

Brazil: The Policy Case for Financial Inclusion Through The Postal Network

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Agenda

Brazil

Project

Objectives

Challenge

Model

IT Platform

Benefits

O Brasil



191 Million of inhabitants

GDP: US \$ 1.57 Trillion

159 banks; 125.7 million of bank accounts

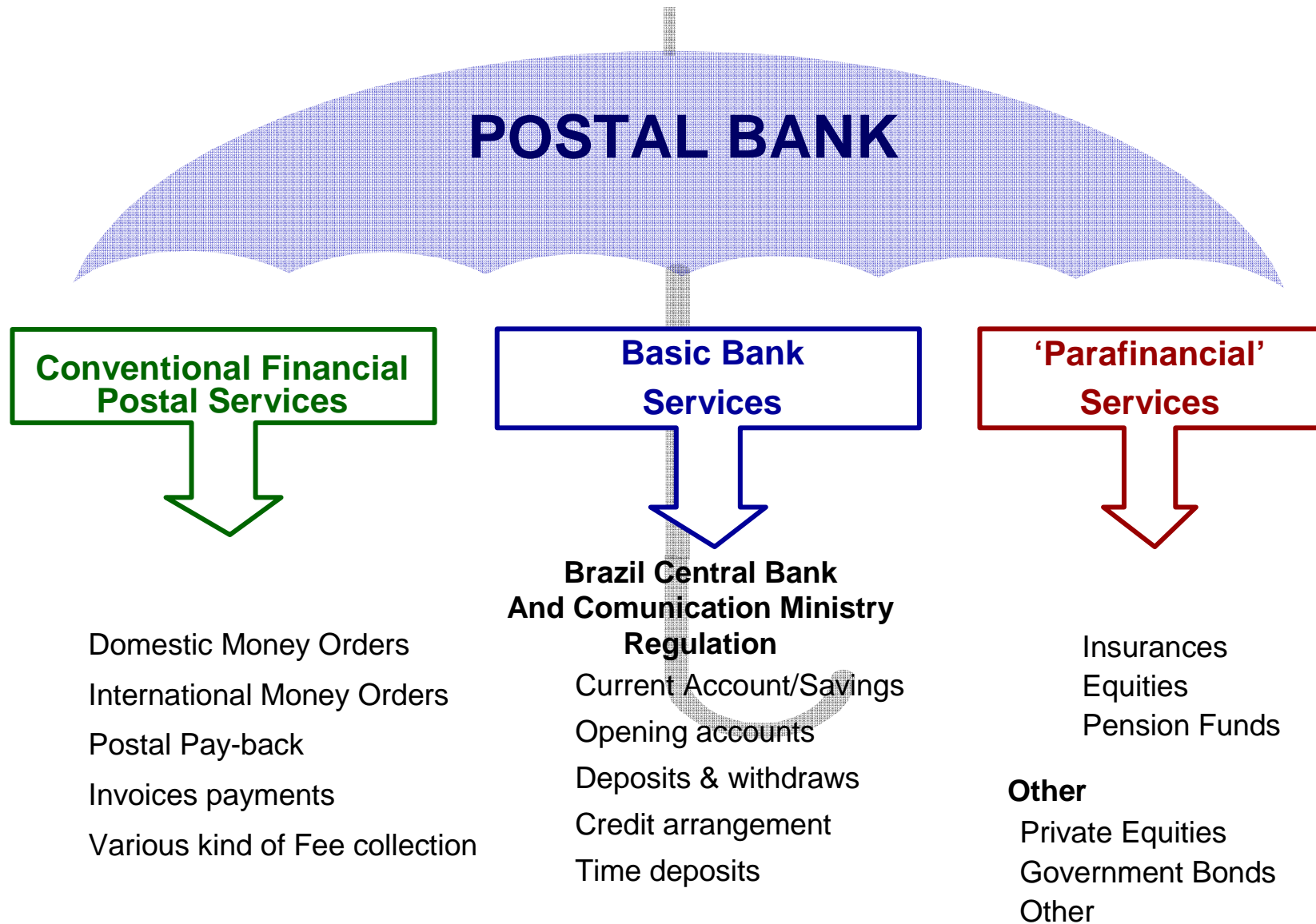
Postal Gross Income: R\$ 11,5 Billion (US\$ 6,3 Billion)

Postal Workforce: 113 thousand staff

Postal Outlets Network: 12.3 thousand branches

Postal Turnover: 9.1 billion of items

Project Origin



Project Objectives

Focus on the rural and low income population;

Increase the level of “financial education”;

Contribute to increase domestic savings;

Add value to the postal retail network.



