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FINANCIAL INCLUSION IN INDIA: A CONCEPTUAL ANALYSIS

Commerce

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Abstract

Financial inclusion also implies a very important point. It is felt that a majority of the unbanked people are not used to frills, now normally associated with modern banking. These people require the most basic banking facilities which are free of frills. That means financial inclusion is no-frill banking. The policy makers have already initiated some positive measures aimed at expanding financial inclusion. However, the efforts are opined by many as not commensurate with the magnitude of the issue. There is also a need on the part of the academicians and researchers to study the issue of financial inclusion with a comprehensive approach in order to highlight its need and importance.

Introduction

"Poverty is the worst form of violence." - Mahatma Gandhi

"The test of our progress is not whether we add more to the abundance of those who have much; it is whether we provide enough for those who have too little."

- Franklin D. Roosevelt

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Even after 60 years of independence, a large section of Indian population still remains unbanked. This malaise has led generation of financial instability among the lower income group who do not have access to financial products and services. However, in the recent years the government and Reserve Bank of India have been pushing the concept and idea of financial inclusion.

The Government of India and the Reserve Bank of India have been making concerted efforts to promote financial inclusion as one of the important national objectives of the country. Some of the major efforts made in the last five decades including - nationalization of banks, building up of robust branch network of scheduled commercial banks, co-operatives and regional rural banks, introduction of mandated priority sector lending targets, lead bank scheme, formation of self-help groups, permitting BCs/BFs to be appointed by banks to provide door step delivery of banking services, zero balance BSBD accounts, etc. The fundamental objective of all these initiatives is to provide the financial services to the large section of the hitherto financially excluded Indian population.

Government of India and RBI have taken various steps to include vast segment of unbanked people in to mainstream banking such as Micro Finance- Self Help Group Model (1992), Kisan Credit Card (1998), No Frill Accounts (2004), Business Correspondents and Business Facilitators (2006, 2009) Swabhimaan (2011) financial inclusion model but the path of financial inclusion is continuous to be challenging. The United Nations (UN) had raised the basic question, “why so many bankable people in rural and urban areas are unbanked?” NSSO data revealed that 45.9 million farmer households in the country (51.4 per cent), out of a total of 89.3 million households do not access credit, either from institutional or non institutional sources. Various financial experts argue that bank account is the most basic step of bringing such people under financial mainstream. So the primary objective of financial inclusion should be to open bank accounts of unbanked people. These people have remained aloof from financial and banking mainstream and they don’t possess bank account, don’t have knowledge about financial

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and saving instruments and are unable to reap benefits on whatever large or small amount of money they have at their disposal. In simple language financial inclusion stands for including the people lying on the lowest strata of our social pyramid into the financial mainstream.

But financial inclusion also implies a very important point. It is felt that a majority of the unbanked people are not used to frills, now normally associated with modern banking. These people require the most basic banking facilities which are free of frills. That means financial inclusion is no-frill banking. The policy makers have already initiated some positive measures aimed at expanding financial inclusion. However, the efforts are opined by many as not commensurate with the magnitude of the issue. There is also a need on the part of the academicians and researchers to study the issue of financial inclusion with a comprehensive approach in order to highlight its need and importance.

By financial inclusion, we mean delivery of financial services, including banking services and credit at an affordable cost to the vast sections of disadvantaged and low income groups. The concept of financial inclusion is not new in India. The concept has been prevailing in India from past 44 years. Beginning with the nationalization of commercial banks in 1969 and 1980, another major step taken was the establishment of Regional Rural Banks in 1975 and banking sector reforms after 1991. As a result of these three major policy changes, the number of branches of commercial bank have increased from 8262 in June 1969 to 102343 in 2013 (Economic survey 2012-2013) and population per branches decline rapidly from 65000 to 13756 (RBI 2008).

