



FINANCIAL INCLUSION NEWSLETTER

A QUARTERLY PUBLICATION OF THE FINANCIAL INCLUSION SECRETARIAT

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**Honourable Minister
Of Communication And
Digital Economy
Affirms Digital Financial Services
As A Critical Pillar Of
Financial Inclusion**

Spotlight

**COVID-19:
An Opportunity for
Financial Inclusion in Nigeria**



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HONOURABLE MINISTER OF COMMUNICATION AND DIGITAL ECONOMY AFFIRMS DIGITAL FINANCIAL SERVICES AS A CRITICAL PILLAR OF FINANCIAL INCLUSION

The National Financial Inclusion Secretariat, as part of its strategic engagements with stakeholders paid a courtesy visit to the *Honourable Minister of Communications and Digital Economy, Dr. Isa Ali Pantami* on 25th February 2020. The meeting was scheduled in recognition of the important role the Ministry plays in facilitating the adoption of digital financial services (DFS) and achieving digital economy objectives of the Federal Government which aligns with the Country's financial inclusion objectives. The Head of the Financial Inclusion Secretariat, Dr. Oluikpe highlighted intimated the Honourable Minister of Nigeria's financial inclusion journey so far, sharing the role of the

Ministry in the revised National Financial Inclusion strategy which is anchored on the strategic deployment of Digital Financial services (DFS). He further discussed areas of potential collaboration and intervention to support the implementation of the Revised National Financial Inclusion Strategy (NFIS), with key focus on digital financial services as a major pillar.

The Honorable Minister affirmed his commitment to the National Financial Inclusion Agenda and the assured the Financial Inclusion Secretariat that the Ministry would continually support the drive to improve access to finance for unbanked Nigerians. Lastly, it was agreed that the National Information Technology Development Agency (NITDA), a subsidiary of the Ministry responsible for developing and regulating the Information Technology sector in Nigeria should be involved as a key stakeholder in the NFIS implementation.

“*a subsidiary of the Ministry responsible for developing and regulating the Information Technology sector in Nigeria should be involved as a key stakeholder in the NFIS implementation.*”



The Honourable Minister and staff of the Financial Inclusion Secretariat during the Courtesy Visit



21ST FINANCIAL INCLUSION WORKING GROUP MEETINGS

The Four Financial Inclusion Working Groups held their 21st meeting at the International Training Institute, Maitama Abuja on 16th March 2020. Key Highlights from the meetings were as follows:

FINANCIAL INCLUSION PRODUCT WORKING GROUP (FLPWG)

Bank at Post Initiative: NIPOST is now fully involved in the Conditional Cash Transfer programme of the Federal Government through engaging and partnering with Western Union to use NIPOST outlets across the country for money transfers. They have commenced BVN registration in 50 locations, with over 50 BVN machines received from the Nigerian Inter-Bank Settlement System (NIBSS).

Electronic ID. Ecosystem: National Identity Management Commission (NIMC) has enrolled over 41 million Nigerians for the National Identity Number (NIN) and a world Bank assisted project for electronic ID ecosystem had been approved to commence in June 2020.

Micropension Implementation: The uptake of Micropension has risen to 47,000 registration with pension contributions amounting to N37 million, growing by over N5 million in February 2020, year-on-year.

FINANCIAL LITERACY WORKING GROUP (FLWG)

National Peer Group Educator Programme: 10 (Ten) Financial Institutions requested for 669 Volunteer Corps Members to be posted to them under the National Peer Group Educator Programme for Financial Inclusion (NAPGEP).



Mrs. Aishah Ahmad (Deputy Governor, Financial System Stability) and Mr. M. D. Suleiman - Director FSS2020 during the Technical Committee Meeting

A zonal Training of Trainer's session held from 17th February – March 3rd, 2020 to build the capacity of faculty members from the State Financial Inclusion State Steering Committees (FISSCO) for the sustainability of the NAPGEP initiative. The training of Volunteer Corps Members (VCMs) in camps commenced nationally on the 17th March 2020 but was cut short by increasing concerns over the spread of the Coronavirus.

MSME Public Enlightenment Campaign: The Bankers' Sub-Committee on Public Enlightenment and Literacy is expected to hold in 3 geopolitical zones, twice annually. A detailed plan is being developed by the sub-committee and would be circulated when concluded and approved.

Financial Literacy E-Learning Platform: The E-Learning Management platform for Financial Education being developed is at 90% completion and is now available on Google play store for download and testing. A Pilot of the platform has commenced with the Volunteer Corps Members who were selected and expected to use the platform to learn all 7 modules (training

“The training of Volunteer Corps Members (VCMs) in camps commenced nationally on the 17th March 2020 but was cut short by increasing concerns over the spread of the Coronavirus.”

FINANCIAL INCLUSION CHANNEL WORKING GROUP (FICWG)

Shared Agent Network Expansion Facility (SANEF): initiative reported increased number of agents by 220% from 83,560 in Dec 2018 to 267,627 as at 29 Feb 2020. The 2020 Roll out plan was expected to bring additional 232,373 agents to close out the year with the 500,000 agents

Unstructured Supplementary Service Data (USSD) Pricing: The Group reported that the Honourable Minister of Communications and Digital Economy had directed that the Nigerian Communications Commission (NCC) critically examine the issue of USSD pricing and proffer recommendations for consideration by the Ministry.

Financial Inclusion Special Interventions Working Group (FISIWG)

Financial Inclusion of vulnerable segments:

The Ministry Humanitarian Affairs, Disaster Management and Social Development, responsible for lifting people out of poverty reported that the Ministry was working on modalities for supporting vulnerable Nigerians at the bottom of the pyramid who could be positively impacted by programmes such as N-power, Government Enterprise and Empowerment Program (GEEP), and the Conditional Cash Transfer (CCT) to support them.

Gender landscape study: The Gender landscape study conducted by the Enhancing Financial Innovation and Access (EFInA) in collaboration with Financial Inclusion Secretariat was launched in December 2019. The document has been made available publicly and members were enjoined to adapt the findings and key recommendations to their gender-based initiatives.

21ST FINANCIAL INCLUSION TECHNICAL COMMITTEE MEETING

The 21st meeting of the National Financial Inclusion Technical Committee (NFITC) which held on Tuesday, 17th March 2020 at the Central Bank of Nigeria's Headquarters, Abuja, just on the precipice of the COVID-19 pandemic and nationwide lockdown.

Concerns over the increasing spread of the virus and the effect it could have on all financial inclusion engagements were top of mind at the meeting as the Chairperson, Mrs. Aishah Ahmad Deputy Governor, Financial System Stability, Central Bank of Nigeria welcomed Stakeholders to the first meeting of the year 2020. She reminded members of the need to observe and encourage basic hygiene practices in order to reduce the spread of the disease.