The Low Income Population and the Project



45 million people without basic bank access

**Project with great bias towards
social improvement**

But needed to be sustainable

The Main Challenge

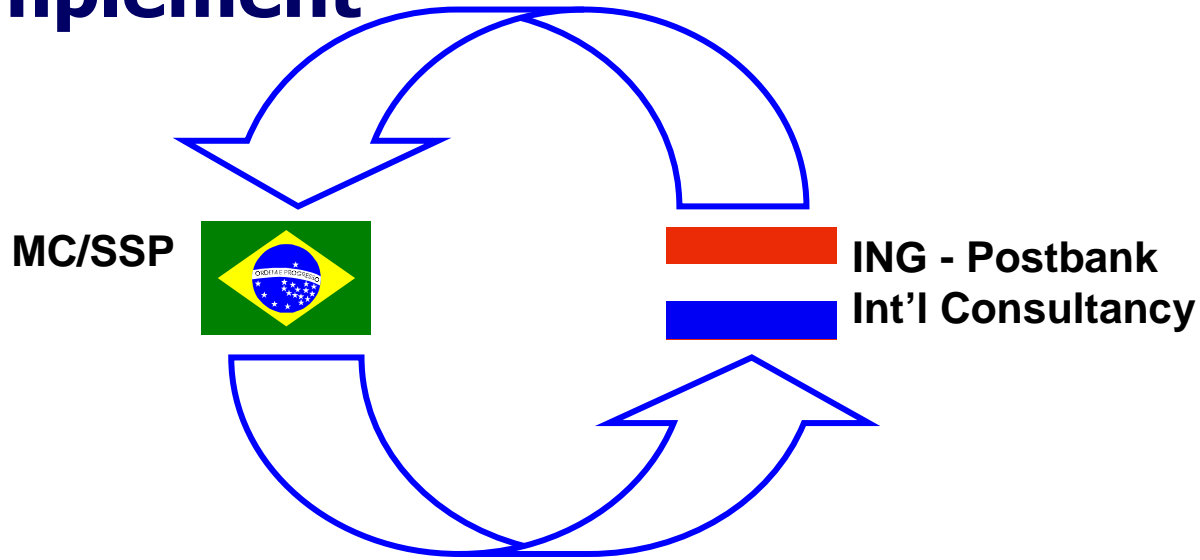
**Make use
of the
Postal
Network
Infrastructure ...**

**... provide
access to
basic
finance
services ...**

**... and
bring
back the
people
to the
financial
system.**



To Implement



 **La Poste/MIC**

-  • **ING-Barings Brazil**
• **GV Consult (FGV-SP)**
• **FIA/USP**



Viability of the establishment of a Postal Bank in Brazil

Why the present model?



Edifício-Sede do Banco Central do Brasil – Brasília – DF
Headquarters of Banco Central do Brasil – Brasília – DF