Financial inclusion is a very useful tool for financial growth of India. When compared to the developed world, the coverage of our financial services is quite low. Then the Reserve Bank of India has set up a commission (Khan Commission) in 2004 to look into financial inclusion and the recommendations of the commission were incorporated into the mid-term review of the policy (2005–06). In the report RBI exhorted the banks with a view of achieving greater financial inclusion to make available a basic “no-frills” banking account. In India, Financial Inclusion first featured in 2005, when it was introduced, that, too, from a pilot project in UT of Pondicherry, by K C Chakrabarty, the Chairman of Indian Bank. Mangalam Village became the first village in

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India where all households were provided banking facilities. In addition to this KYC (Know Your Customer) norms were relaxed for people intending to open accounts with annual deposits of less than 50,000 rupees. General Credit Cards (GCC) were issued to the poor and the disadvantaged with a view to help them access easy credit.

Financial inclusion is the process of ensuring access to appropriate financial products and services needed by vulnerable groups such as weaker sections and low income groups at an affordable cost. Reserve Bank of India in collaboration with the Government of India had formulated a policy namely Financial Inclusion Policy (2005) for financially including of the excluded. The policy was framed with the objective of employment generation, asset creation and income increase which would help in the upliftment of the weaker or poor people. Formal financial institutions, NGOs and SHGs help in the inclusive growth through financially including the low income and weaker section of the population.

Financial inclusion is the delivery of financial services at affordable costs to sections of disadvantaged and low income segments of society. It is argued that as banking services are in the nature of public good, it is essential that availability of banking and payment services to the entire population without discrimination is the prime objective of public policy. The objective of financial inclusion is to deliver banking services at an affordable cost to vast sections of the low-income groups. Indian Finance Minister has set the ball rolling by articulating the Government's decision to provide essential financial services like savings, credit, micro insurance and remittance, for all villages with population over 2,000 by March 2012.

Financial Inclusion is a process or concept formulated with an objective of providing financial products and services to every constituent of our society, especially economically backward people. This concept has been developed and implemented keeping in mind the mainstream banking service providers. This is because it was felt that burden of financial services to downtrodden and poor people has been made a prerogative of rural banks and cooperative banks, who are not the mainstream players. And if mainstream players are not

involved in this initiative it would be the traditional quasi-banking establishments, who would again take undue benefit of this situation.

Financial inclusion also includes the objective of providing cheap loans to the most downtrodden people because their essential requirement from banking system is get access to funds to sustain their livelihood.

Financial inclusion has indeed far reaching positive consequences, which can facilitate many people to come out of the abject poverty conditions. It is widely believed that financial inclusion provides formal identity, access to payments system and deposit insurance, and many other financial services. Universally, it is accepted that the objective of financial inclusion is to extend the scope of activities of the organized financial system to include within its ambit the people with low incomes. In India, there is a need for coordinated action amongst the banks, the government and related agencies to facilitate access to bank accounts to the financially excluded. In view of the need for further financial deepening in the country in order to boost economic development, there is a dire need for expanding financial inclusion. By expanding financial inclusion, inclusive growth can be attained by achieving equity.

Financial inclusion may be defined as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost (The Committee on Financial Inclusion, Chairman: Dr. C. Rangarajan). Financial Inclusion, broadly defined, refers to universal access to a wide range of financial services at a reasonable cost. These include not only banking products but also other financial services such as insurance and equity products (The Committee on Financial Sector Reforms, Chairman: Dr. Raghuram G. Rajan).

Financial inclusion means and includes delivery of financial services at an affordable cost to the vast sections of the disadvantaged and low-income groups in a given society. Access to finance by the poor and vulnerable groups is a prerequisite for achieving inclusive growth in any given economic system. The entire world economies try varied methods and mechanism to achieve this. Their experiences are so different from each other that they provide valuable

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reference points and help as practical examples. However, they point out the need for country specific studies, as Financial Inclusion depends on the social and economic conditions which vary from country to country. The need for working towards complete financial inclusion is more pronounced that it has become rather a compulsion than a choice in emerging economies like India. Financial Inclusion basically measures the efficacy in which financial resources are pooled and bartered. Simply stated that it covers the financial literacy level of the population, their banking habits and the coverage of the entire financial system.

