



CENTRAL BANK OF NIGERIA

FINANCIAL INCLUSION NEWSLETTER

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National Executive Council to boost productivity and financial inclusion for the poorest and most vulnerable in Nigeria

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President Muhammadu Buhari, GCFR at the National Economic Council Retreat in Abuja (March 2016)
Source: <http://metrowatchonline.com/report-national-economic-council-retreat-highlights>

The Financial Inclusion agenda is one that has gained critical acclaim nationally and indeed globally. Increasingly, financial inclusion has been identified by many countries as the bedrock for economic development and financial system stability.

In 2012, Stakeholders in the financial sector recognized the need to promote financial inclusion in Nigeria and launched the National Financial Inclusion Strategy (NFIS) with the overall target of reducing the number of adults excluded from financial services from 46.3% in 2010 to 20% in 2020.

Since the launching of the Strategy, the Nigerian Government has continued to support the bid to improve the

lives of the people by deliberately developing financial inclusion policies and interventions targeted at the rural poor.

A notable milestone was the executive pronouncement on financial inclusion during the National Executive Council Retreat chaired by His Excellency, The Vice President of the Federal Republic of Nigeria, Prof. Yemi Osinbajo, which held on 21st March, 2016. The theme of the Retreat, "Nigerian States: Multiple Centers of Prosperity", explored ways to respond to the nation's current economic crisis.

The Retreat, which had in attendance State Governors and Ministers, sought to provide a forum for enabling policy actions to support economic growth. Some of the resolu-

tions directly linked to financial inclusion outlined for the government at the retreat include;

- To make the environment conducive for the MSMEs to create jobs for the unemployed and undertake deliberate policies to create access to funds
- To create a delivery mechanism that ensures efficient, consistent, timely and direct payments in the remotest parts of the country
- **To boost productivity and financial inclusion for the poorest and most vulnerable.**

This pledge by the National Economic Council gives credence to the efforts of national stakeholders to leverage financial inclusion as a veritable tool for enhancing economic citizenship.

60.5% Financially Included

39.5% Financially Excluded





National Financial Inclusion Governing Committees hold meetings to drive Strategy Implementation



Governor, CBN chairing the Steering Committee meeting



Former Post Master General, NIPOST, MD/CEO Union Bank (Bankers Committee) and DG—NIMC at the Steering Committee meeting.



Deputy Governor, Operations (CBN), MD NDIC and Rep. of the Honorable Minister of Youth and Sports at the Steering Committee meeting.

1) National Financial Inclusion Steering Committee Meeting

The 2nd meeting of the National Financial Inclusion Steering Committee (NFISC) took place on Thursday, 28th January, 2016. The Committee was set up to give policy and strategic direction on the implementation of the National Financial Inclusion Strategy in Nigeria.

The meeting which was chaired by the CBN Governor, Mr. Godwin Emefiele had in attendance heads of stakeholder agencies/institutions including; the Nigerian Deposit Insurance Corporation, National Pension Commission, National Insurance Commission, Bankers' Committee, Nigerian Postal Service, Securities and Exchange Commission, Apex associations, as well as Ministries, Depart-

ments and Agencies (MDAs).

At the meeting, the results of the National Baseline Survey on Financial Literacy were presented to the Committee by the Director, Consumer Protection Department, CBN, Mrs. Umma Dutse, while the representative of the consulting firm, Brandworx Limited presented the result of the 2nd round of the Geospatial Mapping Survey.

2) National Financial Inclusion Technical Committee Meeting

The 5th Meeting of the Financial Inclusion Technical Committee held on Thursday, 24th March, 2016. The Committee was set up to provide technical support on strategy implementation and serves as the advisory body to the National Financial Inclusion Steering Committee .

The meeting was chaired by the CBN Deputy Governor,

Financial Systems stability represented by the Director, Development Finance Department Dr. M.A. Olaitan. In attendance were Directors/equivalents from member institutions.

Key highlights of the meeting included updates from the Financial Inclusion Working Groups and the progress report on the strategy implementation.

Secretary to the Committee and Head of Financial Inclusion Secretariat; Mrs. Temitope Akin-Fadeyi, provided the progress update at the Governing Committee meetings, highlighting key achievements by all stakeholders.

The critical issues for consideration with regards to the implementation of the Strategy highlighted at the meetings are shown on the Table below.

S/N	Strategy Targets	Implementation Issues	Recommended Solutions	Stakeholders
1	Payments and Savings	<ul style="list-style-type: none"> Low dispersion of financial access points Infrastructural constraints hampering uptake of electronic channels 	<ul style="list-style-type: none"> Implement Digital Financial Inclusion Project Improve network in rural areas 	CBN, Bankers' Committee, Federal Ministry of Communication, NCC, ALMPO, MDAs
2	Credit	<ul style="list-style-type: none"> High cost of credit and low uptake of micro-loans Low awareness of Movable Collateral Registry 	<ul style="list-style-type: none"> Leverage on existing credit schemes such as MSMEDF, YIEDP Raise awareness of Collateral Registry 	CBN, Bankers' Committee, NAMB, AMFIN
3	Pension	<ul style="list-style-type: none"> Low penetration in the informal sector 	<ul style="list-style-type: none"> Implement and raise awareness about micro pension plan 	PenCom, PenOp, MDAs
4	Insurance	<ul style="list-style-type: none"> Low uptake of products and services Limited data available 	<ul style="list-style-type: none"> Enforce compulsory insurance products and raise awareness about benefits of insurance Enhance existing database 	NAICOM, NIA, MDAs
5	ATMs	<ul style="list-style-type: none"> Cost of deployment and maintenance Security issues in remote areas 	<ul style="list-style-type: none"> Deploy targeted ATMs in LGAs with few access points Enhance security arrangements for ATM deployments 	CBN, Bankers' Committee, Federal Ministry of Communication, NCC
6	POS	<ul style="list-style-type: none"> Infrastructural constraints hampering uptake of electronic channels 	<ul style="list-style-type: none"> Improve network in rural areas 	CBN, Bankers' Committee, Federal Ministry of Communication, NCC
7	National ID	<ul style="list-style-type: none"> Lack of unique identification 	<ul style="list-style-type: none"> Harmonize identity databases 	NIMC, Regulators, MDAs



Financial Inclusion Working Groups hold 5th Technical Meetings to drive Strategy Implementation



Head, Strategy Coordination Office, FIS at the FIPWG meeting



Cross section of FICWG members at the Meeting



Cross section of FLWG members at the Meeting



MD, Future Growth MFB at the FISIWG meeting

The four Financial Inclusion Working Groups held their 5th meetings at the International Training Institute of the CBN in Abuja on 10th March, 2016. The Working Groups were set up to deal with specific issues in the Strategy implementation process:

- 1. The Financial Inclusion Products Working Group (FIPWG)** addresses implementation issues on financial products and services, with a view to scaling up adoption of savings and credit, among others.
- 2. The Financial Inclusion Channels Working Group (FICWG)** addresses implementation issues on financial access points and their dispersion across the country.
- 3. The Financial Literacy Working Group (FLWG)** addresses financial capability of consumers, in order to improve their understanding of concepts and risks associated with financial products and services.
- 4. The Financial Inclusion Special Interventions Working Group (FISIWG)** addresses implementation issues related to Women; Youth and People with Disabilities (PWD), in order to enhance their access to financial products and services.

The highlights of the 5th Working Group Meetings are outlined below.