The meeting in its typical style, featured updates from the leads (chairpersons) of the four (4) financial Inclusion working groups following from their meetings which held one day prior and updates on other critical stakeholder activities during the period under review.

The Head, Financial Inclusion Secretariat -Dr. Paul Oluikpe reported that the National Financial Inclusion Stakeholder Forum held to set the tone for the year and commended stakeholders for their representation and participation at the Forum. He noted that the major outcome of the forum was the development of high impact initiatives to drive the achievement of the 2020 Financial Inclusion Targets along the lines of Financial Literacy Initiatives; Proliferation of Financial



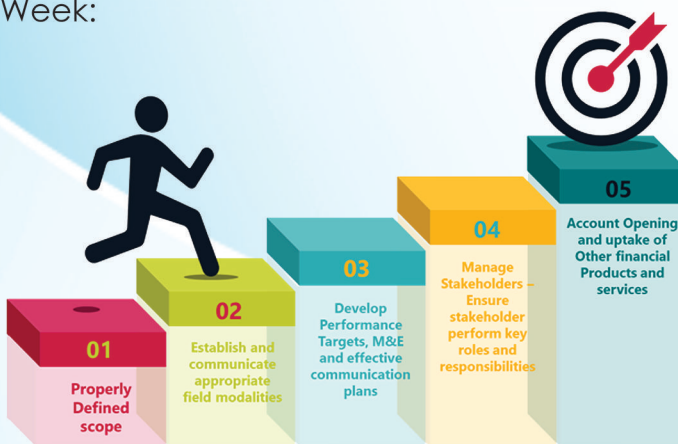
Access Points/delivery channels, under the National Peer Group Educator Programme for Financial Inclusion (NAPGEP), the Framework on Advancing Access to Finance for Women in Nigeria as well as plans to develop a National Financial Inclusion website for effective communication.

One of the key outcomes of the meeting was the approval of the Strategic Plan for the Financial Inclusion Week; with the directive that all financial sectors feature prominently in the event. The Committee further directed that only one edition of the Week should be scheduled in the 3rd quarter of 2020 in consideration of the COVID-19 outbreak. The following strategic steps were presented to enable the achievement of the overall goal for the Financial Inclusion Week:

“The Committee further directed that only one edition of the Week should be scheduled in the 3rd quarter of 2020 in consideration of the COVID-19 outbreak”

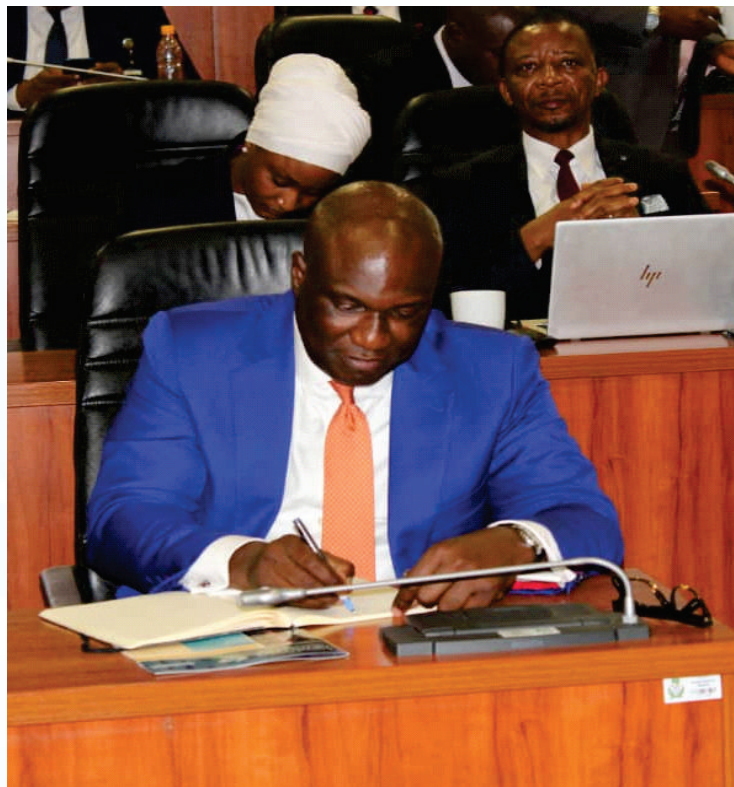


(L-R) Mr. Mustapha Haruna (Director, Consumer Protection Department - CBN) with other members during the 21st Technical Committee Meeting



Steps to achieve an impactful Financial Inclusion Week

The meeting was the first physical meeting for the year 2020 and as the Covid-19 lockdown set in, the plan is to establish the right structures to sustain the momentum of the Governance Committee by using alternative digital channels to engage members and advance collaboration on financial inclusion.



Director, Development Finance Department (CBN) Mr. Philip Yila Yusuf during the 21st Technical Committee Meeting



COVID-19:
 An Opportunity for
 Financial Inclusion
 in Nigeria


"We announced palliative measures such as food distribution, cash transfers and loans repayment waivers to ease the pains of our restrictive policies during this difficult time. These palliatives will be sustained. I have also directed that the current social register be expanded from 2.6 million households to 3.6 million households in the next two weeks. This means we will support an additional one million homes with our social investment programs... In the coming weeks, I want to assure you that the Federal Government, through the Presidential Task Force, will do whatever it takes to support you in this very difficult period. I have no doubt that, by working together and carefully following the rules, we shall get over this pandemic."

President Muhammadu Buhari

"...Although these developments are troubling, they present a clear opportunity to re-echo a persistent message the CBN has been sending for a long time, and at this time even more urgently so: we must look inwards as a nation and guarantee food security, high quality and affordable healthcare, and cutting-edge education for our people... Therefore, as a nation, we cannot afford to continue relying on the world for our food, education and healthcare. The time has come to fully transform Nigeria into a modern, sophisticated and inclusive economy that is self-sufficient, rewards the hardworking, but protects the poor and vulnerable, and can compete internationally across a range of strategic sectors."

Godwin Emefiele,

Governor of the Central Bank of Nigeria

The emergence of the coronavirus pandemic (COVID-19) in December 2019 in Wuhan China, is rapidly spreading globally causing significant loss of life and severe human suffering. Termed as the largest public health crises, the COVID-19 has generated a major economic crisis with heightened uncertainties across the globe. According to World Health Organization's update reports on COVID-19, the pandemic has affected over 800,000 people in 189 countries including Nigeria as at the end of March 2020. Since the outset of the pandemic, a growing number of developing countries and emerging economies have imposed very strict social distancing and lock-down measures to prevent the spread of the virus.

These lockdowns have impacted the lives of billions of people around the world, Specifically, survey results have shown that low-income communities and microbusinesses are especially vulnerable to the business interruptions resulting from the lockdown. They are less likely to have regular income, adequate savings, prompt insurance, or access to credit that can help weather the downturn.