The UNGSA defines financial inclusion as universal access to, and use of, to a wide range of reasonably priced financial services, provided by a variety of sound and sustainable institutions. Financial inclusion is an enabler and accelerator of economic growth, job creation and development. Affordable access to, and use of, financial services helps families and small enterprise owners generate income, manage irregular cash flow, invest in opportunities, strengthen resilience to shocks, and work their way out of poverty.

Various financial services would include access to savings, loans, insurance, payments and remittance facilities by the formal financial system to those who tend to be excluded. Savings and investments help in poverty alleviation and also add to GDP growth in any economy**.** But accessing of formal financial system is still a distant dream to a vast section all over the world, and India is not an exception to it.

One of the key financial services that is of great relevance here is that of risk management or risk mitigation services visa-a vise economic shocks which may be an income shock via loss of income due to adverse weather conditions or natural disasters or an expenditure shock due to health emergencies or accidents leading to a high level of unexpected expenditure.

This aspect of financial inclusion is of vital importance in providing economic security to individuals and families. Financial inclusion is important simply because it is a necessary condition for sustaining equitable growth. There are few, if any, instances of an economy transiting from an agrarian system to post-industrial modern society without broad-based financial inclusion. As people having comfortable access to financial services, economic

opportunity is strongly intertwined with financial access. Such access is especially powerful for the poor as it provides them the opportunity to build savings, make investments and avail credit. Importantly, access to financial services also helps the poor insure themselves against income shocks and equips them to meet emergencies such as illness, death in the family or loss of employment. Needless to add, financial inclusion protects the poor from the clutches of the usurious money-lenders. Financial inclusion will make it possible for governments to make payments such as social security transfers, National Rural Employment Guarantee Programme (NREGA) wages in the bank accounts of beneficiaries through the Electric Benefit Transfers (EBT) method. This will minimize transaction costs including leakages. In parts of the country where such EBT has already taken off, the results are impressive and the experience of both payers and recipients is extremely satisfying. There are enormous benefits at the aggregate level too. The first and more obvious benefit is that financial inclusion provides an avenue for bringing the savings of the poor in to the formal financial intermediation system and channelizes them into investments. Second, the large number of low cost deposits will offer banks and opportunity to reduce their dependencies on bulk deposits and help them to better manage both liquidity risk and asset-liability mismatches.

Financial Inclusion-Inclusive Growth Model

The concept of inclusive growth has gained wide importance in several countries including India (Bolt, 2004). Inclusive growth implies participation in the process of growth and also sharing of benefit from growth. Growth is considered to be pro-poor as long as poor benefit in absolute terms, as reflected in some agreed measure of poverty (Ravallion and Chen, 2003). Growth with equity is the only road to success. It has been globally recognized that high national income growth alone does not address the challenge of employment promotion, poverty reduction and balanced regional development. Nor does growth in itself improve human development. Consequently, all the efforts of government – in agricultural and rural development, in industry and urban development, in infrastructure and services, in education and health care – sought to promote inclusive growth.

Financial inclusion is an important step towards inclusive growth. It helps in the overall economic development of the disadvantaged population. Financial inclusion is also considered to be a business opportunity for the formal financial institutions. It would help them in penetrating into unbanked areas and thereby attaining profit. Besides the bankers, the developmental authorities also have a major role in developing the supportive infrastructure, both physical and social. Literacy, health and communication are some of the essential ingredients needed for inclusive growth. To conclude, the four pillars of inclusive growth are productivity, employment, financial inclusion and infrastructure development.

A rapidly modernizing economy needs effective social, economical and financial policies for those who had left behind. From 2006-2010, the growth rate was arranged at 8.6 per cent making India as one of fastest growing economies in the world, but the growth is not equitable. The Eleventh Five Year (2007-2011) Plan provides "an opportunity to restructure policies to achieve a new vision based on faster, more broad-based and inclusive growth. It is designed to reduce poverty and focus on bringing the various divides that continue to fragment our society" (GOI, 2006: 1). The policies aim at increasing the income and employment opportunities on the one hand and on the other hand it tries to finance programmes which are capable of making the growth more inclusive.