FIPWG	FICWG	FLWG	FISIWG
<p>1. Update on Micro Insurance Framework: NAICOM reviewed guidelines to make way for smaller type of licenses that would enable operations at national, state or local government level.</p> <p>2. Harmonization of Data Capturing for National ID: Process of harmonization of ID databases commenced, supervised by the office of His Excellency, the Vice President, with timelines assigned and subject to funding availability.</p> <p>3. National Collateral Registry (NCR): Capacity building for key stakeholders kicked off.</p> <p>4. Pass Through Insurance: Mobile Money Operators to open pool accounts for their customers while the individual subscribers will be covered by the deposit insurance.</p>	<p>1. Update on financial inclusion distribution channels for the Capital Market: A brief update was presented by the Fund Managers Association of Nigeria, reiterating that the aim of the initiative was to leverage on banks and insurance companies to distribute capital market products.</p> <p>2. Update on Internet Access at the 774 Local Government Areas: The representative of the Federal Ministry of Communications stated that stakeholders had already been engaged and that the plan would be to deploy 4G/LTE technology.</p> <p>3. Update on the Shared Agent Network/Super-Agent Licensing: 2 (two) super agents have been given approval in principle by the CBN.</p> <p>4. The proposed Role of the Microfinance Sector in the Agent Banking Implementation</p>	<p>1. A Progress Update on Mass Sensitization and Enlightenment: Brief updates were provided by members on financial literacy efforts in the period under review.</p> <p>2. Progress Update on School Reach-out & Mentoring/2016 Global Money Week: The chairperson provided an update on the planned Global Money Week activities, including updates from members on school reach out programmes.</p> <p>3. Progress Update on Curriculum Development: The curriculum development process reported as on track, with a writing workshop planned for 2nd Quarter 2016.</p> <p>4. Presentation of the Financial Literacy Baseline Survey Results: A presentation on the findings of the financial literacy baseline survey was presented to members.</p>	<p>1. Diamond Bank provided progress updates on its Financial Inclusion Product designed specifically for market women called "Diamond Beta".</p> <p>2. Federal Ministry of Youth and Sports shared the Ministry's plans for improving financial inclusion amongst the youth to address high unemployment and limited capital to start businesses.</p> <p>3. Potentials for Increased Mobile Money Adoption By The Youth: The discussion centered on a call for members to identify opportunities for the use of mobile money to increase financial inclusion.</p> <p>4. Future Growth Experience In Karmajiji: Future Growth Microfinance Bank shared field experiences on disbursing the Micro Small & Medium Enterprise Development Fund to People with disabilities in Karmajiji.</p>

**SPOTLIGHT: STRATEGY IMPLEMENTATION BY APEX ASSOCIATIONS****Major Financial Inclusion Milestones**

*Mr. Godwin Emefiele,
CBN Governor
Chairman, Bankers' Committee*

BANKERS' COMMITTEE

In order to scale up the achievement of the National Financial Inclusion Strategy targets, the Bankers' Committee at its 325th meeting held on February 11, 2016, approved the setting up of an ad-hoc Committee comprising of the CBN and representatives of select banks to develop a 5-year (2016 - 2020) financial inclusion target breakdown for all Deposit Money Banks (DMBs).

This initiative is expected to enhance implementation efforts and address gaps on financial inclusion rates; particularly for credit, electronic payments and geographical dispersion of access points across the country.

Engagements to this effect are ongoing while a review meeting has also been held with the Heads of Strategy, and the Financial Inclusion Desk Officers of the DMBs. The ad-hoc Committee is expected to make formal submission to the Bankers' Committee for consideration and approval after which implementation would commence.

NIGERIAN INSURERS ASSOCIATION (NIA)

The Association in its effort to develop an inclusive insurance market in Nigeria established a standing Technical Committee called the *Micro Insurance Committee* to deliberate on issues relating to micro insurance and advise the Governing Council of the Association appropriately. The Committee meets on monthly basis for collective knowledge sharing through seminars, workshops and trainings. The key objective is to help the underwriters recognize their area of strength, weakness and opportunities.

As part of the Association's initiatives to deepen insurance penetration in Nigeria, the Micro Insurance Committee organized a one day Micro Insurance Fair in the last quarter of 2015, titled "*Making insurance work for the informal sector*" for industry stakeholders.

Highlights of the fair include; sensitization on benefits of insurance especially for the low income earners and enhanced interest to sustain Micro Insurance development in Nigeria.



*Mr. Thomas Olorundare,
Director General, NIA*



*Ms. Ore Sofekun
President, FMAN*

FUND MANAGERS ASSOCIATION OF NIGERIA (FMAN)

The Association promotes the adoption of collective investment schemes (mutual funds) as an entry product, of which an investor can start with small sums of money and own part of a diversified portfolio of investment.

In addition, Exchange Traded Funds (ETFs) which also hold a basket of instruments is targeted at driving financial inclusion. In 2015, 5 new mutual funds and 5 new ETFs were launched by Fund Managers to increase the options available to retail investors. The Assets under management of the Fund Management Industry increased from N156 billion to N264 billion, with a 59% increase recorded in 2015.

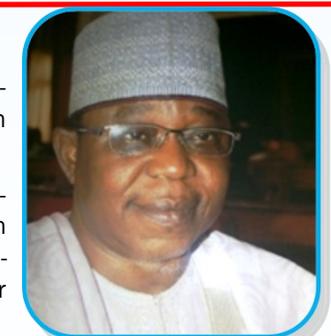
The Association is currently exploring new and innovative distribution channels to enhance the uptake of investment products and services in the country. Enhanced partnership with the Stock Brokerage Community has also been identified as critical to improving investment knowledge among target groups.

ASSOCIATION OF NON-BANK MICROFINANCE INSTITUTIONS (ANMFIN)

ANMFIN's twin goal are corporate responsibility and social enterprise; focused on deepening outreach to Micro, Small and Medium Enterprises (MSMEs) and poor households, especially those in the rural areas across Nigeria.

The Association leverages on two of the pillars for achieving the National Financial Inclusion targets; notably the *Linkage models and Client empowerment models*. This enables the Association to facilitate critical partnerships and business cooperation between Non-Bank Microfinance Institutions and other stakeholders. The Association also undertakes literacy initiatives as a tool for client empowerment.

ANMFIN provides a platform for practitioners to share field experiences in financial inclusion, discuss innovation, best practices and strategies, as well as exposure to technical tools which can be targeted to other vulnerable groups.



*Hon. Hamid Afolabi
National President,
ANMFIN*



Photorama



2016 International Women's Day celebration - CBN Deputy Governor, Economic Policy, Dr. Sarah Alade charged Women on Self-Empowerment to achieve gender parity



The Commissioner of Insurance, Albaji Mohammed Kari, meeting with the Governor of Ogun State, Senator Ibikunle Amosun, on Enforcement of Compulsory Insurance at the State Level



The African Rural and Agricultural Credit Association (AFRACA) called for sustained commitment to financial inclusion through agricultural financing during a 2-day workshop held in Abuja



Cross section of participants at the Women Empowerment Stakeholder workshops organized by the Federal Ministry of Women and Social Development



Presentation of Gift to the Outgoing CEO of EFINA - Ms. Modupe Ladipo at the 5th National Financial Inclusion Technical Committee Meeting



Disbursement of MSMEDF to beneficiaries of Omowumi Ilorin MCU Ltd at their Secretariat Ilorin Kwara state, under the auspices of ANMFIN



DIGITAL FINANCIAL INCLUSION PROJECT

CBN conducts Proof of Concept (PoC) to assess the deployment of E-wallets for Farmers

Farmers are registered for BVN



Farmers learn basic budgeting



Farmers discuss Commitment Savings plan



Farmers' ATM cards are activated



In furtherance of the tripartite collaboration on digital financial inclusion between the Central Bank of Nigeria, the Federal Ministry of Finance and the Bill & Melinda Gates Foundation; the Financial Inclusion Secretariat facilitated a Proof-of-Concept (PoC) to assess the deployment of E-Wallets for farmers, in conjunction with the Technical Advisers, McKinsey & Co.