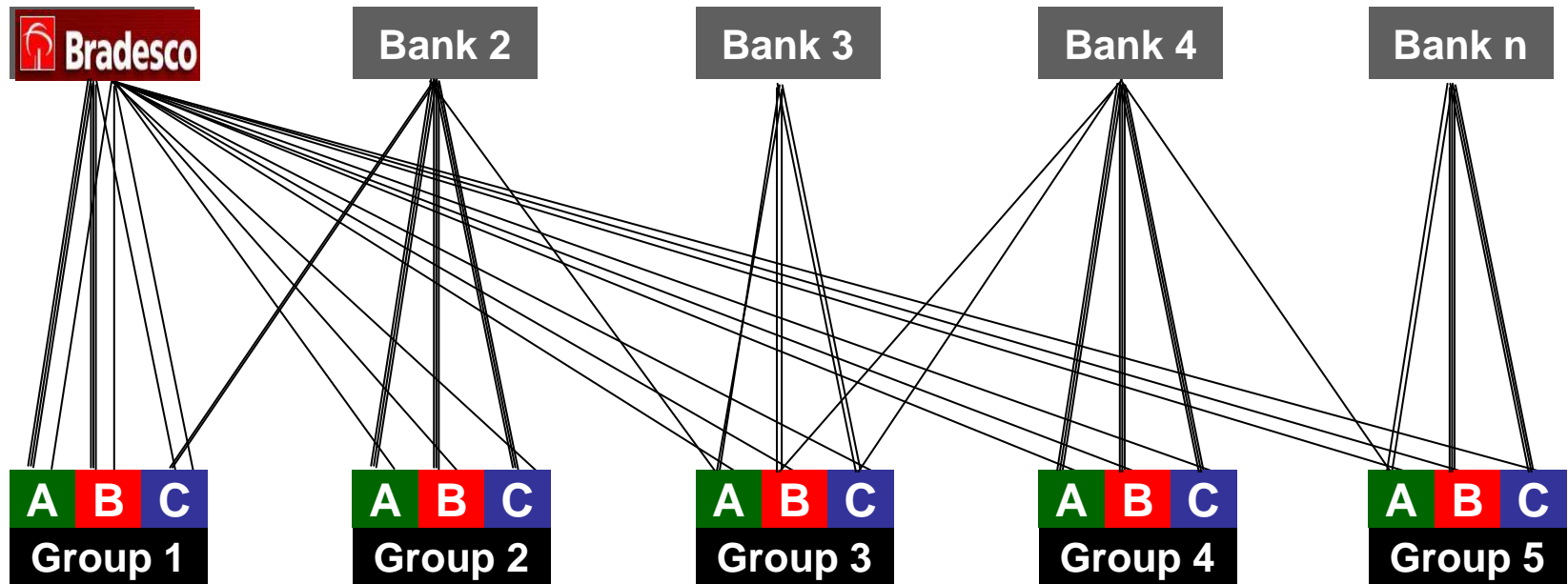
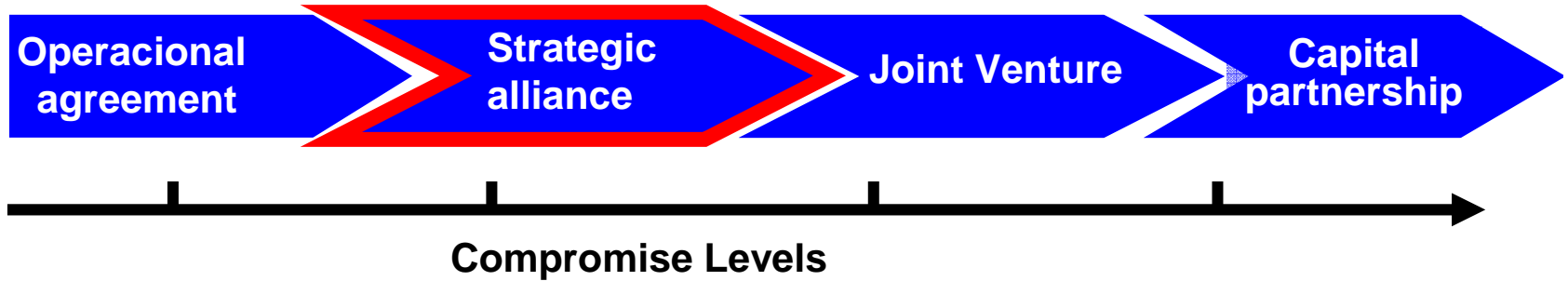
The Government adopted a privatisation policy for state owned banks

The Central Bank hardly would authorize the establishment of another state owned bank with full services