Furthermore, industry experts have anticipated that many people will fall back into poverty in the face of this pandemic. Even though the impact of the pandemic appears daunting to financial inclusion efforts, there is light at the end of the tunnel, especially for developing countries to leapfrog in terms achieving universal financial access.

Nigeria has come a long way in deepening financial inclusion with 63.2 percent of the adult population financially served, the COVID-19 pandemic could be a threat to our financial inclusion efforts if far-reaching measures are not taken to protect vulnerable people and businesses against the shocks.





Opportunity to accelerate Financial inclusion in Nigeria

In 2019, the NFIS was revised with special focus to accelerate the financial inclusion of vulnerable segments including Women, Youth, Rural Areas, Northern Nigeria and Micro Small and Medium Enterprises (MSMEs).

The Strategy has identified as critical priorities to accelerating the achievement of the national financial inclusion target of 80% by December, 2020: Uptake of Digital Financial Services (DFS); Expansion of agent network especially at rural areas; Digitizing Government payments specifically to increase the coverage of recipients of social transfers for greater financial inclusion.

Digital financial services provide low-income households with access to affordable and convenient tools that can help increase their economic opportunities. For extremely poor families, combining digital financial services with livelihood promotion, safety nets, and mentoring boosts their long-term standard of living. Furthermore, mobile money providers across Africa have reduced or waived transaction fees and governments are encouraging digital payments to reduce the risks associated with physical handling of cash and potentially reduce the spread of the Virus.

According to 2018 EFinA Report on Access to Finance, 96.3 million Nigerians out of 99.6 million do not have/ use Mobile money services, despite tele density of 97.4% (NCC statistics, January 2020) in the Country. Therefore, it is imperative to drive the usage of mobile money and DFS as viable tools to scale Nigeria's COVID-19 responses to vulnerable segments (Poor & Vulnerable Households, Internally displaced Persons and Micro businesses) and ultimately sustain or improve financial inclusion outcomes in the Country.

Nigeria has also undertaken several measures (fiscal and monetary) to curtail the effect of COVID-19 crises on its economy and citizens. Some of the measures include:

- i. **The setting up of a Presidential Task Force to coordinate all COVID-19 responses including donations and contributions.**
- ii. **Issuance of COVID-19 Regulations, 2020 which identified some socio-economic measures including:**
 - Deployment of relief material to residents at the epicenter of the crises;
 - 3-month repayment moratorium on TraderMoni, MarketMoni & FarmerMoni as well as moratoriums on all FG funded loans granted by issued by the Bank of Industry, Bank of Agriculture, and Nigeria Export Import Bank
 - Conditional cash transfers and food rations to be provided to most vulnerable and internally displaced persons
- iii. **Approval of Special Works Programme aimed at temporary employing 774,000 youths in rural areas to cushion the effect of the pandemic.**
- iv. **Support to MSMEs and large business.**
 - The creation of a N50 billion targeted credit facilities for affected households and businesses
 - The creation of N1.1 trillion to support local manufacturing sector as well as boost import substitution.
 - Reduction of Interest rates on all CBN facility from 9% to 5% and additional 1-year moratorium on all CBN intervention facility
 - Pledge by CBN and Bankers' Committee to provide 3.5 trillion to specific pharmaceutical companies to boost local drug production



Global Policy Responses to COVID-19 Pandemic

Given the magnitude of the COVID-19 pandemic, governments in different jurisdiction have recognized the need to develop fiscal and monetary policy measures to stem the effect of the COVID-19 and limit its human & economic impact. These policies include:

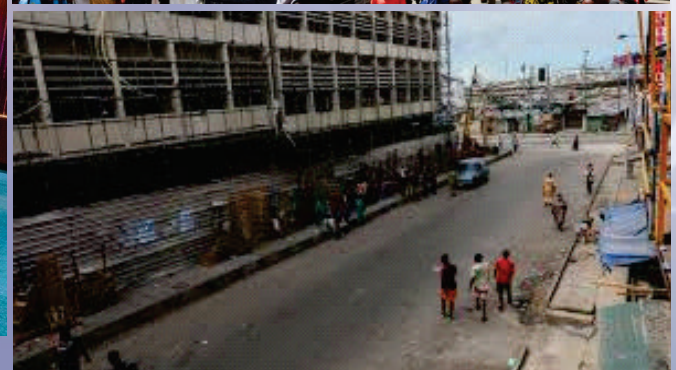
- i. Containment measures: social distancing, lockdowns in epicenters, closure of schools/universities, cancellation of major events, suspension of flights, closure of borders
- ii. Development of stimulus packages adapted to country's context and priorities: conditional cash transfers, direct relief payments, utility bill payments, food rations, upgrade of health facilities
- iii. Deferral/postponement measures in Income declaration, corporate tax payments, Value added tax, social security, rent, utility payments and debt moratoriums

- iv. Monetary Easing measures – Monetary Policy Rate cuts, interest rates cuts
- v. Temporary loosening of some prudential regulation: re-classification of Non-performing loans, reduction in banks' reserve requirements, reduction in counter-cyclical buffers; capital and liquidity buffers to be used to address shocks
- vi. Currency liquidity measures: buying off private sector, assistance to financial service providers
- vii. Creation of sector specific support funds; MSMEs, Mortgage
- viii. Loan restructuring/ term loans facilities
- ix. Financial instruments: Loan guarantees, support funds for MSMEs, Grants and subsidies
- x. Reallocation of non-essential sector budget to health sector and development sector
- xi. Local & Foreign exchange swap

“ Given the magnitude of the COVID-19 pandemic, governments in different jurisdiction have recognized the need to develop fiscal and monetary policy measures to stem the effect of the COVID-19 and limit its human & economic impact ”



PRESIDENT MUHAMMADU BUHARI
on a teleconference meeting with the Presidential Task Force on COVID-19.
Photo credit: The Guardian Newspaper



Contrast: Popular Lagos Market, in Nigeria before and during the COVID-19 lockdown
Photo credit: Temilade Adelaja/Reuters





The table below summarizes specific COVID-19 measures undertaken by some peer countries and developing countries to deepen financial inclusion and support MSMEs:

Country	Response
Ghana	<ul style="list-style-type: none"> i. Launch of universal QR-Code to prevent punching pin numbers on POS; ii. Use of mobile phone numbers as basic account numbers; iii. Moratorium on digital micro-credit iv. Reduction of fees on e-payments
Zambia	<p>Measures to stimulate the use of e-money and reduce the use of cash:</p> <ul style="list-style-type: none"> i. waiving transactions fees below a certain threshold; ii. Relaxing the limits on single and total daily transactions for individuals, small scale farmers, and enterprises and; iii. Removing of transaction limits for corporate wallets reducing interbank payment processing fee
Kenya	<ul style="list-style-type: none"> i. Removal of commission and fees charged on mobile money transactions up to \$9.68 for a 90-day period ii. Increasing single transaction limits and daily limits on mobile transactions
Rwanda	<ul style="list-style-type: none"> i. Removal of fees on all mobile money transactions with increased daily and monthly transaction limits ii. Implementation of fixed prices for food goods iii. Easing of Loan repayments conditions for Borrowers
Algeria	<ul style="list-style-type: none"> i. Development of supplementary finance law to include compensation measures for losses incurred by businesses ii. Postponement of declaration and payments of income taxes for individuals and SMEs
Benin, Burkina Faso, Guinea – Bissau, Ivory Coast, Mali, Niger, Senegal, Togo	Under Central Bank of West African States Framework to support firms with repayment difficulties
Botswana	<ul style="list-style-type: none"> i. Wage subsidy for businesses ii. Buildup of grain reserves iii. Government loan guarantee schemes for businesses iv. Rescheduled life insurance payment premiums and retirement funds contribution for 3 months
Cape Verde	<ul style="list-style-type: none"> i. Loan guarantees of 100% for MSMEs ii. Tax holidays iii. Social protection measure
Cameroon, central African Republic, Congo, Gabon, Equatorial Guinea, Chad	Under Central Bank of Central African States: Postponement of principal repayment for central bank's credit to members by one year.

However, due to the recency of these policy measures, impact evaluations on the effectiveness are yet to be ascertained.



Key issues

Some challenges that could slow down Nigeria's COVID-19 response in achieving financial inclusion outcomes include:

- i. Lack of building blocks (infrastructure, Digital ID, Account Ownership) for successful rollout of FG social transfers to beneficiaries making disbursement costly, inefficient with less recipient coverage and prone to corruption and fraudulent activities. Direct cash disbursement could also pose some security risks to recipients which could lead to loss of the cash received.
- ii. Financial service Agents are insufficient to cater for the huge rural population in the country coupled with liquidity and security challenges faced by existing agents. Also, due to lockdowns in affected states agent's mobility to carry out their businesses have been disrupted.
- iii. Low penetration of mobile money accounts in the country due to low awareness, high costs of services amongst others.

Recommendations

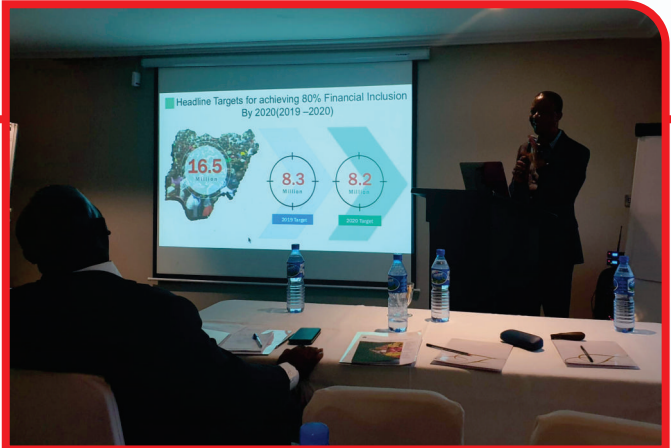
Considering the ongoing pandemic measures to sustain financial inclusion efforts, we implore management to consider the following:

- i. Conduct a Consultative forum/Webinar between key stakeholders to discuss modalities to digitize FGs' Conditional Cash transfers.
- ii. To dialogue with financial service providers on possible temporary costs reduction or waivers associated with digital transactions
- iii. Provide an identification means for agents to prevent harassment by security operatives
- iv. Dialogue with key stakeholders on challenges and solutions to unlocking the adoption mobile money in Nigeria
- v. Engage Presidential Task force on Financial Inclusion mandate

Source: Central Bank of Nigeria, LocalMediaNews Analysis, www.oecd.org/coronavirus/#, <https://www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19>



Immediate Past Head of FIS – Mr. Joseph A. A. Attah charging participants on the 2020 Financial Inclusion Agenda



Head of FIS – Dr. Paul Oluikpe delivering a presentation at the Forum



Sectorial Break-out sessions during the Forum



Deliberation on the proposed high-impact initiatives for the year.



Cross-section of participants at the Forum.



Participants at the 2020 National Financial Inclusion Stakeholder Forum



Financial Inclusion Courtesy Visit to the Nigeria Governors Forum (NGF)

The Nigerian Governors Forum, a non-partisan platform was established to enhance collaboration among executive Governors. In order to effectively enlighten the State Governors on the Financial Inclusion drive at state level, the Financial Inclusion Secretariat paid a courtesy visit to the Director General of the Forum, Mr. A.B Okauru.

During the visit, the National Financial Inclusion Strategy (NFIS 2.0) was presented as

an instrument for poverty alleviation and job creation. The Head of the Financial Inclusion Secretariat, Dr. Paul Oluikpe called for collaboration with the State Governors on the proposed Financial Inclusion week, as well as the need to digitize government payments. Lastly, the team discussed the need for the Governors Forum to support the Financial Inclusion State Steering Committee (FISSCO) established in every state to drive financial inclusion activities.



Mr A. B. Okauru Director General of the Nigerian Governors Forum (NGF) with Financial Inclusion Secretariat during a Courtesy Visit

Stakeholder Review and Lessons Learned from the Pilot Account Opening Week

The Financial Inclusion Secretariat (FIS) convened a stakeholder review workshop on the pilot Account Opening Week (AOW), which held concurrently in Ondo, Ebonyi, Bayelsa, Kano, Gombe and Nasarawa December 2nd to 7th, 2019. Mrs. Ronke Kuye, chair of the AOW Planning Committee, highlighted that the essence of the workshop was to deliberate on the lessons learnt from the field towards improving subsequent editions of the programme, while Dr. Paul Oluikpe, Head Financial Inclusion Secretariat intimated participants of management's guidance in renaming the programme as "National Financial Inclusion

Week (NFIW)" to connote a more inclusive approach to promoting broader financial services, beyond just bank accounts.

The lead institutions for the respective pilot states were drawn from National Pensions Commission (PENCOM) - Gombe, Securities and Exchange Commission (SEC) - Ondo, Nigerian Communications Commission (NCC) - Bayelsa, Central Bank of Nigeria (Consumer Protection Department) - Ebonyi and National Insurance Commission (NAICOM) - Nasarawa. The performance of the AOW was summarized as follows:



Pilot States	New Bank Accounts	New Mobile Wallets	Total	Percentage
Kano	26,859	7,941	34,800	40%
Ondo	13,927	2,445	16,372	19%
Gombe	10,207	4,265	14,472	17%
Ebonyi	9,172	1,444	10,616	12%
Nasarawa	5,609	166	5,775	7%
Bayelsa	4,760	210	4,970	6%
Total	70,534	16,471	87,005	100%

The segment of the Lessons Learned from the pilot was facilitated by Mrs. Akin-Fadeyi Temitope - Head, Strategy Coordination Office (FIS). The focus was to share and deliberate on field experiences as well as identify areas that require attention, in readiness for future events.

