Global Alliance for
Banking on Values

POSITION PAPER

Financial Inclusion

A Structural Priority for a Just and Prosperous Society

INTRODUCTION

1. Finance in the Service of People

At the Global Alliance for Banking on Values (GABV), we believe finance exists to serve the people and the planet. It has the potential to build a sustainable economy that serves the whole community. Financial inclusion is therefore not a peripheral concern; it is central to a just and prosperous society. When individuals, families, micro- and small enterprises and not-for-profit organisations have access to fair and affordable financial services, they can safeguard livelihoods, invest in opportunity, and participate fully in economic and social life. Where access is limited or denied, cycles of poverty and vulnerability persist.

Despite important progress, hundreds of millions remain excluded from essential services such as payments, savings, credit, and insurance. This exclusion is not only economically inefficient; it is a human and societal failure. In line with our values-based banking principles, the GABV maintains that access to finance is a fundamental enabler of human dignity and social inclusion. Values-based banks across the world already demonstrate that inclusive finance can be both financially viable and socially transformative when products are designed for people, not merely for profit.

> Achieving meaningful inclusion requires structural commitment: from banks that design with and for underserved communities; from governments that create enabling conditions such as financial literacy, digital infrastructure, strong consumer protection and access to essential services; and from regulators who align incentives with long-term societal wellbeing. It also requires collaboration: civil society, public institutions, and the financial sector working together to remove barriers and build trust.

GABV's message is simple and urgent: inclusive finance is both possible and necessary. The following sections outline how we can make it the norm — by design, by policy, and by shared purpose:

- Who is excluded and why financial inclusion matters as a stepping stone to broader social inclusion
- The "Triple-A" criteria for inclusive financial services: Accessible, Affordable, Applicable
- The crucial foundational conditions only governments and regulators can secure
- A call to action for policy and practice, so that no one is left behind

2. Financial Inclusion as a Pathway to Resilience and Opportunity

2.1. Underserved Groups: Patterns of Financial Exclusion

According to the World Bank (**2025**), 1.3 billion adults are still unbanked. This typically leaves individuals dependent on cash-based systems, unfair financing or predatory lending, unable to effectively save, invest or improve their economic resilience. Furthermore, climate-related shocks and natural disasters disproportionately affect vulnerable, low-income populations and disrupt their economic progress. Without access to specialized financial products like microinsurance, emergency savings, or adaptation financing, financial inclusion risks being pushed further out of reach for marginalized communities.

These dynamics are compounded by broader structural trends: growing wealth inequality and the increasing orientation of financial resources toward financial instruments rather than the real economy reduce the capital available for inclusive lending and widen the gap between those with and without access (**Oxfam, 2026**).

People who are excluded from the financial system, whether due to limited access, lack of awareness, or insufficient financial education, are often shut out from broader opportunities in education, employment, entrepreneurship, and economic security. Lack of access to banking services and the formal economy can also increase the risk of individuals ending up or remaining in contemporary forms of slavery (**The UN, 2025**).

> Financial exclusion affects a wide range of people and organisations, shaped by local context, country, and region. In the Global North, exclusion often means marginalized communities lack access to formal financial systems. In the Global South, the challenge is more transformative, impacting those at the base of the economic pyramid and micro, small, and medium-sized enterprises (MSMEs). See Appendix 1 for common patterns of financial exclusion.

2.2. Enabling Social and Economic Participation

Social inclusion means removing economic, social, cultural, and institutional barriers so that everyone — regardless of background or circumstance — can fully participate in community life, economic activities, and public services. True social inclusion ensures that every individual feels valued, respected, and empowered to reach their full potential. It is also the foundation of a sustainable and cohesive society.

Financial inclusion is a vital part of this process. It refers to the ability of all people, regardless of income, location, or background, to access affordable financial services such as payments, credit, savings, and insurance. For individuals, small businesses and not-for-profit organisations alike, this reduces vulnerability to shocks and can bring more choices and a stronger sense of control over their future, ultimately creating more reliable pathways to stability, growth, and opportunity.

At the macro level, financial inclusion drives economic development by expanding consumer bases, increasing productivity, and fostering entrepreneurship. Socially, it strengthens cohesion, reduces inequality and improves community resilience, helping to build more stable and inclusive democracies. As such, promoting financial inclusion is a strategic investment in the long-term health of both society and the economy, including at a national and regional level.

