

Gates report praises Aadhaar, Jan Dhan scheme

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A DEVELOPMENT report released by the Bill and Melinda Gates Foundation has praised Aadhaar and the Indian government's efforts at financial inclusion through schemes such as the Jan Dhan Yojana.

This is the first "Goalkeepers: The Stories Behind the Data" 2017 report that will be published every year till 2030 — the deadline for the sustainable development goals (SDGs) — in a bid to diagnose urgent problems and identify key development solutions.

"India has been especially innovative about investing in the building blocks of digital financial inclusion. Aadhaar, a nationwide biometric identification system, makes it simpler and more secure for poor people to do business. India's regulators have implemented new rules that give financial institutions greater flexibility to provide a wider variety of services... A new class of banks called

payment banks has brought in new private sector players to the market and opened millions of new accounts. In 2014, the government launched a programme called PMJDY (Pradhan Mantri Jan Dhan Yojana) to help the poor open accounts in huge numbers and it recently started providing benefits to them through these accounts," the report says.

The praise comes in the backdrop of continuing privacy concerns in India about Aadhaar. It also comes when there is growing distrust in the government on foreign agencies working in the development sector and the home ministry's crackdown on violators of the Foreign Contributions (Regulations) Act.

The Goalkeepers report quotes Rohini Pande, the Mohammed Kamal Professor of Public Policy, Harvard Kennedy School, "Digital has changed the nature of banking and made it cheaper to reach the rural poor," the report says.

(The writer is in New York at the invitation of the Bill and Melinda Gates Foundation)