Rural areas, where 70 per cent of Asia's poor live, continue to lag behind and the reasons identified were (1) limited access to financial services; (2) poor infrastructure, notably power, transport, and communications; (3) limited information about market opportunities; (4) a lack of education and training; and (5) limited access to new technologies, including information and communication technology. Hence greater efforts are required for them to participate in inclusive growth.

Inclusive growth as the literal meaning of the two words refers to both the pace and the pattern of the economic growth. The inclusive growth approach is long term in nature which focuses on the productive employment which increases the means of incomes of the excluded

section. Inclusive growth allows people to contribute and to get benefit from economic growth. The eleventh five year plan (2007-2012) envisions inclusive growth as the key objective.

Financial inclusion helps in striking a balance by channelizing the surplus to deficit units and brings the poor and disadvantaged one under the growth allegory. The concept "Inclusion" should be seen as a process of including the excluded as agents whose participation is essential in the very design of the development process, and not simply as welfare targets of development programme (Planning Commission, 2007). Financial inclusion has two major objectives:

Economic Objectives	Social and Political Objectives
• Equitable Growth • Mobilization of Savings • Larger Markets for the Financial System • Effective Direction of Government Programmes	• Poverty Alleviation • Sustainable Development • Wider Inclusion in Society • Effective Direction of Government Programmes

The focus of economic policy in India has shifted to issues of equitable growth. This implies that the economy should not only maintain the tempo of growth but also spread the benefits of growth to all sections of the population of the country. In India, where rapid economic growth has become a national goal, analysis of the sources of growth assumes special importance to formulation of the macroeconomic strategy and policies that affect the future growth rate. This change in approach is significant for the hilly regions of the country, as they constantly struggle with underdevelopment, even when the rest of the economy is doing well. There has been a significant shift in the focus of economic policy in India in the last few years, with issues of equitable growth getting more importance. This is clearly revealed in the change in the Planning Commission's perspective – from high growth during the Tenth Five Year Plan to inclusive growth in its Approach Paper to the Eleventh Five-Year Plan. With sustained fertility decline and growing survival chances, India is likely to face many new challenges in the realm of

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its population management strategies especially those relating to life situations or the quality of human life and their key socio-economic determinants. Some of the economic literature clearly indicates a growing strain on many of these factors affecting the quality of human life and its determinants. Such literature and data sources also highlight the disparities and emerging mismatch between the post liberalization high GDP growth in the country and the quality of life experienced by a large segment of population in India (Dev and Ravi, 2007; UNICEF, 2005; NSS 61st round).

Financial Inclusion is the process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular at an affordable cost in a fair and transparent manner by mainstream institutional players. The States like Bihar, Orissa, Rajasthan Uttar Pradesh, Chhattisgarh, Jharkhand, West Bengal and North-Eastern States are under-banked.

According to the *UK Financial Inclusion Taskforce*, there are three main concerns in financial inclusion; access to banking, access to affordable credit and access to free face-to-face financial advice.

Access to safe, easy and affordable credit and other financial services by the poor and vulnerable groups, disadvantaged areas and lagging sectors is recognized as a pre-condition for accelerating growth and reducing income disparities and poverty. Access to a well-functioning financial system, by creating equal opportunities, enables economically and socially excluded people to integrate better into the economy and actively contribute to development and protects themselves against economic shocks. Despite the broad international consensus regarding the importance of access to finance as a crucial poverty alleviation tool, it is estimated that globally over two billion people are currently excluded from access to financial services (United Nations, 2006a). In most developing countries, a large segment of society, particularly low-income people, has very little access to financial services, both formal and semi-formal. As a consequence, many of them have to necessarily depend either on their own or informal sources of finance and generally at an unreasonably high cost. The situation is worse in most least

developed countries (LDCs), where more than 90 per cent of the population is excluded from access to the formal financial system (United Nations, 2006a).

