in Rwanda or Uganda. But I can tell you that credit assessment is an area in the FinTech world of amazing innovation. There's a lot of people using machine learning algorithms to do online credit assessment in ways that weren't possible. For example, one area I am familiar with in that specific context is Mexico, where there is some really interesting startup company activity where these companies are using machine learning to do very quick credit assessments in ways that are novel, and using -- it's possible to use information that goes beyond the traditional information that you might have thought would be used for credit assessment in a place like the United States. So I think there's, again, this is a private sector led opportunity. Private companies realize that there are people for whom there is -- who deserve credit but for whom the traditional measures of credit may not indicate that. And by using more sophisticated, big data machine learning-based algorithms, there's a lot of innovative ways to deliver that. So I think there's a lot of change happening there.

We have time for maybe a couple more questions. I think this gentleman had his hand up, and then we'll get them here. So why don't we see if we can get this gentleman. You're up.

MR. MARCUS: Hi, Steve Marcus with CARE. I've had the good fortune of visiting Rwanda a little over a year ago. Beautiful country. And I got to see some village savings programs that CARE is leading there. And I hope in the coming year to visit Uganda.

Quick question for both of the ambassadors. What role do you see nongovernmental organizations like CARE and others playing in financial inclusion?

MS. MUKANTABANA: Thank you so much, and I'm sure you enjoyed my country.

One of the -- we welcome any partnership that is helping whatever we want to get, but sometimes what maybe I can put an emphasis on is that it has to be within the context of Rwanda. So it means that whatever international organization comes, it has to adapt to the realities of the area. It means you work within the perspective of the development of the region. But we've had incredible positive, but also very successful partnerships from the nongovernmental agencies coming from here going to Rwanda. And even that particular one I was talking about, the Peace Baskets and so on, they've been promoted by organizations from here. So it's that kind of partnership where it serves Rwanda but also the Rwandans are learning from it and working side by side by that with the agency. So that I would say in general, yeah, in general, we really welcome all the positive partnerships. Whatever you can bring that is value-added, we welcome. It's wonderful, and we are here also to facilitate whenever there is anyone who is interested in going and exploring any avenue to work with our government.

The last one, maybe I was going to respond quickly about how I think she was talking about credit. Just one thing that maybe it might not answer your question, but what I know is most people who are starting a business, especially in a rural area, don't have any collaterals. But what (inaudible) is the use of those cooperatives because people are going to vouch for one individual. So it means that you have (inaudible) is going to back you up when you are part of that cooperative.

The second one is also the use of land, especially for women. In 2000, the new constitution (inaudible) land. It means that now they can inherit land and land is one of the biggest commodities where you can actually get credit by using your land, even if it's not developed. So that has allowed people the people in villages to get credit, to get the money in my country.

MS. WONEKHA: To the gentleman from CARE, CARE does a lot of work with the communities. And needs of communities are diverse. It's just up to you to choose to include financial and digital inclusion in your programs because people will always need the education, and how to manage their money. Are they just going to be accessing it? But how will they use that inclusiveness for their own good. So CARE, you work with communities, at least as far as I know. So, there's plenty of work there.

MR. VILLASENOR: Maybe one final quick question. Maybe the gentleman with the tie right there?

MR. ANYA: Thank you. My name is Aniston Anya with Inter-American Dialogue.

And I had a question in regards to mobile capabilities. In regards to international remittances, what is the potential for people to transfer funds across borders through mobile money devices? And what challenges do you foresee in the future in both Uganda and Rwanda, and internationally, more broadly? Thank you.

MS. WONEKHA: I think for most Ugandans, those who have become American and those who are like me, we are sending money all the time. As soon as I get my paycheck, I have to see whom I have to send $10 and $15. So it's there. It's happening all the time. Here there is Wave something. There is Western Union. There is MoneyGram. And these are very, very active in our countries

MS. MUKANTABANA: I think it's the same. I don't know the transferability without using those established channels, like the ones that she mentioned, Western Union or bank to bank. But what I can tell you is the development in the region, because as we started to form a stronger East African community with Uganda, Kenya, so on and so forth, what we have found is also that, for instance, the roaming fees are being removed, something that didn't happen, meaning that as we talk about even the transferability, it's also being developed within the East African community. We have studied already some processes where we can actually exchange with us the money.

I can give you an example. Before, to bring something from the port of Mombasa to Rwanda, because we were landlocked, it would take like 22 days or more. Now, because of the opening of the borders and those kind of protocols we've signed, it takes just five days, and it means there's lack of corruption on the way. You have to pay on one port, even the taxes have been removed. So for people who are trying to invest in our countries, I think that presents an amazing opportunity because there are taxes that have been removed as part of the whole East African community.

You can start a business in Rwanda. It's duhab, or you start it in Uganda, but it's going to expand in all the regions. So it's not just a small entity we are talking about.

MR. VILLASENOR: And I'll just say from our broader study, we've seen just in the last two years since we've started the study, we've seen specific to mobile money services, an increase in the number of those services that are specifically permitting, obviously with the regulatory blessing of the associated governments, specifically permitting cross-border transfers. But there's still progress to be made.

So in the interest of staying on time, let me just say a few, very quick closing remarks. First of all, I'm very appreciative of Ambassadors Mukantabana and Wonekha for taking time out of what I'm sure are incredibly busy schedules to speak with us, and thank you for all of you.

I'll mention again that, of course, the report is available on the Brookings website.

And one other thing to say is we've talked a lot, or at least I talked quite a bit about sort of these scoring metrics and things like that, but one of the things we'd like to think of is a very valuable part of the report in addition to that is for each of these 26 countries we have a very detailed description of the financial landscape in that country. So if you want to know what's going on with financial inclusion in Turkey or Haiti or Mexico or Chile or any of these other countries, we'd like to think that, you know, you can sit down and read the description there and that will give you a good snapshot. And we're endeavoring to make sure those are updated and capture all the developments in each one of those countries.

So again, thanks to all of you for your time, and particularly to our ambassador guests.

(Applause)

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CERTIFICATE OF NOTARY PUBLIC

I, Carleton J. Anderson, III do hereby certify that the forgoing electronic file when originally transmitted was reduced to text at my direction; that said transcript is a true record of the proceedings therein referenced; that I am neither counsel for, related to, nor employed by any of the parties to the action in which these proceedings were taken; and, furthermore, that I am neither a relative or employee of any attorney or counsel employed by the parties hereto, nor financially or otherwise interested in the outcome of this action.

Carleton J. Anderson, III

(Signature and Seal on File)

Notary Public in and for the Commonwealth of Virginia

Commission No. 351998

Expires: November 30, 2016