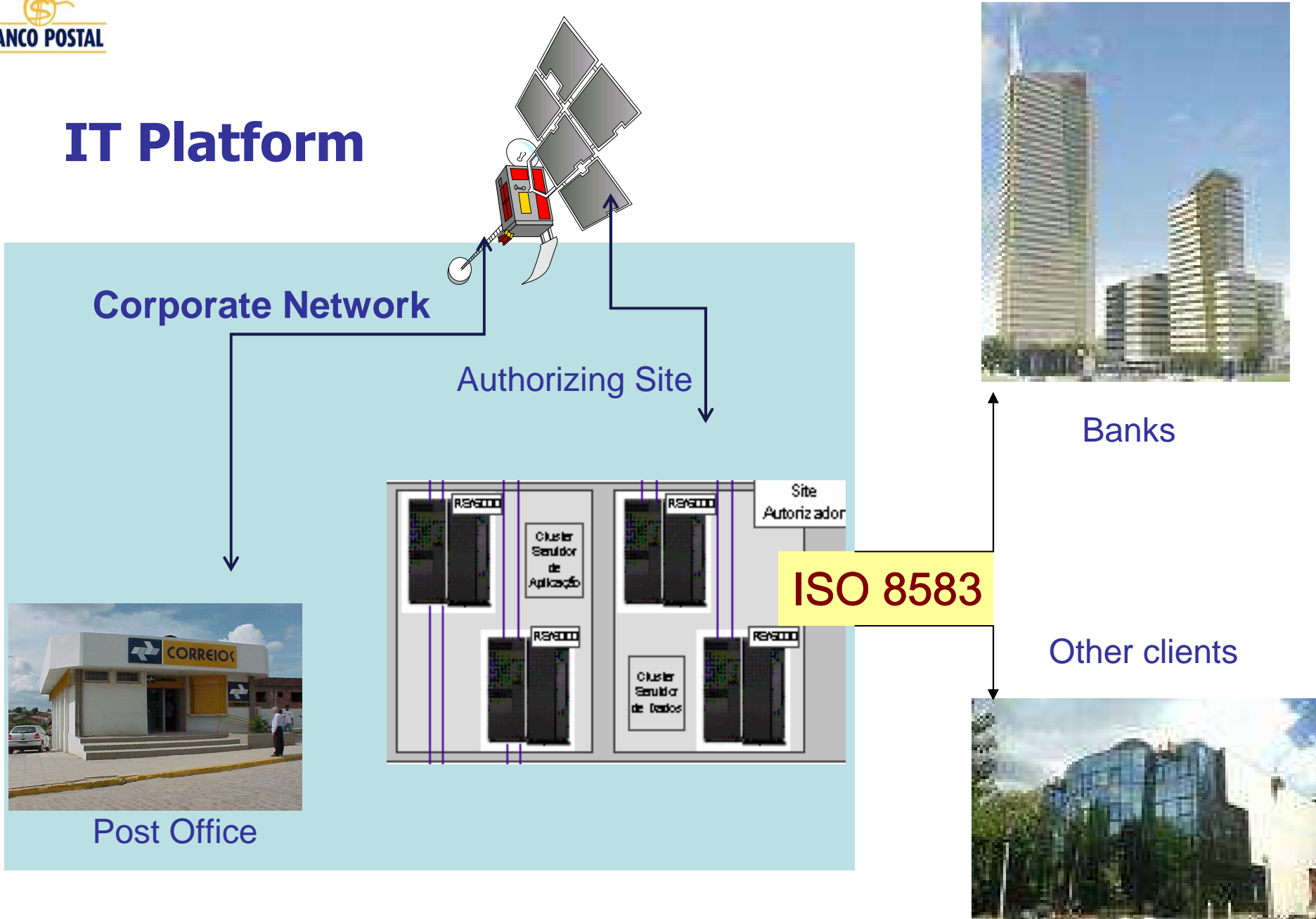
Decision was made for the model of Bank Correspondent