Individual & Community Benefits

Reduced vulnerability to shocks, expanded choices, and strengthened sense of control over financial futures.

Economic Development

Expanded consumer bases, increased productivity, and better conditions for entrepreneurship at a macro level.

Social Cohesion

Reduced inequality, improved community resilience, and support for stable, inclusive democracies.

Wellbeing Pillars

A gateway to affordable housing, quality healthcare, education, job creation, and upward economic mobility.

"TRIPLE A" FRAMEWORK

3. The 'Triple A' of Inclusive Financial Services

Banks and credit unions play a pivotal role in financial inclusion. By partnering with communities, governments, and other stakeholders, they can help build inclusive financial ecosystems that support broader social inclusion. Indeed, many GABV banks focus on filling existing financial gaps in underserved communities and groups, providing access to finance where traditional institutions have fallen short.

Financial exclusion is multifaceted and context-dependent. Addressing it requires tailored solutions that recognise the unique barriers faced by each group, ensuring that financial services are accessible, affordable, and relevant to all. In a partnership between an individual and their financial services provider that is built on trust and fairness, the customer is able to take responsibility for their economic activities.

Inclusive financial services must meet three core criteria — the "Triple A" framework:

Accessible

Financial services should reach people in both urban centres and remote areas. This can be achieved through physical branches, mobile platforms, and digital tools, ensuring that no one is left out due to location.

Affordable

Fee structures must be designed so that low-income users are not excluded. Services should be priced fairly, removing financial barriers for disadvantaged groups.

Applicable

Products and services must be easy to understand and apply, simple and tailored to the needs and capabilities of diverse populations, including those with limited financial literacy. User-friendly and human-centred design is essential for true inclusion, giving people agency over their economic decisions.

> However, overcoming financial exclusion is a complex challenge that cannot be addressed by the banks or even the broader financial sector alone. Realising the above criteria in practice requires systematic support, from enabling regulation, public investment, and coordinated policy action.

FOUNDATIONAL CONDITIONS

4. Making Financial Inclusion a Structural Priority

Access to public and essential services, including financial services, is first and foremost a responsibility of governments and requires public finances. Private financial institutions can contribute to an overarching financial inclusion strategy or step in where public strategy, and public money, fall short. Larger institutions can also advance financial inclusion at scale. This could include co-financing arrangements, wholesale lending, and broader ecosystem development.

However, systemic barriers — such as profitability pressures and risk perceptions — often discourage banks from prioritising inclusion, as serving clients with greater wealth and stability is typically more lucrative. This dynamic reinforces exclusionary practices and leaves vulnerable groups behind.

> To change this, governments and regulators must establish enabling frameworks and policies that promote equitable access to financial services, protect vulnerable populations, and support banks in making inclusion a reality.

Influencing regulations and shaping public agendas are essential to advancing financial inclusion and policy advocacy is therefore a core focus for the GABV. Its advocacy efforts aim to ensure that financial inclusion becomes a structural priority.

4.1. Creating the Conditions for Financial Inclusion

Governments carry the primary responsibility for ensuring equitable access to essential services and must deploy all available tools, including incentives, regulations, digital infrastructure development and educational initiatives to ensure financial access for all.

Achieving financial inclusion requires three foundational conditions:

1

Financial Literacy

Widespread education is needed so people understand how to use financial services safely and effectively, supporting their long-term financial health. Financial education should not be solely a tool for customer acquisition but a means of building genuine agency, equipping people to make informed decisions and participate fully in economic life.

2

Digital Infrastructure

Reliable mobile networks, digital ID systems, and robust cybersecurity are critical to expand access and protect users in an increasingly digital financial landscape. At the same time, these systems must be designed and governed to prevent algorithmic bias, protect personal data, and ensure that digital tools do not become instruments of exclusion or undue surveillance.

3

Consumer Protection

Strong safeguards must be in place to prevent fraud, over-indebtedness, and hidden fees. This includes transparent pricing and terms, rigorous repayment assessments, data protection and accessible complaint mechanisms. People should have access to effective dispute resolution mechanisms to ensure trust and safety.