The financial institution which partnered for the PoC was First City Monument Bank (FCMB), the existing bankers to Babban Gona.

The Babban Gona Agricultural franchise, a centralized commodity buyer in Soba Local Government of Kaduna State, was adopted for the PoC which involved 68 farmers and payment to these farmers was made electronically and split up into two parts: 90% paid into a savings account and 10% paid into a mobile wallet.

The farmers also had the option of opening a commitment savings account which would allow them to save for a specific goal, such as their children's school fees.

The farmers also complete basic financial literacy training on financial planning and budgeting. 59 out of the 68 farmers (87%) signed up for the commitment savings account. The average amount saved by each farmer was N13,500 with an average commitment period of about 3 months.

The PoC also involved the registration of the farmers for Biometric Verification Numbers (BVN). Three banking agents and one super-agent were deployed to serve the farmers, based on their liquidity profile and proximity to the farmers.

The PoC revealed interesting results as shown by a dashboard developed to monitor the transaction behavior of the farmers:

- 44 farmers performed a total of 77 transactions mostly on the basic savings account (87% were withdrawals/

cash-out, 7% were fund transfers and 4% were mobile phone top ups).

- 24 farmers were unable to transact due to BVN registration challenges.
- The low level of financial literacy amongst the farmers called for creativity in communication. Interestingly, despite the lack of familiarity the farmers had with formal financial services they were still willing to take up the services.

The PoC revealed that there was a clear need for additional incentives for agent deployment, particularly in rural areas. It was also noted that farmers, given the right exposure to digital financial services were open to adoption. Lastly, the high cost of infrastructure needed to be comprehensively addressed in order to achieve scale.

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DIGITAL FINANCIAL INCLUSION PROJECT

CBN conducts Proof of Concept (PoC) to assess the deployment of E-wallets for Farmers

Key Lessons learned from the Proof Of Concept (POC)

Continued from Page 6

 <h4>Enrolment and set-up</h4> <ul style="list-style-type: none"> Work with local government authorities and ensure that local opinion leaders are present to provide support to the program During account opening process, ensure quality control in checking identity documents, existing BVN numbers, etc. Provide multiple BVN registration equipment to relieve potential bottleneck 	 <h4>Systems and technology</h4> <ul style="list-style-type: none"> Invest in robust, reliable technology platform Minimize systems downtime to maintain users' trust Set up systems to track DFS usage in an automated and seamless manner
 <h4>User experience</h4> <ul style="list-style-type: none"> Invest in financial literacy training Incentivize users who transact frequently and properly communicate incentives Identify role models in the community to champion the DFS initiative and generate enthusiasm among users 	 <h4>Agent selection and experience</h4> <ul style="list-style-type: none"> Select agents carefully, ensuring that they are: able to maintain sufficient daily cash balances; strategically located to generate traffic; and able to have multiple people operate POS machine at the location Recruit agents who are motivated and enthusiastic about doing business

The key lessons learned from the Proof Of Concept on digitizing payments for farmers are being expanded to guide the development of the detailed Project Implementation plan as mandated by the Project Steering Committee.



Mrs. Chidma Lawanson
CEO, EFINA

Enhancing Financial Innovation and Access (EFInA) holds Mobile Money Working Group meeting

2016. The meeting sought to tackle the low uptake of mobile money in Nigeria. In attendance were financial institutions, Mobile Money Operators, Fintech companies and regulators including the Nigerian Communications Commission (NCC) and CBN. Key highlights of the meeting included the following presentations;

- Key strategies for scaling up mobile money adoption in Nigeria by 'Red ANT International'.
- Super Agent Model; by Innovectives, a newly licensed super agent.

- Opportunities and challenges for Mobile Money Operators (MMOs) in the Recapitalization Era by EFINA.

Participants stressed the importance of a wide spread agent network to reach otherwise financially excluded populations.

One key outcome from the meeting was that a committee would be tasked with ensuring that MMOs comply with interoperability regulations in order to deepen outreach.

The financial sector development organization, Enhancing Financial Innovation & Access (EFInA) held its Mobile Money Working Group meeting in April



CBN Anchor Borrowers Programme (ABP) creates thousands of jobs in Kebbi State



L-R: CBN Governor, Minister of Agriculture and Kebbi State Governor

On Friday April 22, 2016, the CBN Governor, Mr. Godwin Emefiele undertook an assessment tour of rice producing communities in Kebbi State under the CBN-initiated Anchor Borrowers' Programme (ABP), in the company of the Honourable Minister of Agriculture, Chief Audu Ogbeh and the Kebbi State Governor, His Excellency, Alhaji Atiku Bagudu.

The Anchor Borrowers Programme which was

launched in Kebbi in November, 2015 is aimed at creating economic linkages between smallholder farmers and reputable large-scale processors with a view to increasing agricultural output and significantly improving capacity utilization of integrated rice mills.

During the assessment tour, the CBN Governor lauded the Kebbi State Governor and the farmers for their determination and commitment, and stated that over 500,000 direct jobs had been created with the multiplier effects.

In addition, he said there was timely supply of inputs to about 73,001 farmers, even as 70,871 rural farmers now own and operate Bank accounts, which have all been captured under the Bank Verification Number (BVN) biometric project.

The Honourable Minister of Agriculture, Chief Audu Ogbeh, commended the intervention of the CBN, through the ABP, as well as the commitment of the farmers and Government of Kebbi State.

He noted that the level of activities in the rural areas pointed to the fact that, with Kebbi State alone targeting one million tons of rice out of the projected seven million required by the entire country, self-sufficiency in rice production was very much in sight.

In his remarks, the Governor of Kebbi State disclosed that farmers in the State had been adequately mobilized towards the attainment of the one million tons of paddy by providing them with necessary inputs and that farmers in the State were already looking forward to the repayment of the loan facility extended to them at the beginning of the farming season.



NYSC members at the launch of the YIEDP

In order to facilitate job creation for the youth and further its interventions in the real sector of the economy; the CBN in collaboration with NYSC and Heritage Bank, launched the Youth Innovative Entrepreneurship Development Programme (YIEDP).

The launch which had in attendance the Director General of NYSC, Chairman, Heritage Bank Plc. and the CBN delegation led by the Governor was held on March 15, 2016.

In his remarks, the CBN Governor stated that

CBN collaborates with Heritage Bank and National Youth Service Corps (NYSC) to launch the Youth Innovative Entrepreneurship Development Programme (YIEDP)

the programme would provide timely and affordable credit to assist youths in implementing their business ideas, thereby providing the mechanism for stimulating growth, reducing unemployment as well as addressing youth restiveness.

The key features of the YIEDP include;

- I. A pilot phase targeted at 10,000 youths in productive activities within the next four years.
- II. Single applicants can access up to N3 million loan each, while joint applicants (3 -5) are allowed to access up to N10 million
- III. Acceptance of academic and

NYSC certificates, third party guarantees and other moveable assets as collateral for successful candidates.

Those who are qualified for the programme are the current NYSC members or other youth with a maximum of 5 year post NYSC-experience.