Major trends reported by participants during the pilot included:

- i. High number of accounts opened by women across the states associated with expectation of future government social transfers or loan disbursements.
- ii. High turn-out of women recorded mostly in the afternoons and evenings, due to restricted mobility and cultural factors in some regions.
- iii. High availability of identification (ID) documents like birth certificates, voters' cards, national identity number (NIN) slips observed amongst rural communities, indicating good level awareness on the importance of ID.
- iv. Communities with Microfinance Bank participation had more impact on new accounts opened.
- v. Higher participation by locals was experienced particularly on community market days.

Areas identified as requiring attention are summarized below:

- i. Organizational lapses in terms of preparations for the event were recorded in some states, arising from inadequate logistic arrangements.
- ii. Bank Verification Number (BVN) field enrolment challenges encountered and escalated for resolution.
- iii. Demonstration in some communities to complain about the lack of physical bank branches and the need for broader spread and awareness of digital channels.
- iv. Inadequate public awareness and broadcast of the event leading to poor turnout in some areas, outside of the main flag off locations.

Participants were sub-divided into five groups to brainstorm and propose recommendations for the 2020 edition of the FIW, with their inputs considered in the subsequent development of the Strategic Plan for the FIW presented by the Financial Inclusion Secretariat at the 21st National Financial Inclusion Technical Committee meeting which was held on March 17th, 2020.



CROSS-SECTION OF STAKEHOLDERS DURING THE BREAK-OUT SESSION AT THE WORKSHOP



■ Cross-section of Stakeholders during the break-out session at the Workshop





Zonal trainings for the National Peer Group Educator Programme on Financial Inclusion (NAPGEP)

The National Peer Group Educator Programme on Financial Inclusion (NAPGEP), conceptualized in 2017 and operational in 16 states of the federation identifies and trains Volunteer Corps Members during the National Youth Service Corps (NYSC) orientation course. The VCMs in turn are expected to provide financial literacy to rural communities in which they serve with the expectation that community members develop improved levels of financial capability, make informed decisions about their finances and become financially included.



■ North Central Trainers and faculty members

The NAPGEP Strategy itemized the strategy for a National Rollout of the scheme to ensure a wider reach on rural communities across the country particularly as 2020 was the target year to reach 80% financial inclusion. In order to achieve this, it was imperative that faculty (Trainers) be carefully selected to train the Volunteer Corps Members in each state on an ongoing basis and the National Financial Inclusion Technical Committee approved for a Zonal Training of Trainers to be conducted across 6 Geopolitical zones. The Faculty (Trainers) were selected by the Financial Inclusion State Steering Committee (FISSCO) in each state and in order to ensure that a pool of trainers was available and on-hand for every orientation course, 3 FISSCO members per State.

The zonal trainings were conducted in Kano, Gombe, Oyo, Nasarawa, Akwa-Ibom and Imo by Financial Education Master Trainers from the Central Bank of Nigeria and the Federal Ministry of Youth and Sports Development. In each location, the following topics were provided in addition to teaching methodology;

Needs and Wants | | Managing your Money | | Financial Planning and Budgeting | | Saving | | Borrowing | | Investing | | Managing Risk | | Making Payments | | Financial Environment | | Fraud and Scams | | Financial Consumer Rights and Responsibilities | | Financial Negotiations | | My Business Finances | | Paying Tax and Levies.

The trainers were provided with the necessary tools to conduct trainings of Volunteer Corps members on camp and provided with demonstrations on how to use the Financial Literacy e-Learning platform (SabiMoni) designed in collaboration with GIZ as well as ways in which corps members would report their activities for monitoring and evaluation purposes through an monitoring and evaluation (M&E) platform designed in collaboration with the Nigeria Inter Bank Settlement System (NIBSS).

The training was completely hands-on, availing trainers the opportunity to study assigned topics and test out their training methodology on fellow trainers for a wholesome training and learning environment to be created.





At the end of the 6 (six) day training, all trainers were provided with a certificate of participation and modalities for their ongoing assignment involving their recurrent training of VCMs at NYSC orientation camps was outlined.



■ North East FISSCO Faculty training in Gombe

SabiMoni e-Learning Platform set for pilot deployment to Volunteer Corps Members under NAPGEP

In order to digitize the delivery of the financial education curriculum developed by GIZ in collaboration with other stakeholders, the National Financial Inclusion Technical Committee approved the development of e-learning platform.

The SabiMoni platform digitizes the training content providing a visual and interactive learning environment for Financial education trainers to use in training reduces the cost of printing training materials and provides trainers with the opportunity to reach thousands of people with content.

To ensure the platform is user friendly, and the content has been translated appropriately, a series of Alpha and Beta testing were conducted with input from stakeholders collated and addressed by the platform developers. The plan for the initial pilot testing of the platform was its deployment to Volunteer Corps Members under the National Peer Group Educator Programme (NAPGEP).

The platform has currently been exposed to selected VCMs across the country and will be utilized during the financial education trainings provided to rural communities as part of their community development service.



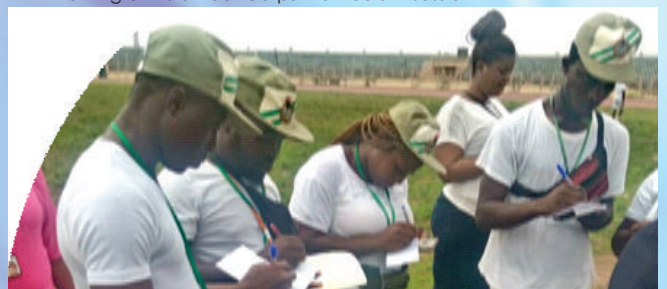
■ General Sensitization of Volunteer Corps members on NAPGEP



■ Cross-section of VCMs at the NAPGEP Sensitization Workshop



■ Training of Volunteer Corps Members in session



■ NYSC Corps members signing up to be VCMs under NAPGEP



Posting of Volunteer Corps Members to Financial Institutions under NAPGEP

In 2018, the National Youth Service Corps approved a waiver for trained VCMs under the NAPGEP initiative to be posted to financial institutions solely for the purpose of Financial Inclusion. In order to ensure the effective deployment of corps members, Financial institutions were asked to indicate their interest in receiving corps members to serve in their institution for the duration of their service year.

As at end-March 2020, 10 Financial Institutions indicated their interest to receive 869 Volunteer Corps Members to provide financial education to rural communities in which they serve and act as the linkage to account opening for people in those communities. The VCMs were selected by the Faculty members in each state and trained and have been deployed to the respective institutions. They will resume active duties once normal banking operations commence across the country following the decline of the Corona Virus Pandemic.

