



An aging Brazil: the role of the financial system

**High-Level Symposium on Aging and
Financial Inclusion - GPFI Forum**

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Tokyo - Japan, June 2019

- Financial citizenship at the Brazilian Central Bank (BCB)
- Aging and broader challenges to financial inclusion in Brazil
- The roles of the BCB and the financial system



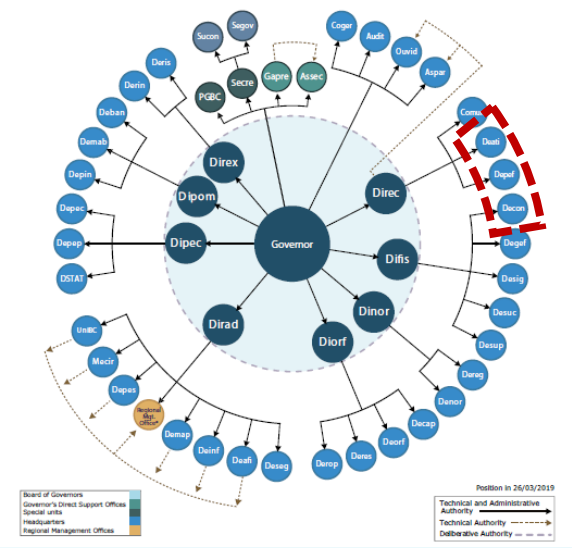
Financial citizenship

The BCB framework

Financial citizenship: BCB's commitment

Institutional commitment to financial citizenship

Dedicated teams



Partnerships



Analysis



Events





Aging & Financial Inclusion

Broader challenges

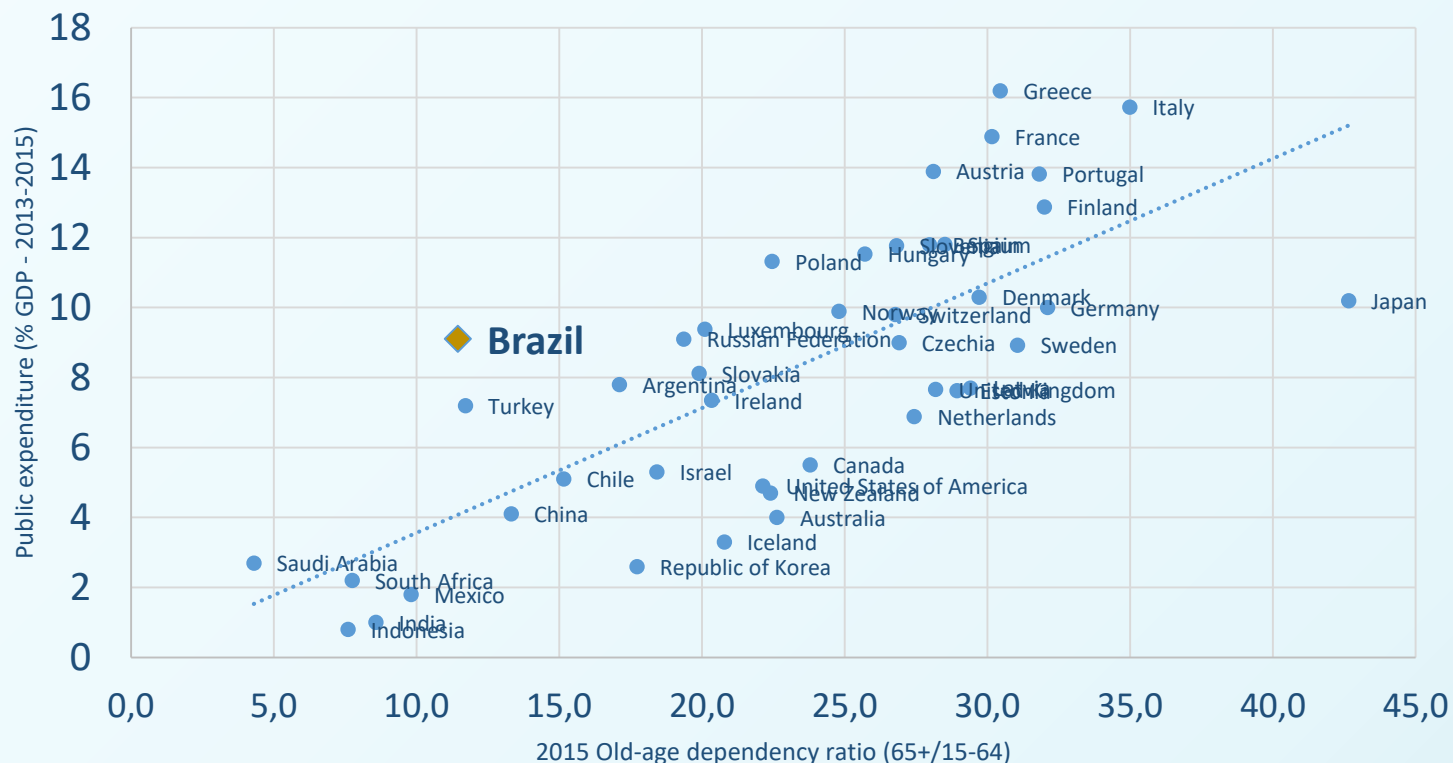
Brazil is a young country, but aging fast