Eligible candidates are expected to apply loan through this portal www.yiedp-hbng.com using their NYSC State Code.

Applications will be assessed on a rolling basis, with the first batch of Applicants scheduled for technical training in June 2016.



Nigeria celebrates 2016 Global Money Week (GMW) to promote Financial Literacy



Director, Consumer Protection Department, CBN handing a prize to a student during the Financial Literacy quiz competition



Students attending the closing ceremony at the Nigerian Stock Exchange during the Global Money Week



An enlightenment walk during the Global Money Week

The Child and Youth Finance International conceptualized the Global Money Week in 2013, with the aim of teaching children and youth about money, saving, creating livelihoods and gaining employment through interactive activities. Nigeria has been participating in the celebrations since inception.

From the 14th to 20th March 2016, the Bankers' Committee, together with several institutions including; Lynx Nigeria, Junior Achievement (JA) Nigeria, GIZ Nigeria, SAGE Nigeria, Financial Literacy for All, Nigeria Stock Exchange (NSE), Ajapaworld Company joined the world to celebrate Global Money Week in the country.

The celebrations featured a huge youth-led Financial Literacy Road Show in Abuja, aimed at fostering a savings culture among the general public. As part of the roadshow, there was an enlightenment walk which commenced from Junior Secondary School, Dutse Alhaji to Dutse Alhaji market in Abuja.

The GMW also featured visits by Heads of financial institutions to deliver financial education to primary and secondary students across the country.

Several NGOs, civil societies and some development partners also joined in this year's GMW celebrations to expand the country's financial education across several states. Some key activities during the GMW included;

1. Hosting of series of educational programs aimed at engaging young people in knowledge sharing on how money works, saving, investing, creating livelihood, gaining employment and entrepreneurship by the Nigerian Stock Exchange in collaboration with Access Bank.
2. Visits by financial institutions to primary and secondary schools to deliver training on savings, budgeting, earning and investing money.
3. Workshops by German Development Cooperation (GIZ) and its affiliate microfinance institutions on financial education, employment, job shadowing, savings campaigns and school bank initiatives in four states.
4. Tour of the Currency Museum of the Central Bank of Nigeria organized by the SAGE Nigeria team for primary and secondary school students.
5. Financial literacy programme by Financial Literacy for All (Teach Children to Save) at Pascelli School for the Blind.
6. A quiz competition for school children by the CBN as well as an enlightenment walk which commenced from Junior Secondary School, Dutse Alhaji to Dutse Alhaji market in Abuja.



MSMEDF: CBN Targets 5,550 Persons with Disabilities Entrepreneurs Nationwide



Dr. Samuel Ankeli, Senior Special Assistant to the President on Disability Matters



Dr Ekaete Umob
President, JONAPWD



L-R: Executive Director Theseabilities, Director, Development Finance (CBN), Senior Special Assistant to the President on Disability Matters and Head, Financial Inclusion Secretariat

The Financial Inclusion Secretariat organized a stakeholders' workshop on Thursday, 28th April 2016 on modalities for upscaling the disbursement of 2% of the MSME Development Fund for People with Disabilities (PWD).

The workshop was convened following a series of engagements with the Office of the Vice President to scale up disbursement of the 2% of the Micro, Small and Medium Enterprise Development Fund (MSMEDF) earmarked for the population group.

The workshop which was chaired by the Director, Development Finance Department of the CBN had in attendance representatives of associations of persons with disabilities, financial institutions and other key stakeholders includ-

ing the Senior Special Assistant (SSA) to the President on Disability matters, Dr. Samuel Ankeli and Special Assistants to the Vice President.

In his goodwill message, the SSA to the President on Disability matters commended the work that had been done towards the project implementation, stressing that the project had the full backing and support of the Federal Government. He called on Persons With Disabilities to ensure that the loans were used and repaid to enable others benefit from the Fund.

During the workshop, Mrs. Temitope Akin-Fadeyi, Head of the Financial Inclusion Secretariat, unveiled the strategy for scaling up the disbursement of the MSMEDF to Persons With Disabilities; with a focus on reaching 150 eligible entrepreneurs across

all the states of the Federation and totaling 5,550 persons.

Other key features of the workshop included;

- A presentation by the President of the Joint National Association of Persons with Disabilities (JONAPWD).
- Experience Sharing on MSMEDF Disbursement to Persons with Disabilities by Lapo, Accion and Future Growth Microfinance Banks.
- Highlights of the features of the MSME Development Fund by the Development Finance Department, CBN.

Diamond Bank deepens women's financial inclusion with 'Diamond Y'ello Account



L-R: CEO, Diamond Bank - Mr. Uzoma Dozie, Ms. Mary Ellen Iskenderian, CEO, Women's World Banking, CEO, MTN Nigeria - Mr. Ferdi Moolman and Ms. Elizabeth Kellison Deputy Director - Strategy, Planning and Management (Gender Lead), Bill & Melinda Gates Foundation

The Diamond Y'ello Account was designed by Diamond Bank in collaboration with MTN and Women World Banking. The product which focuses on

low-income women has a target to include 500,000 additional underserved women in the formal banking sector.

The official product launch took place in Lagos on Tuesday 1st March, 2016 with top management and representatives of Diamond Bank, MTN, Women World Banking, MTN Foundation, Regulators and other industry stakeholders in attendance.

The aim of the launch was to increase awareness of the product and provoke thoughts on building sustainable services for the poor

using technology.

In his opening remark, Diamond Bank CEO, Mr. Uzoma Dozie, stated that the focus of Diamond Bank over the years, has been on the middle market and on serving segments that are not currently captured by formal financial services.

He also stated that the Bank's experience was that customers at the bottom of the pyramid were familiar with technology and were able to make use of digital services to improve their quality of life. The product seeks to further enhance the financial inclusion of Nigerian women.



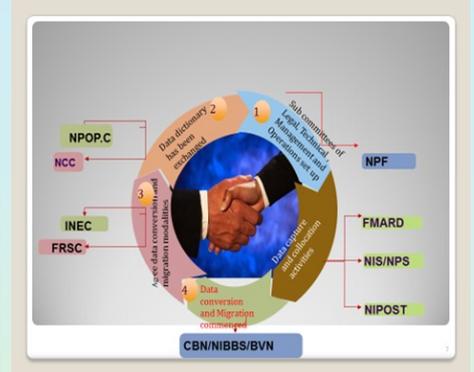
FINANCIAL INCLUSION STAKEHOLDER ENGAGEMENTS

PENCOM, NIMC and NDIC strategize to promote financial inclusion in Nigeria

NATIONAL IDENTITY MANAGEMENT COMMISSION

As part of the harmonization of all identity databases in Nigeria, NIMC:

- Organized series of workshops on the adoption NIN for service related business processes.
- Organized one-on-one engagements with relevant stakeholders on the process of harmonization and integration of identity databases.
- Set an initial date for mandatory use of the NIN. Implementation requirements and regulatory guidelines are to be finalized in due course.
- Is currently deploying authentication and facilities for the verification of NINs by user institutions.
- Is reorganizing and decentralizing the National e-ID card distribution process.



