FAB: FINANCIAL ACCESS AT BIRTH

A social and economic innovation that seeks financial inclusion . . . one birth at a time.

WHAT IS FINANCIAL ACCESS AT BIRTH (FAB)?

As featured in The Economist, CNN, Forbes, Fast Company, and Smart Money, Financial Access at Birth (FAB) is a social and economic innovation that presents new opportunities for financial inclusion and a potential delivery channel for social and economic development.

RATIONALE FOR ACTION

Nearly half the world’s adult population, 2.7 billion people, lacks access to a wide range of quality and safe financial products and services. FAB proposes that one approach to financial inclusion is to open a $100 savings account at birth that is linked to a unique, universal ID and mobile banking.

Once the account is created and financial identity secured, a FAB child would have a growing asset on which to build. Moreover, other social service providers would have the opportunity to employ this delivery channel for dissemination of information, health, education, emergency aid, and more. This could include vaccines, tuition grants, or cash transfers for food and shelter.

THE CENTER FOR FINANCIAL INCLUSION AT ACCION

Since 2010, the Center for Financial Inclusion at ACCION has been hosting the FAB concept as it deepens its model and prepares for pilot. The Center fosters dialogue as a foundation for learning and preparation for feasibility studies and business plans for pilots of the FAB model.

The Center is also developing strategies and opportunities for communications, partnerships, and fundraising. FAB has received pro bono professional services and technical assistance from a number of individuals and institutions. In addition to the Center for Financial Inclusion, FAB has received financial support from the UCLA Center for International Business Education and Research (CIBER).

WHAT IS FULL FINANCIAL INCLUSION?

The Center defines full financial inclusion as a state in which everyone who can use them has access to a full suite of quality financial services, provided at affordable prices, in a convenient manner, with respect and dignity. Financial services are delivered by a range of providers, in a stable, competitive market, to clients who are financially capable.

This vision couples quality (what clients receive and how they receive it) with outreach (reaching more people) as the double heart of financial inclusion. Partial and poor quality services are not enough: the Center emphasizes that services should match client needs, provide good value for money and be designed to avoid causing harm.

JOIN THE CONVERSATION

Friend FAB on Facebook: FABcampaign
Follow FAB on Twitter @FABirth
Learn more at: www.financialaccessatbirth.org
**ABOUT THE CENTER FOR FINANCIAL INCLUSION**

The Center for Financial Inclusion at ACCION (CFI) was launched in 2008 to help bring about the conditions to achieve full financial inclusion around the world. Constructing a financial inclusion sector that reaches everyone with quality services will require the combined efforts of many actors. CFI contributes to full inclusion by collaborating with sector participants to tackle challenges beyond the scope of any one actor, using a toolkit that moves from thought leadership to action.

---

**PROGRAM HIGHLIGHTS**

As the Center hosts FAB, it will:

**Develop the Model**

Define objectives and key elements and identify the strengths, weaknesses, opportunities, and threats.

**Design Operations and Delivery Channels**

Spot best practices and how successfully to implement the model.

**Earn License to Operate**

Help earn buy-in and recruit partners for implementation.

**Manage Risk**

Anticipate potential negative spillovers and disruptions.

**Recruit Financing**

Prepare proposals for funding.

**Share the Vision and Knowledge**

Coordinate volunteer support and disseminate findings.

---

**TIMELINE**

2009

Concept born during dinner at Vijay Mahajan’s home.

“BOPreneur” Paul Hudnut tweets about FAB.

2010

Coverage by *The Economist, Fast Company, Smart Money*

The Center for Financial Inclusion at ACCION hosts FAB.

Feature story in *Forbes* and *CNN*

2011

Research Team visits India’s Unique Identification Authority led by Nandan Nilekani

Research Teams assess feasibility of FAB in Ghana and Samoa

Post on CGAP’s Microfinance Gateway

Cameo on HBO television series *Entourage*

Feature story on Fox Business Network

Keynote Presentation at PopTech 2011

Workshop at SEEP Network Conference

---

**WHO IS BEHIND FAB?**

This model of initiating financial citizenship at birth was developed by Bhagwan Chowdhry, UCLA Anderson Professor of Finance and Faculty Council member at the Center for Financial Inclusion.

Other FAB co-founders include leaders in finance, innovators in poverty alleviation, and social entrepreneurs:

- **Naren Bansal**, Founder (*Cadenz Inc*)
- **Markus Brunnermeier**, Professor (*Princeton University*)
- **Joshua Coval**, Professor (*Harvard Business School*)
- **Francisco Gil-Díaz**, Regional Chairman (*Telefónica*)
- **Michael Green**, Author (*Philanthrocapitalism*)
- **Paul Hudnut**, Professor (*Colorado State University*)
- **Vijay Mahajan**, Founder & Chairman (*BASIX*)
- **Raghuram Rajan**, Professor (*Booth School of Business*)
- **Michael Sherraden**, Professor (*Washington University*)
- **Peter Singer**, Professor (*Princeton University*)