**SPECIAL
INTERVENTIONS**

2020 International Women's Day: CBN Deputy Governor, Mrs. Aishah Ahmad makes a case for Inclusive Economy

The Deputy Governor, Financial System Stability (DG, FSS) of the Central Bank of Nigeria, Mrs. Aishah Ahmad on March 10, 2020 in Abuja hosted a breakfast meeting for 100 female staff of the Bank, as part of activities to commemorate the 2020 United Nations International Women's Day.

Speaking at the meeting, the DG FSS made Case for Inclusive Economy and stressed the need for a more inclusive economy that will embrace more women in the financial system as well as grow the economy.

Furthermore, she charged all women to do things differently to bring about the desired change, emphasizing that women who longed to get to peak of their careers must



International Women Day: CBN Deputy Governor, Mrs. Ahmad makes a Case for Inclusive Economy



Director, Information Technology Department, Mrs. Rakiya Mohammed



Special Adviser to the CBN Governor (Sustainable Banking) – Dr. Aisha Mahmood





possess core qualities such as hard work, resilience and integrity.

Responding to the questions anchored by the Director, Risk Management Department, Mrs. Folakemi Fatogbe, the Director, Information Technology Department, Mrs. Rakiya Mohammed, encouraged the older women in the Bank to mentor the younger women. She also called on the women to come together to make CBN a better place for women.

At the end, Mrs. Ahmad also encouraged the women "to speak up to win hearts and mind, thereby creating value and impact, to learn from other women"



CBN, EFinA and Women's World Banking stakeholder engagements on the Framework on Access to Finance for Women in Nigeria

The Central Bank of Nigeria in collaboration with Enhancing Financial Innovation and Access (EFinA) and Women's World Banking in February 2020 commenced stakeholder engagements for the development of its Framework on Access to Finance for Women in Nigeria.

The framework originally drafted in October 2019 by stakeholders under the Financial Inclusion Special Interventions Working Group (FISIWG) is aimed at providing an operational guide to implementing stakeholders to drive improved uptake of financial products and services by women in the country.

According to the EFinA 2018 Access to Finance survey, 40.9% of adult female Nigerians were excluded from financial products and services when compared with 32.5% men. This 8.4% gender gap in financial exclusion figures provides the impetus for the development of a framework to guide stakeholder in improving opportunities for female participation in the formal financial sector.

In order to effectively refine the draft framework, providing international best practice and recommendations, the CBN and EFinA together with Women's World Banking conducted a series of engagements with stakeholder institutions including the Development Bank of Nigeria, Federal Ministry of Women Affairs, Nigeria Incentive Based Risk Sharing System for Agricultural Lending (NIRSAL), GIZ, LAPO Microfinance Bank, National Pension Commission, Cooperatives Financing Agency of Nigeria, amongst others.

The main purpose of the engagement was to gather evidence and experiences from several stakeholder institutions in validating the barriers to access to finance for women identified and develop appropriate recommendations to address them. The document is currently being





The Digital Economy - Transformative Technology for Social Good



Participants at the IVLP Exchange Programme

According to the World Bank, In 2016, the global digital economy was worth about USD 11.5 trillion, equivalent to 15.5% of the world's overall GDP, and is expected to reach 25% in less than a decade. It also noted that to achieve an inclusive Digital Economy, the private and public sector need to synergize and provide key foundation elements which include; Digital Infrastructure, Digital Platforms, Digital Financial Services, Digital Entrepreneurship and digital skills.

While other financial inclusion stakeholders in Nigeria have focused on either expanding or implementing these foundational elements, the National Financial Inclusion Strategy identified Digital Financial Services (DFS) as pivotal to achieving 80% Financial Inclusion by 2020. The Financial Inclusion Secretariat has been working to ensure the right policy environment for DFS adoption and

penetration and the Secretariat's Head of DFS Programme Management Unit, Mr. Stephen Ambore was recently selected to participate in the International Visitors Leadership Programme (IVLP) a flagship exchange programme by the United States Department of States, which afforded immense opportunity to better understand how these foundational elements work together to facilitate the Digital Economy.

- Government and Regulators have critical roles to play

Government can facilitate innovation by providing legal certainty for innovation while regulators should focus on providing the enabling regulatory environment. Government can also support innovation by providing funding for innovative ideas. The US has demonstrated this by making funds available through its federal agencies for early stage funding through the Small Business Technology Transfer (STTR) and the Small Business Innovation Research (SBIR) funds.

While these lessons are helpful, it is worthy to note that considering the local peculiarities of each country would better help the implementation of digital economy elements that would facilitate digital inclusion.

Lagos Business Schools convenes Business Leaders Dialogue

The Lagos Business School - Sustainable and Inclusive Digital Finance Services (SIDFS) initiative hosted the Business Leaders Dialogue in February 2020, to explore the viability of agent business models as well as cash dynamics in rural Nigeria. Mrs. Nafisa Usman of the Data Management Office represented the Financial Inclusion

Secretariat at the event. The event was facilitated discussions on the findings of the rural cash dynamics and geospatial modeling of financial services agent's survey recently conducted by SIDFS. The findings from the survey provided an insight into the village-level cash dynamics and their implication for





agent network expansion in Nigeria. The research also highlighted the impact that super-agent has on rural economics, the nature of businesses that drive economic activities, and the archetypes of locations where agent banking will be viable.

Participants were also taken through the developed Geo-spatial Map (GEOFIN) which capture the entire country, drilling down to show financial services available and service requirement in a specific geographical location within country.

Source: SIDFS



NIGERIA FINANCIAL INCLUSION NEWS

MasterCard Foundation to support young entrepreneurs with \$500 Million Investment in Nigeria

MasterCard Foundation has expanded its youth focused programme, Young Africa Works Program with \$500 million earmarked for Nigeria, in its bid to program is to build the capacity and technical skills of youth, particularly in the Digital, Agriculture and Creative sectors. According to Mrs. Chidinma Lawanson – Country Head, Nigeria at the MasterCard Foundation, the organization is collaborating with various partners in pursuing their strategic objectives of leveraging technology as a tool for enhanced productivity and improved outputs among the youth. The foundation partners with reputable institutions such as Babban Gona (for agriculture) as their model "uses training and education, access to financing, and a gainful source of income to ensure young people have the tools and skills they need to prosper."

Source: <https://technext.ng/2020/02/24/mastercard-foundation-to-empower-nigerian-digital-and-creative-sector-with-500-million-investment/>



Photo credit: MasterCard Foundation

MRS. CHIDINMA LAWANSON
COUNTRY HEAD, MASTERCARD FOUNDATION
NIGERIA





PenCom directs Pension Fund Administrators to implement enhancement for Retirees

The National Pension Commission (PenCom) has directed all licensed Pension Fund Administrators (PFAs) to implement the approved, second edition of the pension enhancement exercise for retirees as part of the Programmed Withdrawal mode of retirement.