Progress on agencies at various stages of harmonization of identity databases

NATIONAL PENSION COMMISSION

The National Pension Commission as part of its financial inclusion efforts:

- Conducted enlightenment programs for Twenty-five (25) public and private sector organisations from three (3) geopolitical zones of the country.
- Coordinated an interactive session with Staff of the National Assembly and Pension Fund Administrators (PFAs). The enlightenment concentrated on the issues concerning the provisions on benefit administration under the Pension Reform Act 2014 and the new developments ushered in by the Act.
- Facilitated and coordinated the media coverage of an interactive session with Pension and Labour correspondents and editors in Lagos with the aim of educating them on the workings of the CPS and shed more light on issues that need more clarification.
- Had a presentation at a seminar for Pact Nigeria, a non-profit organisation titled 'Innovations introduced by PRA 2014'.

NIGERIA DEPOSIT INSURANCE CORPORATION

The Nigeria Deposit Insurance Corporation (NDIC):

- Embarked on various sensitization programmes, as well as used every fora available to it to inform the general public on its activities, with the view to building/reinforcing depositor confidence in the Nigeria banking system and promoting financial inclusion.
- Implemented Financial Literacy/Financial Inclusion objectives through Student Academic Visits and the Nationwide Sensitization of National Youth Service Corps Members.
- Approved the implementation of the "Pass-Through Deposit Insurance Scheme" which is the protection provided by the NDIC to mobile money subscribers and insures funds that are deposited by a Mobile Money Operator (MMO) in the Deposit Money Banks (DMBs). Several engagements had been held between the NDIC, Telcos and MMOs to keep licenced MMOs abreast of their expected roles and obligations.

Source: Stakeholder Reports, 2016



Financial Inclusion Newsletter Volume 1 Issue 1 (Page 5)— **"The NCC has stated that it intends to achieve 80% broadband penetration by 2018"** should read **"The NCC has stated that it intends to achieve 30% broadband penetration by 2018."** All Inconveniences regretted.



FINANCIAL INCLUSION STAKEHOLDER ENGAGEMENTS

Implementation of the National Financial Inclusion Strategy at state level

Financial Inclusion Secretariat hosts workshop for CBN Branch Controllers and Development Finance Officers

The Financial Inclusion Secretariat hosted a 2 (two) day workshop for Branch Controllers and Development Finance Officers of the Central Bank of Nigeria, Lokoja Branch.

The workshop which was co-chaired by the Directors—Branch Operations Department and the Development Finance Department held from Wednesday, 17th February to Thursday, 18th February, 2016. Its objectives were to:

- Provide the Branch Controllers background information on the financial inclusion strategy.
- Introduce the work processes to drive financial inclusion at State levels.
- Present 2016 financial inclusion targets by State and the annual monitoring template.
- Gather feedback from Branch Controllers and address pertinent implementation questions, and
- Provide the Development Finance Officers (DFO) in each state with itemized roles and responsibilities in the implementation of the Development Finance Initiatives.

The key highlights of the workshop included;

- A presentation by the Financial Inclusion Secretariat on the progress of the implementation of the Strategy,
- Case studies on Kano and Jigawa States financial inclusion progress,
- A breakout session by geopolitical zone to de-

velop implementable work plans at branch level,

- Quarterly meeting of Branch Controllers and
- A session with the Development Finance Officers to identify their roles and responsibilities in the development finance initiatives of the bank.

Some of the key decisions reached at the meeting included:

- The Financial Inclusion Secretariat would collate the key actions identified by the various branches to form an implementable action plan.
- The Branch Controllers would review the action plans and once finalized, the branches should commence implementation to promote financial inclusion at state levels.
- The Financial Inclusion Secretariat would send out the monitoring and evaluation template for the Branch controllers to submit returns on a quarterly basis.
- The Branch Controllers would engage the Governments in each state to get their buy-in for the financial inclusion of the indigenes.
- The Financial Inclusion Secretariat should explore relationships with international donors and development partners for the funding of identified financial inclusion initiatives at state levels.

The meeting concluded with resolution to enhance the implementation of the National Financial Inclusion Strategy at the state level, leveraging the action plans developed at the breakout sessions during the workshop.



Joint Plenary Session of the CBN

Branch Operations and Development Finance Departments



Cross-section of Participants



Zonal Break-Out Session on Financial Inclusion Initiatives



Global and Nigerian Online Financial Inclusion Data Sources

The rise of financial inclusion on the national and global agenda over the last years has been reflected in the appearance of a number of financial inclusion data sources. The table below provides an overview of key databases, which policy-makers, financial service providers, and interested individuals are recommended to use:



Name and Link	Description	Approximate Sample Size	Demand / Supply-Side Data	Available Time Period	Frequency of Updates (for Nigeria)	Data Publicly Available?
EFInA's Access to Financial Services in Nigeria Survey	Nigerian nationally representative biennial survey with a sample size of over 20,000 individuals aged 18 and above, covering all 36 states plus FCT; Covers wide range of questions on financial access; Results are used to calculate financial inclusion rate for Nigeria.	20,000+ individuals	Demand	2008-2014	Every two years	Only key findings; Raw data available for a fee
Financial Inclusion Insights Tracker Survey	Nationally representative surveys of individuals and above for ten countries (6 in Africa, 4 in Asia), including Nigeria, with a particular focus on digital financial services; Sample for Nigeria includes individuals aged 15 and above; Covers 33 states plus FCT.	6,000 individuals	Demand	2013-2014 (2015 data not available yet)	Twice a year	Yes upon request
Global Findex Database	Provides data on over 100 financial inclusion indicators in over 140 countries worldwide, including Nigeria; Data is based on nationally representative and randomly selected adults (aged 15 and above) and collected in partnership with the Gallup World Poll.	1,000 individuals	Demand	2011-2014	Every three years	Yes
IMF Financial Access Survey	Global database on 40+ financial inclusion supply-side indicators of 180+ countries, including Nigeria; Officially recognized data source for the G20 Basic Set of Financial Inclusion Indicators.	180+ countries (although data not complete for all countries)	Supply	2004-2014	Every year	Yes
FSP Maps (see next page)	Interactive online maps for six countries, including Nigeria, on financial access point dispersion; Allows to filter by access point type and contextual layer as well as enables calculation of population within a defined radius (e.g. 5km) of a particular access point.	Geospatial data available for six countries	Supply	Last updated in 2015	Approx. every two years	Summary data and interactive maps yes; Raw data no



CBN conducts Second Round of Geospatial Mapping Survey of Financial Access Points in Nigeria