	Median Age		Life Exp @ 60yrs		Fertility		Old-age dependency	
	2020	2050	2015-2020	2045-2050	2015-2020	2045-2050	2020	2050
Brazil	33,5	45,1	82,3	85,7	1,7	1,6	13,7	36,7
South America	32,0	42,0	82,2	85,2	1,9	1,8	13,7	32,1
Middle-income	30,7	37,2	79,4	82,0	2,3	2,1	12,3	24,9
High-income	41,5	45,7	84,5	87,5	1,7	1,8	28,8	46,3

Brazil already dedicates a relatively high % GDP to its public pension system

Challenge to public pension system

Public expenditure on pensions (% GDP)

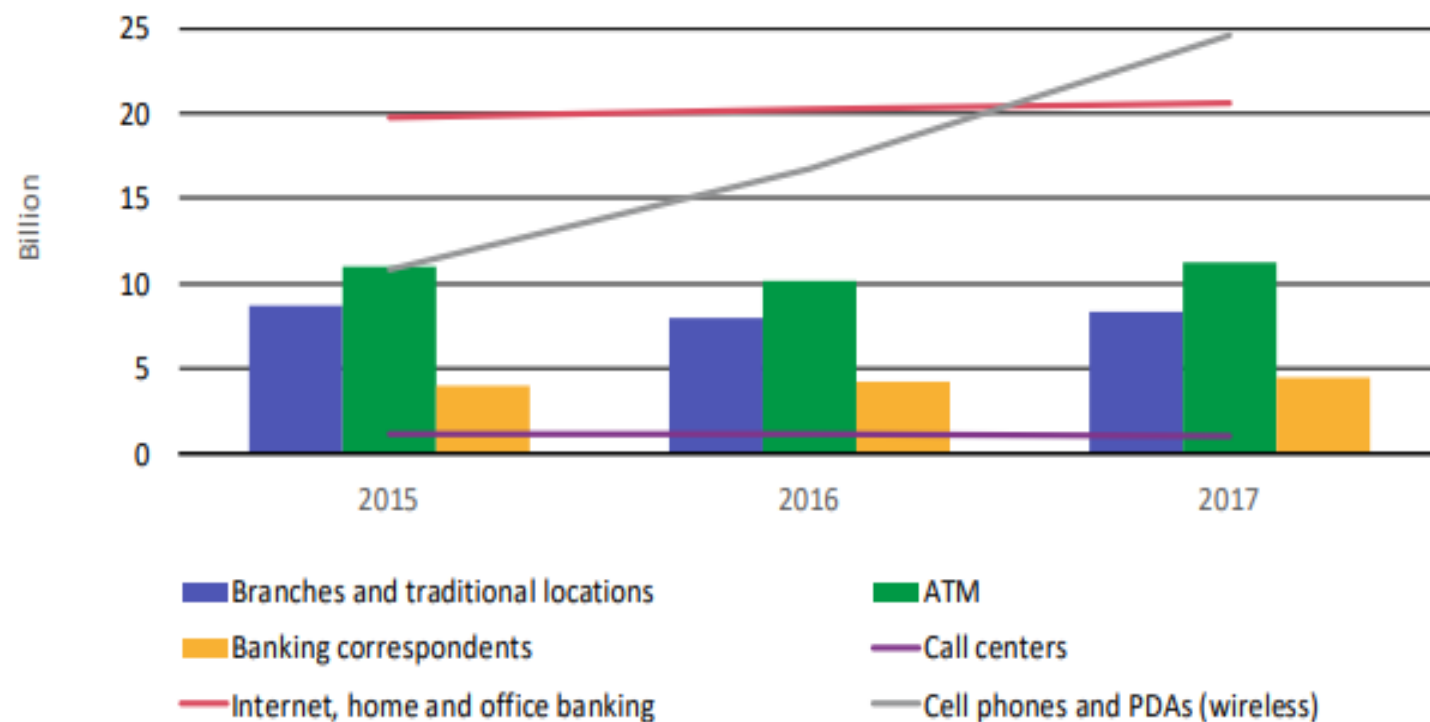


- Congress is currently discussing a reform proposal which, among other changes, focuses on establishing minimum ages for retirement, and on raising contributions for higher-paid public sector employees.



The role of BCB and and financial institutions

The future of the financial system



- 66% of all financial transactions in Brazil are made through remote channels

Complementary roles

- **Central Bank**
 - Promote competition
 - Promote the protection of financial services consumers
 - Regulate and supervise the suppliers of financial services
- **Financial institutions**
 - Design and provide different service options, adapted to the capacity and to the specific interests of the consumers.



Conclusions

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- We must:
 - Produce policy based on data and evidence, and do it with the participation of different stakeholders;
 - Support the financial education agenda, and encourage longer term financial planning by households;
 - Embrace technology as a tool and promote increasingly customised, affordable, and convenient services to consumers;
 - Supervise service providers and offer protection to consumers, specially in a world with a fast changing business landscape and new entrants.