4.2. Smart and Effective Banking Regulation

The GABV has proposed **Seven Principles for Sustainable Banking Regulation** to make meaningful progress towards a banking industry that supports a fairer, greener and more inclusive society. Among other things, governments should ensure transparent governance, foster a diverse banking landscape and broaden the concept of risk.

The following policy measures can help governments advance inclusivity:

Universal Access to Basic Financial Services

Certain essential services should be provided by all banks.

Mandatory Reporting by Banks

Banks should report not only on financial performance but also on their efforts to promote financial inclusion and the demographics they serve.

Diverse Banking Landscape

Multiple banking models help ensure that also the small-scale or values-based institutions, rooted in communities, can compete fairly and continue to drive financial inclusion. Conversely, highly concentrated financial services markets can limit competition and increase exclusion.

The Concept of Risk to Include Social Impacts

Governments should expect and incentivise lending by banks that positively contributes to the society and real economy.

Supplementary Funding

Public institutions can deploy a range of funding instruments to support financial inclusion, including grant funding, equity investments, debt facilities, and public sector deposits, with loan guarantees being one particularly powerful lever. Development Finance Institutions can also play an important enabling role through providing blended finance and risk-sharing mechanisms.

4.3. National Strategies and Action Plans

Every government should analyse its country's most pressing needs and develop financial inclusion action plans tailored to those needs. The strategies should include both conditions shaping actions and banking regulations.

In practice, a national action plan should translate a country's inclusion goals into a sequenced set of concrete measures, with clear responsibilities, timelines, and targets. They should also have mechanisms for periodic monitoring of the activities and public reporting to ensure effective implementation. The plans commonly combine actions to expand rural and last-mile access points, strengthen digital finance and payments infrastructure, improve financial literacy, ensure consumer protection, and tailor services for underserved groups such as women, youth, rural communities, migrants, refugees, persons with disabilities and MSMEs.

National strategies and action plans for financial inclusion are already a well-established policy instrument across a range of countries' contexts.

Examples include:

Nepal has embedded rural outreach, consumer protection, and financial literacy requirements directly into bank mandates.

India has focused on accountability, annexing specific action points to its plan with designated responsible institutions and delivery timelines.

Bangladesh aims to drive sustainable and impactful financial inclusion through digital financial services, innovation and bridging the social protection gap, with a metrics-driven approach setting explicit targets for both access to and usage of financial services.

Kenya launched a strategy structured around thematic pillars including digital transformation, financial literacy, rural and agricultural finance, and targeted inclusion of women, youth, refugees and persons with disabilities.

Rwanda has developed dedicated measures addressing women's financial inclusion through digital access, tailored product design and financial capability building.

Uganda prioritises rural access and digital channels for underserved communities.

5. A More Inclusive Financial Future

Financial inclusion is not an optional add-on to the financial system — it is a fundamental requirement for a just, resilient, and prosperous society. Access to appropriate and affordable financial services enables individuals, families, micro-entrepreneurs, not-for-profit organisations and entire communities to build security, invest in opportunities, and participate fully in economic and social life. When financial systems exclude people, societies bear the cost in the form of inequality, instability, and lost human potential.

The analysis in this paper highlights that financial inclusion can only succeed when all stakeholders — governments, regulators, banks, civil society, and international bodies — commit to structural, long-term solutions. Banks must innovate and serve communities ethically; governments must build enabling environments through strong consumer protection, digital infrastructure, and financial education; and regulators must steer the whole financial sector towards inclusion.

The GABV believes that a financial system grounded in transparency and human dignity is a fundamental necessity. Values-based banks already demonstrate that inclusive finance is both viable and transformative. But for meaningful, global progress, systemic change is essential.

5.1. A Collective Call to Action

The GABV urges policymakers, financial institutions, and civic leaders to make financial inclusion a structural priority. This requires ambitious national strategies, responsible regulation, and sustained investment in the foundations of inclusion. While recognising that enterprise needs to be financially sustainable, it also demands that banks and businesses place people, not profit maximisation, at the centre of financial decision-making.

The GABV calls on all actors to work together to:

Guarantee Access

Guarantee accessible, affordable and applicable financial services for all.

Strengthen Foundations

Strengthen consumer protection, invest in financial literacy and digital infrastructure so everyone can participate safely.

Support Mission-Driven Banking

Support mission-driven and community-focused banking models that reach underserved groups.

Treat as a Human Right

Treat financial inclusion as a human right, not a market choice.