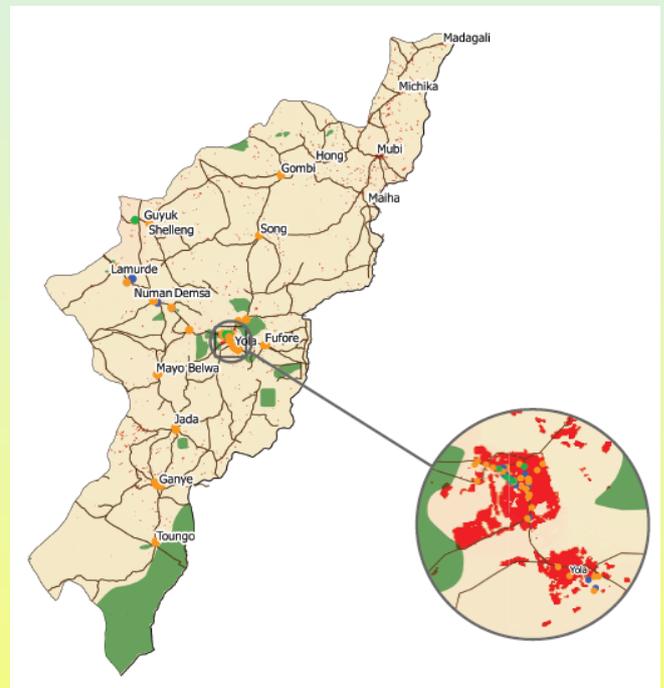
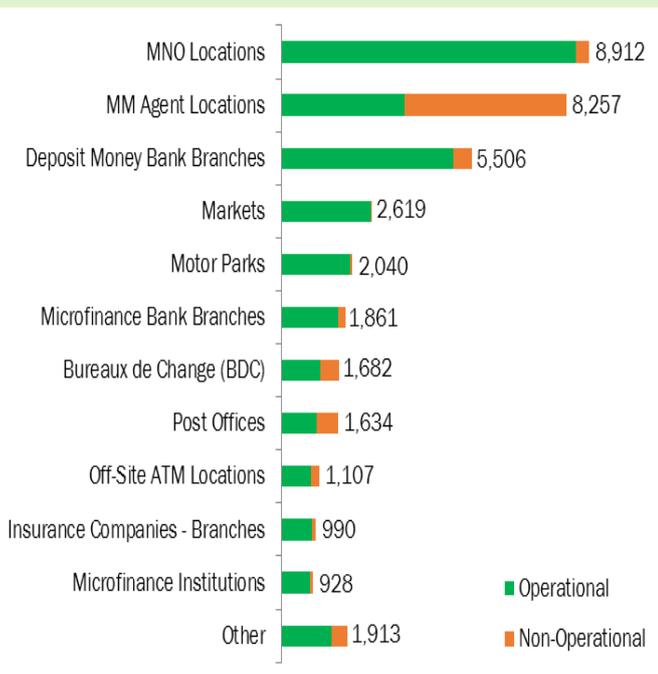
The results from the second round of the Geospatial Mapping Survey covered over 50,000 financial access points, comprising 17 different types were captured, out of which 79% were found to be operational.

- **Mobile Network Operators (MNOs)** had the highest number of access points with almost 9,000, highlighting the potential for MNOs to reach large parts of the population.
- **Mobile Money Agent locations** came 2nd, with more than 8,200. However, only 3,567 locations (43% of the ones captured) were found to be operational.
- **Deposit Money Bank (DMB) branches** came 3rd, emphasizing the crucial role DMBs play for financial inclusion.

Geospatial Mapping of financial services access points provides geographical information including GPS Coordinates and other relevant parameters on financial outlets and touch points across the country.

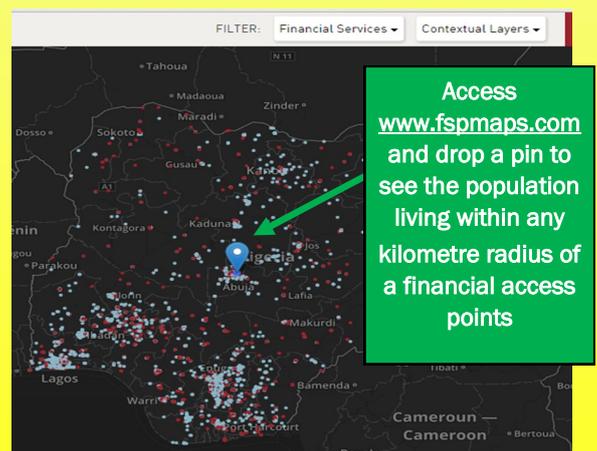
This is aimed at supporting stakeholder implementation efforts on the National Financial Inclusion Strategy, with the overall goal of achieving 80% financial inclusion of adult Nigerians by 2020.

The geo-data captured during the Geospatial mapping survey has been summarized in the **Financial Access Atlas, Nigeria (2015)** while detailed information is available online at www.fspmmaps.com.



To view the dispersion of the access locations and use the interactive online maps, please visit www.fspmmaps.com.

- Financial service providers can use the maps to analyze the market landscape, identify gaps and optimize their own branch and agent networks to drive financial inclusion and maximize business objectives.
- Policy-makers and Government can use the maps to gain insights into the dispersion of financial access points across the country; identifying areas where financial inclusion particularly needs to be driven, through policy making and relevant public sector interventions.
- The General Public can also easily discover types of access points and available services (account opening, cash-in/cash-out, or transfers) across the country in support of their financial needs.





Nigerian Financial Inclusion News

Micro Pension Scheme: Akara Sellers, Others to Start Receiving Pension

The National Pension Commission (PenCom) is about to unveil guidelines on the Micro Pension Scheme. The scheme will give self-employed persons and persons working in organizations with less than three employees the opportunity to formally save for old age. The initiative aims at lifting the status of Nigerian entrepreneurs and enabling them to live their normal life at an old age, Eguarekhide Longe, Chairman of the Pension Operators Association of Nigeria (PenOp), said at a PenOp retreat in Lagos in April. To reach these new customer segments, a robust technological platform is required through which contributions will be collected, benefits paid and advisory services provided. Mobile phone applications have been successful in this regard in other countries and may appeal to Nigeria too. PenCom has already started sensitization efforts with service providers, relevant regulators as well as targeted workers in the informal sector to make the initiative a success.



For more information visit: <http://nnu.com.ng/micro-pension-scheme-akara-sellers-others-to-start-receiving-pension/>



Insurance Policy Holders to Have Identification Numbers—NAICOM

The National Insurance Commission (NAICOM) will soon commence the issuance of a Unique Policy Identifier (UPI), a form of identification number, to insurance policy holders and also launch a portal that would warehouse the industry's data. The system will enable the Commission to track the number of insurance policies issued by underwriters, provide relevant statistics and reduce the prevalence of improper records regarding policies issued to a minimum. The information was disclosed by Mr. Adamu Balanti, Director of Research Strategy and Information Technology at NAICOM, at a NAICOM seminar in Ogun State in March, 2016.

For more information visit: <http://allafrica.com/stories/201603280522.html>

Diamond Bank Takes Lead in Agro-Lending to Women Farmers

According to Lois Sankey, Head, AgricFinance, Diamond Bank, the bank is very passionate about growing and driving financial inclusion through proven agricultural value chain financing models, especially in rural areas. Key initiatives in the agricultural sector included a two-year Agric Technical Assistance programme with the International Finance Corporation (IFC) which targets 2,000 smallholder farmers, \$33 million smallholder loans, training of 60 key members of staff within the bank on the agricultural value chain, and supporting about 750 smallholder rice farmers under the Anchor Borrowers' Programme. Additionally, Diamond Bank engages with female farmers through the Beta Life initiative which aims at empowering female farmers across 36 states of the country and reducing poverty. So far, 200 women working in cassava production in Oyo and Ogun states have received training on best agronomic practices to increase their yields. Other areas of the initiative include access to credit, financial advisory services, and assisting in inculcating savings culture through the opening of a BETA Savings Account.



Diamond

For more information visit: <http://thenationonlineng.net/diamond-bank-takes-lead-agro-lending-women-farmers/>



Mobile Network Operators Are Key to Financial Inclusion—Director, Etisalat

The mobile network operators in the country have been identified as critical stakeholders in the success of the full digitization of the financial services sector in Nigeria, according to Adia Sowho, Director, Digital Business, Etisalat Nigeria, who spoke at the 2016 eWorld Forum. As four key enablers that would help achieve full digitization of financial services, she identified interoperability of standards for money exchange across operators, an agent / merchant distribution network that accepts and processes client transactions, a technology platform through which financial services are provided as well as product variety to create value in the community. Etisalat Nigeria recently won the 2016 MobileMoneyExpo Kalahari Financial Inclusion Product of the Year Award for its contribution to the growth of the financial sector of the economy through its mobile money product, GTeasysavers.

