SPEECH

BY

MS. FREDA TAMBA
DIRECTOR - NON-BANK FINANCIAL INSTITUTIONS SUPERVISION

AT THE LAUNCH OF
THE UPDATED ZAMBIA GEOSPATIAL MAP REPORT
FOR FINANCIAL SERVICE ACCESS POINTS IN ZAMBIA
HOSTED BY FINANCIAL SECTOR DEEPENING ZAMBIA (FSDZ)

SOUTHERN SUN HOTEL, LUSAKA.
25TH JULY 2017
1. **SALUTATIONS**
   - The Chief Executive Officer (CEO) of Financial Sector Deepening Zambia (FSDZ), Ms. Betty Wilkinson;
   - Chief Executive Officers and Institutional Representatives, present;
   - Distinguished Invited Guests;
   - Members of the Media;
   - Ladies and Gentlemen
   - Good morning.

2. It is my pleasure to officiate at the launch of the Updated Zambia Geospatial Map for financial service access points, which has been hosted by the Financial Sector Deepening Zambia (FSDZ).

3. The Bank of Zambia continues to foster an enabling legal and regulatory policy environment to promote financial inclusion through public and private sector infrastructure investments, tailored products, innovative business models and leveraging developments in technology. These developments have been informed by our commitments to the global agenda on financial inclusion, as well as research and peer-learning.

4. One aspect of our financial inclusion policy is the field that relates to ‘data-and-measurement’ and its purpose is to generate data that can be used to develop evidence-based solutions, and measure the quality, access and usage of financial services.

5. Some of the tools which are used for ‘data-and-measurement’ include benchmark indicators; demand-and-supply side surveys; and geospatial maps. From the perspective of policy makers and regulators, the analysis of data produced from these tools serves three important purposes and these are:
i. To assess the state of financial inclusion and develop new policy solutions;
ii. To monitor the growth of financial inclusion and modify or create new policies; and,

iii. To provide a feedback loop for regulators to understand the opportunities and challenges that confront the ability of financial services providers to deploy financial services.

6. I am proud to state that in Zambia, prudential returns by the Bank of Zambia, the FinScope surveys, qualitative research reports, the MIX map and FSDZ geospatial map reports have been produced to fulfill the purpose of assessing and monitoring financial inclusion in Zambia, as well as informing policy development.

7. The Updated Zambia Geospatial Map is therefore a very important information resource which adds to the growing body of literature and research on financial inclusion in Zambia. It is a unique report which combines both demographic and geographic data about the population of Zambia and how this impacts on the deployment of different types of financial services and financial services access points across Zambia.

8. By providing data on where services access points exist versus where people are, we will know exactly where people are not being served. The Updated Zambia Geospatial Map therefore helps to answer the question, “What is the mismatch between what we are offering and where people are and what they can use?”

9. In this regard, I am pleased to highlight the relevance of the Geospatial Mapping report by informing you that the Bank of Zambia relied on the earlier version of the Geospatial Mapping report to inform its policy paper on the provision of financial services in rural areas. This policy paper is linked to the Rural Finance Policy and Strategy that Government put in place and is being spearheaded by the Ministry of Finance and the Rural Finance Expansion Programme.
10. In consideration that the process for the development of the policy paper on financial services in rural areas is still underway, we welcome the updated version of the Zambia Geospatial Map as it will provide current data for the evaluation of our policy options. The opportunity to deepen and broaden financial inclusion.

Distinguished Guests,

11. I am confident that financial services providers in Zambia also welcome the Updated Zambia Geospatial Map report as it not only provides them with data on the outreach of different financial services but also information to expand their services to more people.

12. Most importantly, Updated Zambia Geospatial Map report brings to the fore the need to promote complementary financial services and access points.

13. Bank of Zambia is keen to promote financial services and access points that complement each other since our country’s geography, sparse population density, and limited infrastructure often constrains the deployment of conventional brick-and-mortar banking services to economically active citizens across the country.

14. Therefore, our strategic policy objective to promote financial inclusion and extend financial services to unbanked populations calls for a mix of financial services such as the banks’ branch network, ATMs, Point of sale machines, agents, postal services, mobile banking, and other digital financial services to form an ecosystem of accessible financial services. We also take cognizance of the role of informal financial services such as savings group that complement the formal financial services.

15. Under the principle of complementary services, the Updated Zambia Geospatial Map draws our attention to other service points and institutions such as agriculture facilities, schools, churches and health centres which are conveniently located across the country. These facilities can act as agents or super agents (not just kiosks) for the provision of financial services and
financial education programmes through partnerships (as supported by the regulatory framework).

16. We are confident that this array of financial services meets the needs of our communities and reduces the levels of financial exclusion.

17. Against this background, the Bank of Zambia is open to dialogue with financial services providers, designated payments systems providers and other private sector institutions on matters where we can intervene and support your capacity to effectively serve financially excluded communities; as well as the geographic and demographic expansion of your financial services.

CONCLUSION

18. In conclusion, I wish to express my gratitude to Financial Sector Deepening Zambia for undertaking the geospatial mapping on financial service access points in Zambia and for organising this breakfast launch to disseminate the results of this important national research.

19. I am confident that the results of the Updated Zambia Geospatial Map will be informative for financial services providers and the policy initiatives of the financial sector regulators, including the Bank of Zambia.

THANK YOU