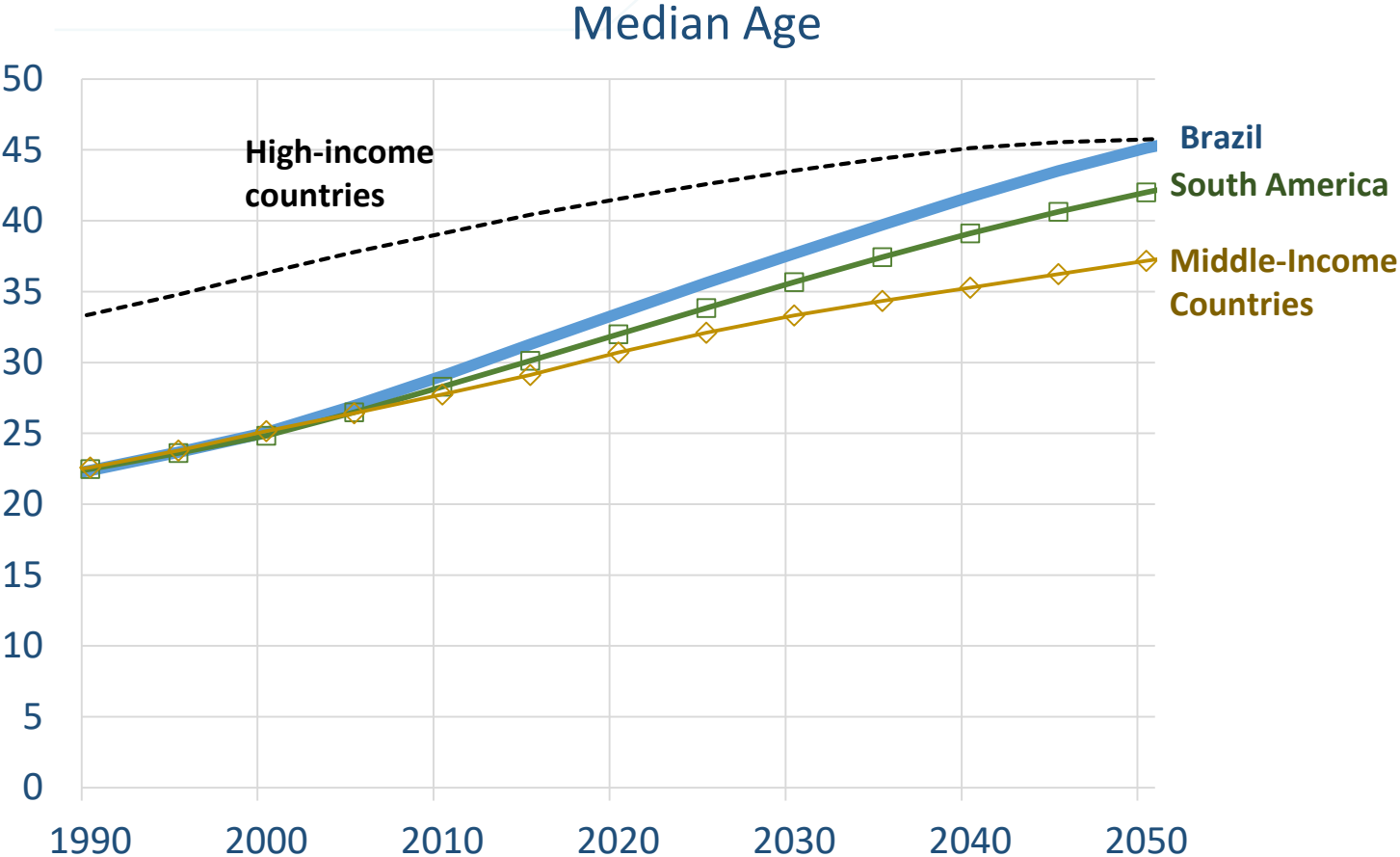


Thank you

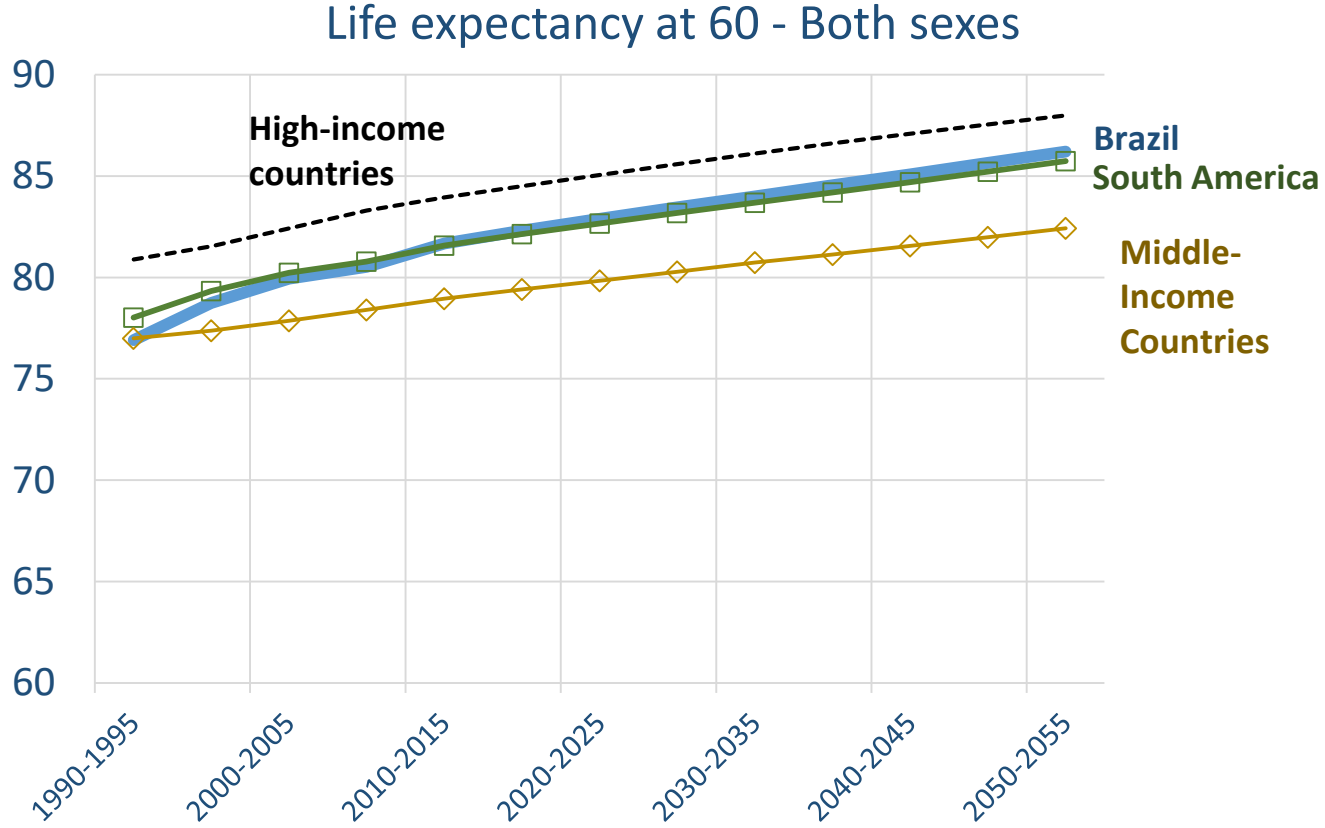


Appendix