Financial inclusion amplifies the impact of values-based banking. Through collective action and sustained advocacy, we can build a financial system that truly serves everyone — ensuring that no one is left behind.

END

APPENDIX 1

Groups Facing Financial Exclusion

Common patterns of exclusion include:

1. Women

- **Barriers:** Cultural norms, lack of legal identification, limited access to technology and collateral.
- **Impact:** Difficulty opening bank accounts or accessing credit, limiting opportunities to save, invest, or start businesses, and reinforcing cycles of poverty and dependence.

2. Migrants and Refugees

- **Barriers:** Lack of credit history, legal and documentation issues, lack of recognised IDs or residency, language barriers, unfamiliarity with local systems, and discrimination.
- **Impact:** Exclusion from banking systems, including limited access to remittances, savings, credit and resources needed to rebuild lives.

3. Ethnic Minorities

- **Barriers:** Discrimination, cultural and language differences, lack of targeted financial education, historical marginalization.
- **Impact:** Biased lending, denial of services, lower credit scores, and limited collateral.

4. Low-Income Families or Individuals

- **Barriers:** High fees, minimum balance requirements, reliance on informal financial systems.
- **Impact:** Inaccessibility of formal financial services, increased risk and expense, limited upward mobility.

5. Digitally Illiterate People

- **Barriers:** Lack of digital skills, limited access to infrastructure, general illiteracy.
- **Impact:** Exclusion from online financial services, especially among older adults, rural populations, and those with limited education. The digital divide compounds exclusion.

6. Indigenous Communities

- **Barriers:** Geographic isolation, legal complexities, underinvestment, cultural and linguistic differences, legacy of colonial policies.
- **Impact:** Poor infrastructure, employment gaps, distrust of institutions, limited access to affordable credit. Financial services must respect traditions and build trust.

7. Youth

- **Barriers:** Lack of credit history, limited financial literacy, unstable or informal income, age-related legal restrictions, and limited access to tailored financial products.
- **Impact:** Difficulty accessing credit, savings tools, and insurance early in life, leading to delayed financial independence and weaker long-term financial resilience.

8. Small and Medium Enterprises (SMEs)

- **Barriers:** Lack of formal financial records or collateral, perceived high risk by lenders, documentation burdens, and limited access to innovative financing. This segment is sometimes referred to as the "missing middle": enterprises too large for microfinance but too risky or informal for traditional commercial banking.
- **Impact:** According to the **IFC**, 65 million formal MSMEs in developing countries are credit constrained, representing 40% of all enterprises, with an unmet financing need of USD 5.2 trillion annually.

9. Not-for-Profit Organisations

- **Barriers:** Regulatory complexity, lack of tailored financial products, perceived risk.
- **Impact:** Limited access to banking services, affecting operational capacity and sustainability.

10. Other Groups Facing Stigma or Structural Barriers

- **Barriers:** Discrimination, inaccessible financial services (physical, digital, and communication barriers), lack of inclusive product design, legal or identification challenges, unstable income histories, and bias in credit assessment processes.
- **Impact:** Higher likelihood of being unbanked or underbanked, restricted access to credit and insurance, increased reliance on informal or high-cost financial services.

APPENDIX 2

Efforts from values-based banks

Banks from the Global Alliance for Banking on Values (GABV) provide many examples of conscious actions to achieve financial inclusion.

Key Ingredients

GABV member banks' experience shows there are three key ingredients to successful financial inclusion programmes:

Guarantee Access

At the basis: guarantee access to affordable and appropriate banking services, including access to digital services and being present in remote areas.

Tailored Design

Design products and services that are tailored to the needs of the unserved. This is a way to remove barriers and give agency to people to achieve their financial goals.

Financial Education

Provide financial education and entrepreneurial counselling. This empowers people, organisations and small businesses to better navigate the financial system and shape their own future.

> This is all rooted in the founding **Principles of Values-based Banking**: building long-term relationships and trust between financial institutions and their clients. By understanding their customers' needs, banks can provide products, services and educational resources that promote financial wellbeing, including for underserved people and communities.

The following practical examples, drawn from GABV member banks, reflect activities and approaches in place as of June 2026.