Services of Financial Inclusion

Financial services can help small farmers tap into the formal economic system for two-way flow of information and income. Entire economies can grow more quickly and in ways more favorable to poor people.

Important features of Financial Inclusion

a) Financial inclusion means the process of availing a minimum set of financial and banking services to the people residing in the lowest ladder of social paradigm
b) Financial inclusion presses upon including the mainstream banking and financial initiatives in this initiative
c) Opening a bank account is the most popular and simple tool of attaining objectives of financial inclusion
d) Financial inclusion is being promoted as an important tool to achieve the target of "sustainable growth"

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e) Mangalam village of Puducherry became the first village to achieve 100 per cent financial inclusion

Factors Affecting Access to Financial Services

Financial Inclusion, on the one hand, is a process aiming at providing banking services like saving account, credit facility, and insurance product to weaker sections of the society. While on the other hand, it refers to the objective of ensuring financial services (banking, insurance, and capital market services) and timely and adequate credit to every section of the society as well as of the economy. Access to financial services has been recognized as an important aspect of development and more emphasis is given to extending financial services to low-income households as the poor lack the education and knowledge needed to understand financial services that are available to them. The lack of financial access limits the range of services and credits for household and enterprises. Although there is some evidence that access is improving but still there are multiple factors which have affected the access to financial services.

Gender Issues

Access to credit is often limited for women who do not have, or cannot hold title to assets such as land and property or must seek male guarantees to borrow.

Age Factor

Financial service providers usually target the middle of the economically active population, often overlooking the design of appropriate products for older or younger potential customers.

Legal Identity

Lack of legal identities like identity cards, birth certificates or written records often exclude women, ethnic minorities, economic and political refugees and migrant workers from accessing financial services.

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Limited literacy

Limited literacy, particularly financial literacy, i.e., basic mathematics, business finance skills as well as lack of understanding, often constraints demand for financial services.

Place of living

Although effective distance is as much about transportation infrastructure as physical distance, factors like density of population, rural and remote areas, mobility of the population (i.e., highly mobile people with no fixed or formal address), insurgency in a location, etc., also affect access to financial services.

Psychological and cultural barriers

The feeling that banks are not interested to look into their cause has led to self-exclusion for many of the low income groups. However, cultural and religious barriers to banking have also been observed in some of the country's Social security payments

Bank charges

In most of the countries, transaction is free as long as the account has sufficient funds to cover the cost of transactions made. However, there are a range of other hidden charges that have a disproportionate effect on people with low income.

Terms and Conditions

Terms and conditions attached to products such as minimum balance requirements and conditions relating to the use of accounts often dissuade people from using such products/services.

Level of Income

Financial status of people is always important in gaining access to financial services. Extremely poor people find it impossible to access financial services even when the services are made for them. Perception barriers and income discrimination among potential members in

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group-lending programmes may exclude the poorer members of the community.

Type of occupation

Many banks have not developed the capacity to evaluate loan applications of small borrowers and unorganized enterprises and hence tend to deny such loan requests.

Committees on Financial Inclusion (CFI)

Financial inclusion, of late, has become the business world in academic research, public policy meetings and seminars drawing wider attention in view of its important role in aiding economic development of the resource poor developing economies. In the Indian scenario, the term 'financial inclusion' is popular in financial circles, especially after the Reserve Bank of India (RBI) announced a series of measures in its credit policy for 2006-07 to include many of the hitherto excluded groups in the banking net.

Government of India constituted a Committee to enhance financial inclusion in India on 22 June 2006. The Committee presented its report in January 2008. The report has analyzed financial inclusion in detail. CFI has initiated a mission called National Rural Financial Inclusion plan. It has set targets to increase FI in the country across regions and across institutions (banks, rural regional banks etc). It has suggested measures to address both, supply and demand constraints in increasing financial inclusion. The report suggested measures to address demand constraints in all the other forms of capital as well. To address human capital it stressed on health and education; for natural capital - enhance access to land which could provide collateral; for physical capital- improve infrastructure; social capital- develop institutions like gram panchayats etc.