For more information visit: <http://nationalmirroronline.net/new/mnos-key-to-financial-inclusion-sowho/>

Ecobank to Drive Efficiency, Financial Inclusion with Technology

Charles Kie, Managing Director of Ecobank Nigeria, has highlighted that Ecobank will adopt top of the range banking technology to push its market penetration strategy to become one of the top three Nigerian banks in the next three years.

Rather than building new branches, Ecobank would continue to deploy its state of the art technology including social media, analytics, and cloud, among others, to reach every segment of the Nigerian population and drive financial inclusion. Kie emphasized that the bank would also give top priority to staff training and development to enhance customer service aiming at recruiting the best manpower not only in Nigeria but in the whole of Africa.

Ecobank
The Pan African Bank

For more information visit: <http://www.thisdaylive.com/index.php/2016/04/11/ecobank-to-drive-efficiency-financial-inclusion-with-technology/>



Nigerian Financial Inclusion News

PoS Terminals Decline, as Banks Introduce MPoS

There has been a decline in the number of POS terminals registered and deployed since the beginning of the year as Data provided by the Nigeria Inter Bank Settlement System (NIBSS) showed that the number of registered PoS dropped from 141,787 in January to 140,064 in February and 135,657 in March 2016. Also, the number of deployed PoS had declined from 119,126 in January to 117,319 in February and 116,602 in March, 2016.



According to the Managing Director of NIBSS, Mr. Ade Shonubi, banks were withdrawing inactive PoS' and also replacing some PoS with Mobile PoS (MPoS) which is easier to use. However, on an annual basis, PoS deployed rose by 2.5 per cent from 99,670, in March 2015, while the number of registered PoS rose by 17 percent from 125,766 in March 2015.

For more information visit: <http://www.daily Nigerian news.com/2016/04/26/pos-terminals-decline-as-banks-introduce-mpos/>



Agency Banking: CBN Licenses 2 FinTech, 2 MNOs as Super-Agents

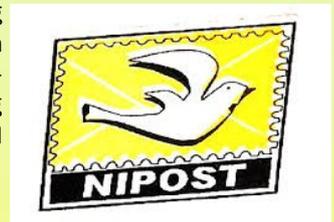
Following the release of the Framework for licensing Super-Agents by the Central Bank of Nigeria in 2014, the Bank has given Approval-in-Principle (AIP) to 4 firms to act as super agents for Deposit Money Banks and Mobile Money Operators. The licenses were awarded to two Mobile Network Operators (Etisalat Nigeria and Glo) and two financial technology companies (Interswitch and Innovectives Limited).

The Approval-In-Principle is valid for a period of six months, effectively from February 19, 2016 to August 18, 2016, after which a review of performance will be conducted to determine if the super-agent should be awarded a full license.

For more information visit: <http://www.financialtechnologyafrica.com/top-stories/2204/agency-banking-cbn-licenses-2-fintech-2-mnos-as-super-agents/#sthash.RZujvvcg.dpuf>

NIPOST to Issue Nigerian Passport, Driver's License: Commits to Financial Inclusion

The Nigerian Postal Service (NIPOST) is set to be transformed into a mega conglomerate offering various services as pronounced by the Honorable Minister of Communication, Mr. Abdur-Raheem Shittu. Speaking while receiving the Director General of the Bureau of Public Enterprises, Mr. Vincent Akpotaire during a courtesy call, the Honorable Minister stated that NIPOST would be offering services in e-Commerce, e-Learning/Library services and issuance of the Nigerian passport and driver's license plus other security documents.



The Minister also alluded to the fact that the Central Bank of Nigeria had released a National Financial Inclusion Strategy and that NIPOST could begin skeletal services within the scope of the responsibilities stipulated by the CBN. He noted that through the vast postal network available to NIPOST, it was equipped to deliver financial services to remote areas currently excluded by financial institutions.

For more information visit: <http://allafrica.com/stories/201605110161.html>



Rosabon Financial Services Empowers Women Entrepreneurs

Rosabon Financial Services has entered into a strategic partnership with a non government organization, NGO Mamamoni, to empower 23 women with soft grants and capacity building.

Rosabon Financial Services marked its 23rd anniversary by providing loans to women involved in various crafts including farming, fashion designing, soap making, fish farming and other chemical productions as part of its efforts to encourage women empowerment and promoting indigenous production.

At the cheque presentation at Satellite Town, Lagos, the 23 women expressed gratitude and satisfaction for the support received from Rosabon.

For more information visit: <http://thenationonlineng.net/rosabon-celebrates-23-years-empowers-women/>



International Financial Inclusion News

Bridging the Financial Inclusion Gender Gap

The Brookings Institute held a roundtable in March 2016 to facilitate dialogue and knowledge-sharing on gender disparities in access to and usage of formal financial services as part of their consultation process for the second annual Brookings Financial and Digital Financial Inclusion report and scorecard. The following were **key discussion points**:

- While the **percentage of women in developing economies with formal financial accounts increased by 13 percentage points from 2011 to 2014**, the **global financial inclusion gender gap remained at seven percentage points** between 2011 and 2014. In developing countries the gap was even nine percentage points (Global Findex, 2011; 2014).
- **Key barriers to access to financial services among women include legal, cultural and technological barriers.** For instance, in some countries women were not allowed to open a bank account (legal), were not able to find a female point of contact when accessing financial services (cultural) or are less likely to have a mobile phone than men to be able to access financial services (technological).
- **Two Nigerian initiatives recognized:** Diamond Bank and Women's World Banking jointly developed the BETA savings account which could be opened through the mobile phone with no minimum balance and no fees. MasterCard and UN Women's started an initiative to educate women on the benefits of a national identification program and enroll half a million women in the program so that they receive identification cards along with electronic payments functionality.
- **pathways to reduce gender gaps:** Collection of sex-disaggregated data, promotion of dialogue across public and private sector representatives, investment in financial education and capability among women and girls, adoption of "know your customer" (KYC) requirements, formalization of informal financial entities (given that in 2014, 160 million unbanked adults in developing countries saved through informal saving clubs or non-family members), and usage of digital financial tools to facilitate greater access to and usage of formal financial services.

For more information visit: <http://www.brookings.edu/blogs/techtank/posts/2016/04/01-bridging-financial-inclusion-gender-gap-lewis-villasenor-west>



HARVARD
UNIVERSITY

Nigeria, Others Urged to Tackle Non-Inclusive Growth

The 8th Annual Global Empowerment Meeting (GEM) was hosted by the Center for International Development at Harvard University on April 13-14, 2016. The GEM is the Center for International Development's premier event, featuring cutting-edge research and initiatives in global development. As part of the 2016 GEM, Professor Kingsley Chiedu Moghalu, former Deputy Governor of the Central Bank of Nigeria, talked about the need for inclusive growth for Nigeria and other developing nations. He emphasized the need for a clear understanding of the concept of inclusive growth among policy-makers in order to avoid the adoption of wrong solutions to development problems.

He explained that "inclusive growth is about bringing all sectors of the economy and different strata of the society into a process of broad-based economic growth to raise income and create wealth across the board through increased labor productivity". The key elements of inclusive growth, he mentioned, were rural-based economic growth, infrastructure, and financial inclusion.