APPENDIX 2 PRACTICAL EXAMPLES: ACCESS TO BANKING SERVICES

Banco de Antigua (Guatemala)

Directly engages with underserved communities in the field to better understand their needs. The bank maintains an extensive network of agents who travel to remote rural areas, offering personalized financial solutions. This on-the-ground outreach is complemented by the use of social networks and digital media.

3Bank (Serbia)

By offering pensioner and microloans, 3Bank helps rural families finance education, healthcare, and small agricultural businesses in areas often overlooked by traditional banks. As of the end of 2024, 72% of 3Bank's loans were issued to rural clients, while 76% were microloans under EUR 5,000.

Kompanion Bank (Kyrgyzstan)

Has built one of Kyrgyzstan's largest rural banking networks, with more than 100 service points and 2,300 agents reaching remote villages across the country. Over a five-year period, Kompanion specialists delivered more than 12,000 free training sessions to households in 725 villages.

Centenary Bank (Uganda)

Operates 8,500+ agent locations and offers basic banking via WhatsApp to expand access across Uganda's underserved communities.

Kindred Credit Union (Canada)

Designs debit cards for visually impaired individuals. From high-contrast visuals to tactile features, it improves accessibility and enhances the banking experience.

Vancity (Canada)

The **Unity Women Entrepreneurs Program** provides financing with wrap-around support from WeBC (Women Entrepreneurs in British Columbia). Program clients are eligible for free access to practical business training and mentoring services to help clients grow skills pivotal to business success.

SIPEM Banque (Madagascar) & Orange Money Madagascar

Launched **Ampio-S**, a digital microcredit service that allows users to make mobile payments even with insufficient balance, expanding financial inclusion through accessible short-term lending with flexible repayment options.

ESAF Small Finance Bank (India)

Making banking services friendlier and more accessible for young population as 675,000 of its customers are in the age group 18 to 25 years. The bank has also enhanced inclusivity in rural areas as 132,618 new customers were from rural areas in 2025 and the digital banking adoption among them was 47%.

Centenary Bank (Uganda)

Provides a variety of banking solutions for refugees, including individual and group savings accounts (CenteRefugee Individual Savings Account and CenteRefugee VSLA Group Savings Account). Refugees only have to present an ID card or attestation letter, and the accounts are free to open. Centenary Bank also launched a **EUR 100 million microfinance initiative** focused on supporting women-led businesses and underserved microenterprises in rural Uganda, with 60% of funding directed outside Kampala.

Banca Etica (Italy)

Supports access to credit for vulnerable people through personal microloans, such as Mi Fido di Noi, a programme with Caritas Italiana and the Italian Episcopal Conference (CEI). Also partnered with the European Investment Bank (EIB) in 2024 to provide a EUR 60 million credit line, generating over EUR 165 million in new loans supporting gender equality, refugee inclusion, and development in disadvantaged regions of Southern Italy.

Beneficial State Bank & Sunrise Banks (USA)

Provide different financial products to immigrants without Social Security numbers, helping them to avoid predatory lenders.

Verity Credit Union (USA)

Has worked on inclusive lending by partnering with Zest AI to use alternative credit scoring, expanding fair access to loans for historically excluded borrowers.

Vancity (Canada)

Partners with resettlement agencies to open thousands of bank accounts for refugees, supporting financial stability during transition. They also have specific financial services for people living on low incomes in the Downtown Eastside of Vancouver (**Pigeon Park Savings**) and created **small business loans for women and non-binary individuals**.

Ekobanken (Sweden)

Collaborates closely with specialised organisations to support the social economy: Coompanion, a cooperative offering free advice to small businesses; and Mikrofonden, a venture capital cooperative owned by civil society, providing guarantees to organisations seeking loans but lacking necessary collateral.

Banco de Antigua (Guatemala)

Works with remittance-backed loans, allowing remittance recipients to access loans that turn incoming funds into productive investments.

Laboral Kutxa (Spain)

A worker-owned credit cooperative created to finance industrial and agricultural cooperatives.

APPENDIX 2 PRACTICAL EXAMPLES: PRODUCTS & SERVICES

ESAF Small Finance Bank (India)

Designed the Micro Enterprise Loan (MEL) for women customers to enhance their livelihood while they are supported with skill training programmes. Over 93,000 women in the microfinance-based unsecured group loans graduated to individual loans.