Brazil is a young country, but aging fast

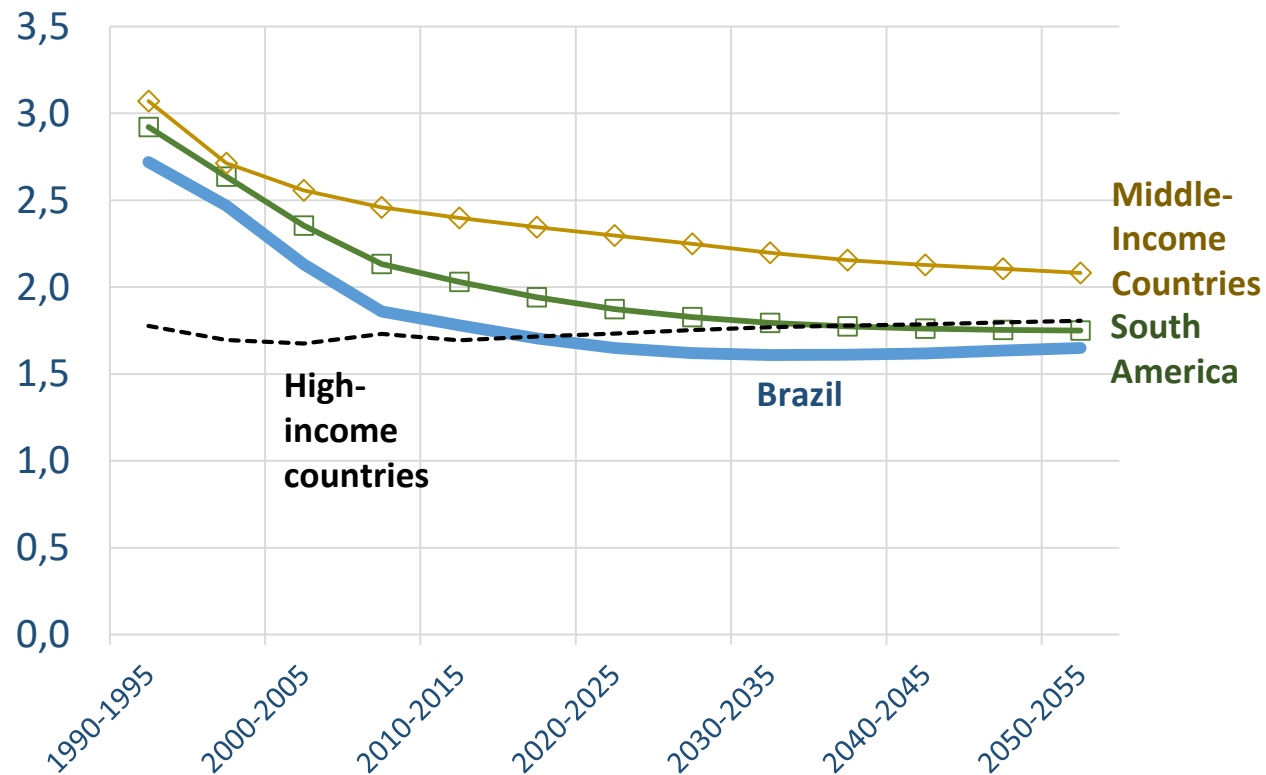


Brazilians are living longer



Brazilians are having less children

Total fertility rate



Old-age dependency is growing fast

Old-age dependency ratio (%): 65+/15-64