For more information visit: <http://projects.iq.harvard.edu/gem>; <http://www.thisdaylive.com/index.php/2016/04/20/nigeria-others-urged-to-tackle-non-inclusive-growth/>

Grameen Foundation and ideas42 Launch Partnership to Expand Financial Inclusion in the Philippines

Grameen Foundation and ideas42 have launched a new partnership to support financial inclusion in the Philippines using principles from behavioral science and innovations in digital financial services on mobile phones. The initiative, funded by JP Morgan Chase Foundation, aims to reach thousands of people identified in the low-income bracket throughout the country and is aligned with the National Strategy for Financial Inclusion launched in 2015 by the Philippine Central Bank (Bangko Sentral ng Pilipinas). Through the partnership, ideas42 will draw upon years of expertise in designing behaviorally-informed solutions to improve financial products, while the Grameen Foundation will spearhead the development of a network of mobile money agents based at "sari-sari" (convenience) stores located across even the most remote islands.



For more information visit: <http://www.marketwired.com/press-release/grameen-foundation-ideas42-launch-partnership-expand-financial-inclusion-philippines-2117213.htm>



AFI Drafts Action Plan for Women's Financial Inclusion

The Alliance for Financial Inclusion (AFI) has taken measures to reduce the number of women lacking access to quality financial services globally, and closing the gender gap to ensure equal access to financial services for all. A Zero Draft AFI Action Plan for Gender and Women's Financial Inclusion has been developed for review and endorsement by member institutions to affirm their commitment to close the gender gap in financial inclusion.

The Deputy Governor, Mwamba of Bank of Tanzania and Deputy Governor, Kankasa-Mabula of Bank of Zambia have been named Interim Co-Chairs of the High-Level Committee on Gender and Women's Financial Inclusion under the auspices of AFI.

For more information visit: <http://www.afi-global.org/news/2016/4/28/bridging-gap-afi-network-takes-action-promote-financial-inclusion-women>



International Financial Inclusion News

IMF Managing Director speaks on the Macroeconomic benefits of financial inclusion

At a recent IMF-CGD event themed 'Financial Inclusion: Macroeconomic and Regulatory Challenges', the Managing Director, IMF (Christine Lagarde) spoke on the macroeconomic benefits of financial inclusion stating that according to a recent analysis by IMF, greater financial inclusion was found to have tangible economic benefits, such as higher GDP growth and lower income inequality. By providing access to accounts, credit, infrastructure, women and low income users, financial inclusion helps make growth more inclusive.



She stated that no evidence showed that financial stability was threatened by increasing basic access to financial transactions, such as receiving wages and subsidies or making payments. But financial stability risks can arise when it comes to broadening access to credit to a wide section of the population.

She noted, however, that **'good supervision can play an important role in promoting financial stability even as access to credit reaches a broader population, raising growth rates and reducing inequality'**.

For more information visit: <http://www.imf.org/external/np/speeches/2016/041116.htm>



Linking Mobile Banking with Village Groups in Uganda

According to a recent entry on CGAP's blog, PostBank Uganda (PBU) and World Savings Banks Institute (WSBI) have partnered to bring people already using savings and credit groups into the formal financial sector. WSBI calculated that upwards of \$10 million per day was being moved around small villages in Uganda, often through village groups. In 2012, PBU developed the low cost VSLA Group Account in order to link village groups to formal banking. The account offers free weekly deposits and withdrawals matching the group meeting cycle, and zero-cost transfers, although aggregator push-and-pull charges remained.

As a result of the introduction of the account, the organization was able to achieve the following:

- Within a year, 5,000 groups with almost 150,000 members had signed up out of which 95% were active.
- PBU's growing small scale savings funding base lead to an imputed income of more than \$400,000 by the end of 2014.
- By late 2015, 28,000 groups with more than 500,000 members had signed up. 60% of PBU's active accounts were small-balance accounts with an average balance of around \$35.
- PBU's goal is to have groups and their individual members account for 50% of its business by 2018.

For more information visit: <http://www.cgap.org/blog/linking-mobile-banking-village-groups-uganda>

Sustainable and Inclusive Finance is Key to Africa's Equitable Economic Transformation

According to an article on the blog of the Accion Center for Financial Inclusion, income inequality in Africa is increasing despite—or because of—economic growth, booming exports, and increased foreign investments in many African countries. As a region, sub-Saharan Africa would have a higher level of inequality than the rest of the developing world. Access to formal financial services could contribute to reducing income inequality in the region, according to [Shaking up Finance and Banking in Africa](#), a policy brief produced by the Africa Progress Panel, which draws its analysis from the [2014 Africa Progress Report](#).



The article highlights **two key areas where financial inclusion can have great impact in fighting income inequality**:

- The **agriculture sector** is a key priority area for expanding financial inclusion to combat income inequality. Rural dwellers are the most financially excluded people on the continent. Overwhelmingly, farmers lack access to all formal financial products—credit, savings, and insurance.
- Financial services also present huge opportunities for supporting **education**—one of the biggest factors to boosting equality. For every 100 African children that enter the school system, only four will make it to a tertiary institution. This is the lowest rate in the world. Savings and loans can offer families the support they need to ensure that their children are empowered to live productive lives.

For more information visit: [https://cfi-blog.org/2016/04/28/sustainable-and-inclusive-finance-is-key-to-africas-equitable-economic-transformation/?ct=t%28CFI Blog Digest +April 14 2016%29&mc_cid=c8f5d3d427&mc_eid=%5BUNIQID%5D](https://cfi-blog.org/2016/04/28/sustainable-and-inclusive-finance-is-key-to-africas-equitable-economic-transformation/?ct=t%28CFI%20Blog%20Digest%20+April%2014%202016%29&mc_cid=c8f5d3d427&mc_eid=%5BUNIQID%5D)



CENTRAL BANK OF NIGERIA

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PUBLIC NOTICE (DISCLAIMER)

The Central Bank of Nigeria in August 2014 launched the CBN 220 Billion Micro, Small and Medium Enterprises Development Fund (MSMEDF) to provide fund to eligible enterprises through Participating Financial Institutions (PFIs) such as Deposit Money Banks, Microfinance Banks, NGO-MFIs and Financial Cooperatives. The objective of the Fund is to channel low interest funds to the MSME sub-sector of the Nigerian economy through PFIs.

It has however come to the attention of the Central Bank of Nigeria that some unscrupulous persons/organizations are parading themselves as PFIs under the MSMEDF and defrauding unsuspecting members of the public by extorting money under the pretense of assisting them to access the CBN N220 Billion Micro, Small and Medium Enterprises Development Fund (MSMEDF).

Reports reaching the Bank indicate that these unscrupulous elements extort money ranging from N1,500 to N50,000 from their unsuspecting victims by asking them to pay the sums for membership fees and procurement of all manner of forms as a pre-condition and/or guarantee for securing loans from the Fund.

The Central bank of Nigeria wishes to inform the general public that at no time did it authorize or appoint any agent to sell forms or collect any fee to access the MSMEDF or indeed any of its intervention Funds. For the avoidance of doubt, **THE CBN HAS NOT APPOINTED ANY-ONE TO ACT AS AGENT** to facilitate access to the MSMEDF.

The public is therefore advised to beware of the activities of fraudsters and report any-one/organization that approaches them to pay on the pretense that they would assist them access the MSMEDF or any of the Banks' intervention funds to the law enforcement agencies.

The public is also advised to contact the Director, Development Finance Department, CBN on 09-4623600 or any Development Finance Office in the CBN Branches nearest to them for information regarding any of the Bank's intervention funds.

Signed
Director, Corporate Communications Department
Central Bank of Nigeria



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 reported by stakeholders as well as periodic updates on the progress of the implementation of the Strategy.

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