The interim report was presented before the Budget (2007-08). The Finance Minister in the Budget decided to implement, immediately, two recommendations. The first was to establish a Financial Inclusion Fund with NABARD for meeting the cost of developmental and promotional interventions. The second was to establish a Financial Inclusion Technology Fund to meet the costs of technology adoption. The overall corpus for each fund was Rs.500 crore,

with initial funding to be contributed by the Central Government, RBI and NABARD. In the 2008-09-budget statement, the Finance Minister proposed two more measures: one to add at least 250 rural household accounts every year at each of their rural and semi-urban branches of commercial banks (including regional rural banks) and two, to allow individuals such as retired bank officers, ex-servicemen etc to be appointed as business facilitator or business correspondent or credit counselor. The Finance Minister also proposed to expand the reach of NABARD, SIDBI and NHB. According to Indian institute of banking and finance, "financial inclusion is delivery of banking services at an affordable cost ('no frills' accounts,) to the vast sections of disadvantaged and low income group. Unrestrained access to public goods and services is the sine qua non of an open and efficient society. As banking services are in the nature of public good, it is essential that availability of banking and payment services to the entire population without discrimination is the prime objective of the public policy."

According to Dr. K.C. Chakrabarty, Deputy Governor, Reserve Bank of India, financial Inclusion is the process of ensuring access to appropriate financial products and services needed by all sections of the society in general and vulnerable groups such as weaker sections and low income groups in particular at an affordable cost in a fair and transparent manner by mainstream institutional players.

Importance of Financial Inclusion in India

A purpose of financial inclusion is to help people and communities meet basic needs such as nutritious food, clean water, housing, education, and healthcare and more by supporting the businesses that provide these services, and enabling clients to have more reliable and affordable access to them. An inclusive financial system is essential infrastructure in every country.

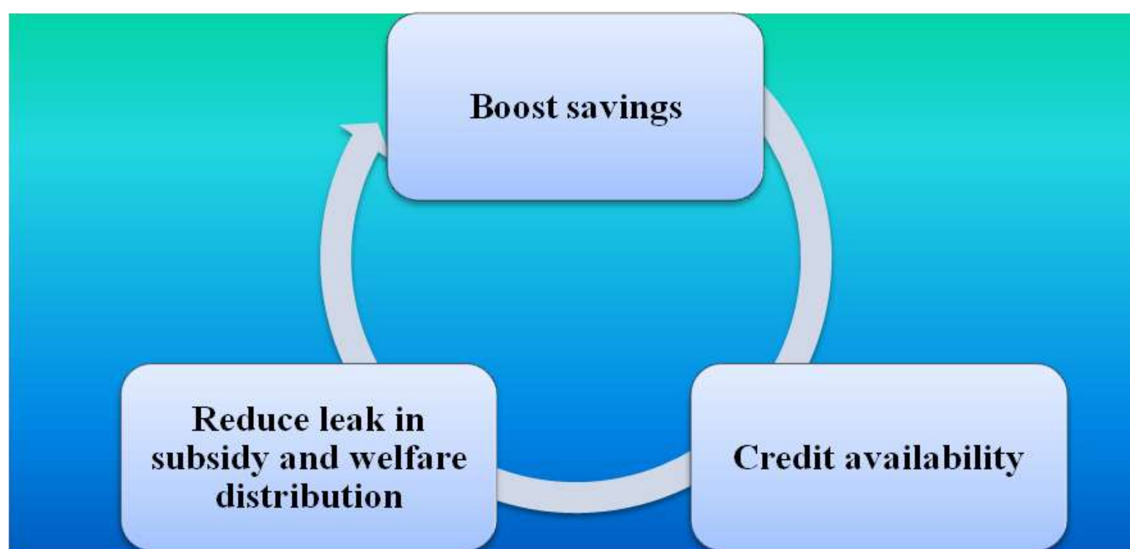
While financial inclusion alone cannot bring people out of poverty, it can help people build better lives. It can help individuals to start businesses, and help small businesses grow into larger ones. Financial services can help small farmers tap into the formal economic system for two-way flow of information and income. Entire economies can grow more quickly and in ways more favorable to poor people.

