

Penetration of the formal financial system to facilitate the middle-income sections of the population;

Advocate a pluralist formal financial system within which a variety of institutions coexist, thus making it possible to serve as much of the population as possible;

Stress the importance of the government in keeping inflation levels under control and point to the advisability of limiting external intervention in the institutions' internal investment, financial, and commercial policies;

Are agreed that adequate mechanisms for prudential supervision and internal auditing are indispensable to guaranteeing a secure environment, free of systemic risks, for the mobilisation of the public's savings;

Draw attention to the need to progressively adapt norms of prudential supervision and regulation to international standards, with a view to having in place modern financial institutions that are ready to face the challenges of the global economy;

Support initiatives involving participation in deposit guarantee funds as a means of ensuring the confidence of savers in the formal financial system;

Urge the progressive elimination of a series of legal barriers to the institutions' activities, so that they can act freely and with full competitive rights in the financial markets, and thus be able to respond effectively to the challenges of globalisation;

Finally, as a matter of urgency, they call the attention of both the economic and financial authorities, as well as of the institutions within the financial system, to the importance of comprehensively extending and deepening the degree of bank penetration and access. In this context:

- They support initiatives to increase the number of financial services available to people, which is relatively limited in Latin America, to include not just savings instruments but also other products and services, such as credit to individuals and companies, payment facilities, insurance, and others;
- They propose that various means of improving the degree of bank penetration and access should be analysed and implemented. For example: that the regulatory bodies require financial institutions to provide standard information according to the customers that avail of their services (number of customers, products); encouraging the payment of salaries and benefits via the financial system.

# SAVINGS MOBILISATION RESOLUTION

Santiago de Chile, 18 April 2005