It is not a full bank – it complements bank services

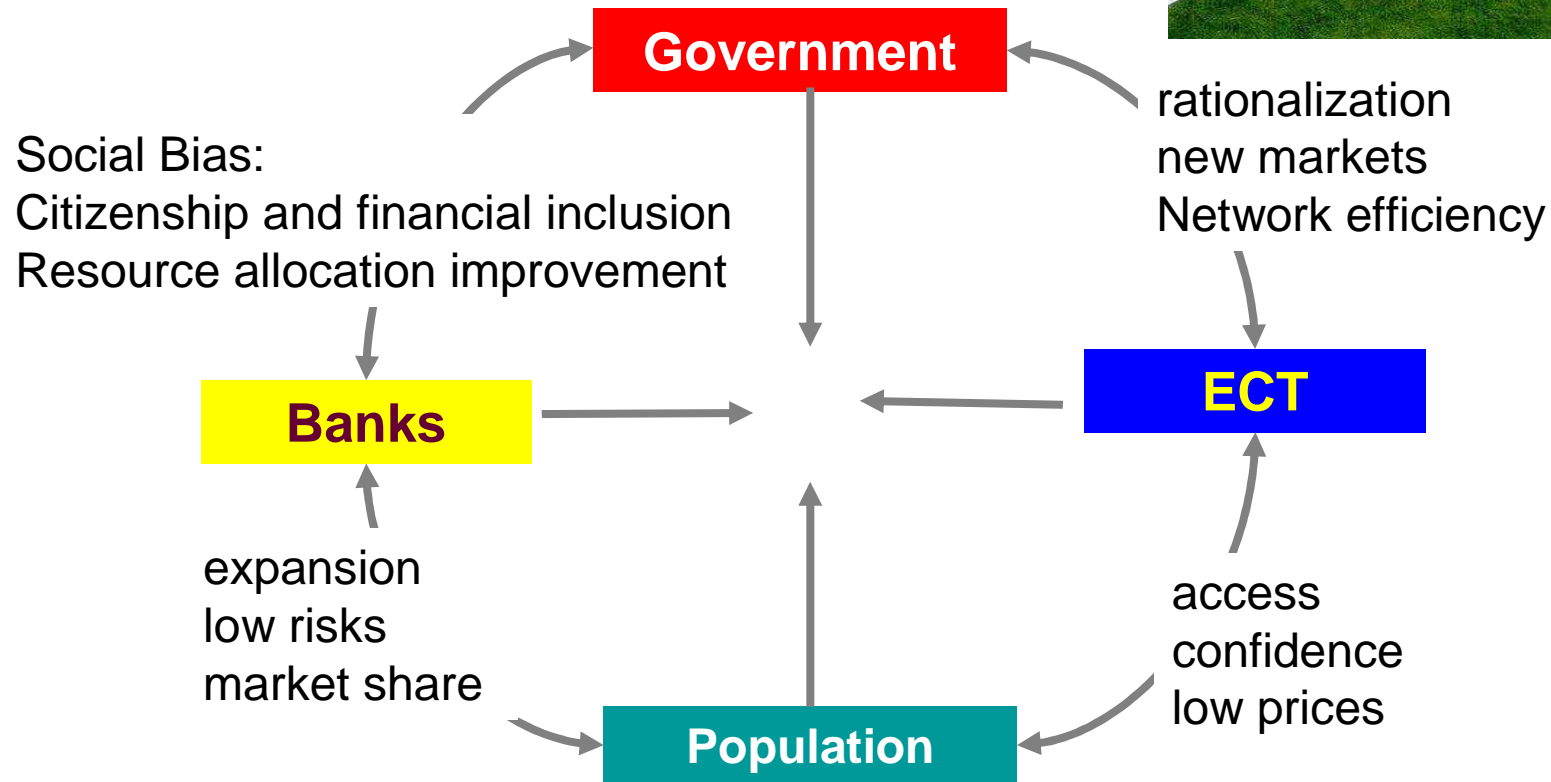
Partner Bank Selection



IT Platform



Main stakeholders Interests



2007 Corporate Social Responsibility





Thanks!