The policy makers have been focusing on financial inclusion of Indian rural and semi-rural areas primarily for three most important pressing needs:

1. Creating a platform for inculcating the habit to save money – The lower income category has been living under the constant shadow of financial duress mainly because of the absence of savings. The absence of savings makes them a vulnerable lot. Presence of banking services and products aims to provide a critical tool to inculcate the habit to save. Capital formation in the country is also expected to be boosted once financial inclusion measures materialize, as people move away from traditional modes of parking their savings in land, buildings, bullion, etc.
2. Providing formal credit avenues – So far the unbanked population has been vulnerably dependent of informal channels of credit like family, friends and moneylenders. Availability of adequate and transparent credit from formal banking channels shall allow the entrepreneurial spirit of the masses to increase outputs and prosperity in the countryside. A classic example of what easy and affordable availability of credit can do for the poor is the micro-finance sector.
3. Plug gaps and leaks in public subsidies and welfare programmes – A considerable sum of money that is meant for the poorest of poor does not actually reach them. While this money meanders through large system of government bureaucracy much of it is widely believed to leak and is unable to reach the intended parties. Government is, therefore, pushing for direct cash transfers to beneficiaries through their bank accounts rather than subsidizing products and making cash payments. This laudable effort is expected to reduce government's subsidy bill (as it shall save that part of the subsidy that is leaked) and provide relief only to the real beneficiaries. All these efforts require an efficient and affordable banking system that can reach out to all. Therefore, there has been a push for financial inclusion.

Financial Inclusion is necessary for India mainly due to agrarian nature of Indian economy and her huge population. People belonging to this sector suffer a lot due to high interest

rates, uncertain nature of agriculture, absence of sufficient agricultural insurance services, rising production costs and exorbitant amount of interest paid by them to traditional moneylenders. And these are the primary reasons that banking sector is also look upon with suspicion by agriculturists as they have been looking at moneylenders through ages. It was, therefore, important to put a better picture of banking industry before them to break their perceived notions about this sector. Financial inclusion, therefore, was formulated with the main objective of providing basic hassle free financial services such as bank account. Bank accounts are perceived as first important step in providing financial empowerment to the downtrodden and policies of financial inclusion were envisaged keeping in mind the target of brining more and more people under mainstream banking and financial services. Initiatives under financial inclusion have been pressed upon as they are perceived as major tools in achieving sustainable growth.



Finance has come a long way since the time when it wasn't recognized as a factor for growth and development. It is now attributed as the brain of an economic system and most economies strive to make their financial systems more efficient. It also keeps policymakers on their toes as any problem in this sector could freeze the entire economy and even lead to a contagion. The policymakers have set up their task force/committees to understand how financial inclusion can be achieved including advanced economies like United Kingdom.

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Conclusion

A series of innovations are making it possible to provide low-cost and convenient financial services to all those who need them. Mobile phones and digital technology are changing how people bank and pay for things, in part by leveraging existing communications infrastructure and retail networks such as stores, airtime agents, post offices, and banks. And financial service institutions are reaching out to clients in new ways, such as through converted trucks with ATMs and tellers that take banking services to remote villages.

Financial products for agriculture, health insurance, and others are inspiring scalable solutions through careful design that meet client needs within their local contexts. Governments are encouraging these and other new models through policies that encourage innovation, partnership, and responsible finance. At the same time, new data efforts are enabling countries and service providers to know more about unbanked markets and client needs, and to measure progress against nationally determined targets.

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