

U.S. DEPARTMENT OF THE TREASURY

Press Center



New Financial Inclusion Initiatives Launched at Treasury USAID Forum

12/1/2015

Financial Inclusion Forum participants announce 10 initiatives to expand safe and affordable access to financial services.

WASHINGTON – Today, at the Financial Inclusion Forum hosted by the U.S. Department of the Treasury and the U.S. Agency for International Development (USAID), a group of financial institutions, businesses, and nonprofits announced specific initiatives that will accelerate progress on financial inclusion efforts in the United States and worldwide.

“At today’s Financial Inclusion Forum, we will seek to identify strategies to better connect individuals and enterprises to safe and affordable financial products and services and discuss how to implement those strategies effectively,” said Treasury Secretary Jacob J. Lew. “Together we have an opportunity to redouble our efforts and accelerate progress toward full financial inclusion on a global scale, and participants have responded to this call to action with 10 new initiatives to foster greater access.”

The Department of the Treasury and USAID hosted the two-day Financial Inclusion Forum to convene multiple stakeholders—including service providers, policymakers, regulators, NGOs, and consumer groups—to address the challenges posed by financial exclusion. At this event, participants exchanged views and ideas on specific strategies to speed up the expansion of affordable and safe financial services at scale, both domestically and internationally. Participants committed to take action and 10 financial inclusion initiatives were announced.

Participant Commitments

Bringing Development Finance Services to the Mississippi River Delta:

- Hope Credit Union and Regions Bank are working together to establish Community Development Financial Institution branches in four underserved towns in the heart of the Mississippi Delta—one of the most unbanked regions in the country.

Supporting Scalable Solutions:

- JPMorgan Chase will commit \$7.5 million to the Accion Frontier Inclusion Fund, which aims to further financial capability in emerging markets through investing in companies that promote breakthrough technologies and innovations in financial services for low-income populations around the world.

Building the Financial Capability of Young People and Women:

- The Coca-Cola System will unveil details of a \$1 million contribution to Operation HOPE to provide financial education to women and girls living in the southeastern United States. The contribution, supported by The Coca-Cola Foundation and two System bottlers, will fund the expansion and delivery of “Hope Inside,” nationally-acclaimed financial literacy, career training and entrepreneurship programs.

Building and Testing Innovative Solutions Around the World:

- JPMorgan Chase, in partnership with the Gates Foundation, will launch the Catalyst Fund. Working with Accion, Grey Ghost, Omidyar Network, and the Gates Foundation, the Fund will serve a dual purpose of providing capital and technical assistance to help improve technology-based financial inclusion products (funded by Gates) and generating insights on innovations in financial services for low-income households to share in the United States and other markets (funded by JPMorgan Chase). Over the next two years, Catalyst Fund will deploy \$2 million in grant capital and \$1 million in in-kind advisory services to about 20 start-up enterprises globally.

Supporting Retirement Savings at Tax Time:

- Intuit is connecting to 30 million consumers through its monthly newsletter and in emails to approximately 800,000 TurboTax Freedom Edition customers to educate people about the importance of tax time savings and encourage them to save for their retirement through a new myRA account. Tax time is one of the most critical moments in an individual’s financial life. Encouraging savings at tax time, when most receive a tax refund averaging \$2,800, the biggest check of their year, helps consumers save more and make better financial decisions for themselves and their families.

Building the Financial Access and Financial Capability of Small Business

- PayPal will announce a partnership with Village Capital, in which it will serve as the lead program sponsor for two venture development programs supporting entrepreneurs that are developing technology-based solutions to address the challenges of financial inclusion. These programs, launching in the United States and Mexico in 2016, will strengthen the financial technology innovation ecosystem, creating meaningful impact for participating ventures and the customers they aim to serve. PayPal and Village Capital will hold program events in cities across both countries to engage local leaders and PayPal employees to build communities of support around participating entrepreneurs.
- PayPal will also expand access to capital for entrepreneurs who want to grow their businesses by increasing the loan sizes available through PayPal Working Capital, the company’s small business lending program.

Expanding Financial Inclusion to the Financially Invisible:

- Fair Isaac Corporation (FICO) is working with 12 of the largest credit card issuers in the United States to pilot FICO Score XD and will expand on those partnerships over the coming year. FICO Score XD uses data found outside traditional credit files to identify creditworthy individuals who would otherwise be unlikely to obtain traditional credit.

Driving Evidence Based Outcomes:

- The Department of Housing and Urban Development is partnering with Experian, FICO, LexisNexis, the Policy and Economic Research Council (PERC), and TransUnion to evaluate the impact of reporting rental payment history on the credit scores of subsidized housing residents and the general population.
- JPMorgan Chase is partnering with Innovation for Poverty Action (IPA) to release research offering insights about effectively providing products and services to low-income individuals in the United States.

Please find the full agenda here: <https://www.treasury.gov/press-center/media-advisories/Pages/11242015.aspx> Follow the conversation on the Financial Inclusion Forum with the hashtag #FIF2015 on Twitter.

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