Mr. Peter Aghahowa – Head, Corporate Communication at the Commission disclosed this in Abuja; charging the retirees under the Contributory Pension Scheme (CPS) who have recorded significant growth in their Retirement Savings Accounts (RSA) and retired between July 2007 and December 2017, to duly contact their PFAs for confirmation of their eligibility and necessary documentation

Source: <https://punchng.com/pencom-directs-pfas-to-implement-pension-enhancement-for-retirees/>.



Photo credit: PENCOM

HAJIA AISHA DAHIR-UMAR
Director-General, PENCOM

ESUT VC advocates for insurance as a tool to drive Nigeria's financial inclusion rate

Professor Anike Okechukwu – The Vice-Chancellor of Enugu State University (ESUT) has affirmed the potentials for insurance to drive higher financial inclusion rate in the country and lift many Nigerians out of poverty. He shared his views on how insurance can ameliorate life challenges and reduce the risks encountered in everyday life by individuals and households alike, during his paper presentation at a Financial Inclusion Seminar which was held in Enugu.

Professor Okechukwu highlighted the importance of easy and convenient access to appropriate financial services, particularly insurance to the ability for Nigerians to safeguard themselves against losses and maintain financial stability. He noted that insurance has the potentials to improve the lot of vulnerable households in reducing



Photo credit: ESUT

PROFESSOR ANIKE OKECHUKWU
The Vice-Chancellor of Enugu State University (ESUT)





risk, building resilience and smoothening consumption as well as supporting their aspirations for savings and investment.

He also called on citizens to imbibe insurance as an important financial safeguard, noting that "Increased health insurance can ensure adequate healthcare for many families and reduce out-of-pocket expenditure. In fact, health insurance

is linked to economic growth, and reduction in poverty. The former Minister of Health, Prof. Isaac Adewole, in 2018 stated that 95 per cent of the Nigeria's 190 million people are not enrolled in any health insurance plan, despite availability of National Health Insurance Scheme."

Source: <https://www.sunnewsonline.com/boosting-nigerias-financial-inclusion-rate-through-insurance-penetration/>

Securities Exchange Commission (SEC) projects Capital Market Mutual Funds to reach N1.5 trillion by December 2020

The Acting Director-General of the Securities and Exchange Commission (SEC), Ms. Mary Uduk has called on Nigerians to take advantage of the sectors' Collective Investment Scheme (CIS) by investing in low-cost Mutual Funds. The CIS was lauded as an arranged pool of funds which is managed by group professional money managers or "fund managers" who invest the money in venture capital, bonds, stocks and other securities on behalf of investors. Ms. Uduk also noted that the industry's CIS portfolio has grown to N1.2 trillion and is further projected to reach N1.5 trillion by December 2020, offering vast opportunities for retail investors to tap into the capital market.

The Commission's Head of Office of Economics – Mr. Okey Umeano who represented the Ag. Director-General made these disclosures at a Capital Market Forum in Lagos, while highlighting other strategic initiatives to grow the mutual fund segment of the capital market through easier market access.

Source: <https://guardian.ng/business-services/mutual-funds-in-capital-market-to-hit-n1-5-trillion-by-december/>



Photo credit: SEC

MARY UDUK

Acting Director General of the Securities and Exchange Commission





AB Microfinance Banks celebrates women, hosts gender champions

AB Microfinance Bank celebrated this year's International Women's Day with a conference which brought together its foremost gender champions like the Bank's Ambassador and music icon; Onyeka Onwenu, Independent Executive Directors: Ms. Modupe Ladipo and Associate Professor at UNILAG, Olusoji George as well as one of its Branch Manager, Ms. Laura Madukamuo. The conference was focused on advancing women in leadership and promoting equitable representation in strategic sectors of the economy.

The conference themed "Each for Equal; an equal world is an enabled world" examined the country's progress vis-à-vis the World Economic Forum (WEF) global gender index. The panelists noted that there was much room for improvement in Nigeria, particularly in the area of political representation and board composition in the business sectors. The music legend, Onyeka Onwenu called on Nigerian women to dream big: "If you have a

dream and it does not scare you, it is not big enough. Wake up. Be curious. It will help you. Perhaps not today but in the future". Ms. Ladipo on her part highlighted that "Women are enterprising in economic opportunities We are growing. We have one of the largest numbers of women business owners across Africa. Although we are doing great things, we just need a bit more to help us excel on a global basis".

Source: <https://www.thisdaylive.com/index.php/2020/03/18/onyeka-onwenu-others-champion-women-on-equal-leadership-role-in-nigeria/>



Photo credit: Techpoint Africa

MODUPE LADIPO
Independent Executive Director,
AB Microfinance Bank

Access Bank flags off customer reward programme to boost financial inclusion

Mr. Victor Etuokwu - Executive Director, Retail Banking at Access Bank recently flagged off the Season 12 of the bank's DiamondXtra promo which is targeted at rewarding loyal customers through the promotion of a saving culture. According to him, the Bank has introduced some new incentives in the season for the benefit of their customers. These include over 63 winners in the one-year rent category, 3 salary for life winners as well as free health insurance covering the customer, their spouses and up to three children per family.



Photo credit :
ACT Foundation

MR. VICTOR ETUOKWU
Executive Director of Retail Banking, Access Bank





Mr. Etuokwu also announced that draws for winners will be done on a monthly basis, all through the year and other prize categories will include N1 million cash prize, N300,000 each to be won by nine women with a N100,000 shopping allowance. Senior citizens are also not left out as nine winners will emerge for the N500,000 prize category, with one winner getting a N100,000 every month.

The Executive Director further highlighted that the reward programme was focused on enhancing inclusive economic growth, noting the need for every Nigerian to benefit from all-inclusive prosperity in the country.

Source: <https://guardian.ng/business-services/how-rewards-system-will-reduce-financially-excluded-nigerians/>

INTERNATIONAL FINANCIAL INCLUSION NEWS

COVID-19: Mobile payments to the rescue in Africa

As the COVID-19 pandemic spreads around the world, governments and financial technology firms have embarked on innovative measures to reduce the use of cash in payment transactions, in a move aimed at reducing potential infections.

For instance, Kenya's President Uhuru Kenyatta directed the financial sector "to explore ways of deepening mobile-money usage to reduce the risk of spreading the virus through physical handling of cash." In support of this objective, the flagship mobile payment platform M-Pesa introduced a fee-waiver for its over 20.5 million customers. All person-to-person (P2P) transactions under 1,000 Kenyan Shillings (KSH) will be conducted free of charges for a period of three months.

Similarly, The Bank of Ghana directed all mobile money providers to waive fees on low-value transactions of GH 100, with restrictions introduced to minimize cash withdrawals from mobile wallets.