Opportunity International Savings and Loans (Ghana)

Implemented the EduFinance programme, which supports non-state schools through school improvement loans. This aids school owners to invest in classrooms, sanitation, learning materials, safety upgrades, and other priority improvements that expand access to better-quality education.

BRAC Uganda Bank

Partnered with Software Group to launch a digital banking agency that expands financial services into underserved areas across Uganda, enabling customers to access banking services through local agents rather than relying on branches or ATMs.

Southern Bancorp (USA)

Launched the 'Wealth Builders for Everyone Down Payment Assistance Program' to aid minority and low-to-moderate income homebuyers overcome barriers to homeownership, offering up to USD 12,000 in forgivable down payment and closing cost support.

Charity Bank (UK)

In 2024, supported Target Housing with loans to purchase homes for people who are often excluded from mainstream housing services. Target Housing provides permanent accommodation and support for homeless people facing addiction, mental health challenges, disabilities and trauma.

Bank Arvand (Tajikistan)

Received a USD 5 million local-currency loan from IFC to expand lending for micro and small businesses, women entrepreneurs and low-income families in Tajikistan.

ENAT Bank (Ethiopia)

Has begun structuring Ethiopia's first Gender Bond, aiming to mobilise long-term private capital for women-led SMEs, cooperatives, agribusinesses, and social infrastructure projects such as affordable housing, childcare, and strengthening women's economic participation.

BRAC Bank (Bangladesh)

Expanded its 'Aporajeyo TARA Scholarship' programme to provide financial assistance to 300 female students at the University of Rajshahi. The bank has further supported students through Prothom Alo Trust since 2011, with more than 2,000 beneficiaries.

APPENDIX 2 PRACTICAL EXAMPLES: FINANCIAL EDUCATION

Vancity (Canada)

Offers free financial literacy workshops (**Financial Literacy for All**), specific training for immigrants, refugees and displaced people (**Newcomer Support**), and developed **Wealth Mindset** by and for Indigenous communities — a programme that redefines wealth through a culturally grounded lens, supporting financial resilience in ways that reflect Indigenous values.

Cooperative Bank of Karditsa (Greece)

Partnered with MALTAccelerate and Helix Social Innovation Hub to launch DiFiLiR, an Erasmus+ project focused on strengthening practical digital financial literacy for NEETs (Not in education, employment or training), young entrepreneurs, and SMEs.

Banco Mundo Mujer (Colombia)

Trains hundreds of thousands in financial education, empowering women and rural communities to manage credit and savings effectively.

Banco Codesarrollo (Ecuador)

Runs a free online and in-person training to teach financial skills to students and young adults, promoting responsible financial behaviour.

Banca Etica Group (Italy)

Tackles economic gender-based violence with Monetine, a nationwide initiative that trains bank staff and cooperates with anti-violence centres.

Summit Credit Union (USA)

Offers a 7-month coaching programme to help families reduce debt and increase savings, with over USD 1.2 million in financial improvements achieved.

BRAC Bank (Bangladesh)

Has organised financial literacy sessions across four districts in Bangladesh to encourage expatriate families and local residents to use formal banking channels for inward remittances.

Banco Integral (El Salvador)

Has launched 'Surge', a Business Training School designed to strengthen micro and small entrepreneurs in El Salvador through business training and financial education.

ESAF Small Finance Bank (India)

Has dedicated significant effort to offer financial education to different types of customers such as low-income women, school children, senior citizens (customers above 60 years of age), migrant labourers, and others.

Center-Invest Bank (Russia)

The Children's Debit Card initiative is a leading financial product designed to promote financial literacy and independence among children starting from age six.

Global Alliance for Banking on Values

Finance at the Service of People and the Planet

The Global Alliance for Banking on Values (GABV) is a network of independent banks and banking cooperatives with a shared mission to use finance to deliver sustainable economic, social, and environmental development. Founded in 2009, the GABV comprises 74 financial institutions operating in 48 countries across Asia-Pacific, Africa, Latin America and the Caribbean, North America and Europe. It serves more than 50 million customers collectively, holds over USD 290 billion of combined assets under management and employs 100,000 co-workers.

Meet the banks of the network and the countries where they operate: **www.gabv.org/members**

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For inquiries, partnerships, or to learn more about our ongoing initiatives and research:

Email: **mail@gabv.org**

Website: **www.gabv.org**