The extant Know Your Customer (KYC) regulation was also relaxed to allow for the adoption of existing mobile phone registration to suffice for account opening with mobile payment operators.

Source: <https://techrunch.com/2020/03/25/african-turns-to-mobile-payments-as-a-tool-to-curb-covid-19/>



Photo credit: Jake Bright/TechCrunch





Launch of Davos Friends of Africa Growth Platform to scale up Job Creation

The World Economic Forum has launched the Davos Friends of Africa Growth Platform (AGP) as a vehicle for mobilizing the global community for collective action towards meeting the 2025 goal of 100 million business-led initiative. AGP seeks to alleviate the unemployment crisis in Africa through enterprise development and job creation targeted at the continent's teeming 420 million unemployed youth population.

To this end, investors, entrepreneurs and governments are to join forces to improve funding prospects, create better opportunities for Africa's young entrepreneurs to finance their start-up innovation and compete more favourably in international markets. Founding partners that have pledged commitments to support the AGO include Nigeria's Zenith Bank, The Alibaba Group, the United States African Development Foundation, among others.

The Africa Regional Stewardship Board (ARSB) has been inaugurated to advance institutional support as well the delivery of relevant initiatives in the region. The Chairman of AngloGold Ashanti Forum, Siphon M. Pityana, Nigeria's Oby Ezekwesili, Richard von Weizacher - Fellow, Robert Bosch Academy have been appointed as inaugural ARSB Co-Chairs for 2020.

Source: <https://www.weforum.org/press/2020/01/launch-of-davos-friends-of-africa-growth-platform/>

**WORLD
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Launch of Davos Friends of Africa Growth Platform to scale up Job Creation

World Bank Group Campaign to eliminate extreme poverty advocates urgent focus on Fragile and Conflict-Affected Countries

According to the World Bank Group, 1 in 5 people in countries impacted by fragility, conflict and violence (FCV) lack access to finance; education and basic infrastructure, calling for urgent action to end extreme poverty across the world. Fragility and conflict have been noted as exerting huge toll on human capital, leading to increase in socio-economic problems, slower earning, productivity and mobility.

President David Malpass noted that "Addressing humanitarian crises requires immediate support and long-term development approaches. To end extreme poverty and break the cycle of fragility, conflict, and violence, countries need to



**International
Development
Association**

WORLD BANK GROUP

Photo credit: World Bank Group





ensure access to basic services, transparent and accountable government institutions, and economic and social inclusion of the most marginalized communities. These kinds of investments go hand in hand with humanitarian aid.”

The World Bank Group campaign on eliminating extreme poverty thus prioritizes long-term support to affected FCV countries, to aid them in transitioning out of fragility. Similarly, private sector solutions for scaling-

up investments in small and medium enterprises (SMEs), facilitating job creation and spurring economic growth are advocated. Financing for FCV is projected through the World Bank's General Capital Increase as well as the recently approved replenishment of the Bank's International Development Association (IDA), with over \$20 billion earmarked for FCV.

Source: <https://www.worldbank.org/en/news/press-release/2020/02/27/eliminating-extreme-poverty-requires-urgent-focus-on-fragile-and-conflict-affected-countries>

AFI's Pacific Islands Regional Initiative (PIRI) publishes Sandbox Guidelines

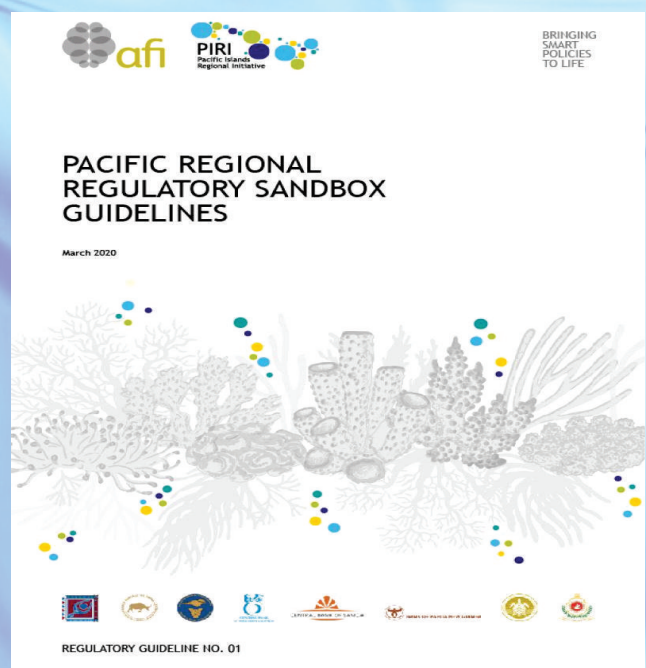
The Pacific Islands Regional Initiative (PIRI), under the auspices of the Alliance for Financial Inclusion (AFI) has published its [Pacific Regional Regulatory Sandbox Guidelines, a strategic document aimed at advancing innovative financial technology \(FinTech\) solutions as a driver for greater financial inclusion.](#)

AFI provided the technical support for the development of the Guidelines; which was jointly developed with the PIRI region's seven Central Banks namely: [Banco Central de Timor-Leste, Bank of Papua New Guinea, Central Bank of Samoa, Central Bank of Solomon Islands, National Reserve Bank of Tonga, Reserve Bank of Fiji and Reserve Bank of Vanuatu. Funding assistance was provided by the UKAID, a British Government Development Organization.](#)

The Guidelines outlines the motivation and objectives of the sandbox as well provide guidance for potential applicants on the regulatory requirements and requisite procedures for application and approval of FinTech initiatives. Applicants are required to comply with their respective sovereign legal framework, prior to receiving approval to proceed to an experimentation stage in which their innovations will be safely tested within

stipulated rules. The focus is to engender the expansion of access to, and usage of financial services and promote financial inclusion. According to the Bank Papua New Guinea Deputy Governor, Joe Teria “We (PIRI) are innovative when we find ways of removing barriers from one island to another, but it needs to take place in a safe environment. Otherwise, we challenge our regulatory framework, which has been built up over many years.”

Source: <https://www.afi-global.org/news/2020/03/piri-publishes-pacific-regional-regulatory-sandbox-guidelines>



AFI's Pacific Islands Regional Initiative (PIRI) publishes Regulatory Sandbox Guidelines



The Financial Inclusion Secretariat is the coordinating body for the implementation of the National Financial Inclusion Strategy in Nigeria. The Secretariat is a liaison for all stakeholders in the Financial Inclusion space and is responsible for engaging, coordinating and evaluating initiatives geared towards the achievement of the Strategy targets. This newsletter is a quarterly publication by the Financial Inclusion Secretariat and features industry news on financial inclusion as well as periodic updates on the progress of the implementation of the Strategy.

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