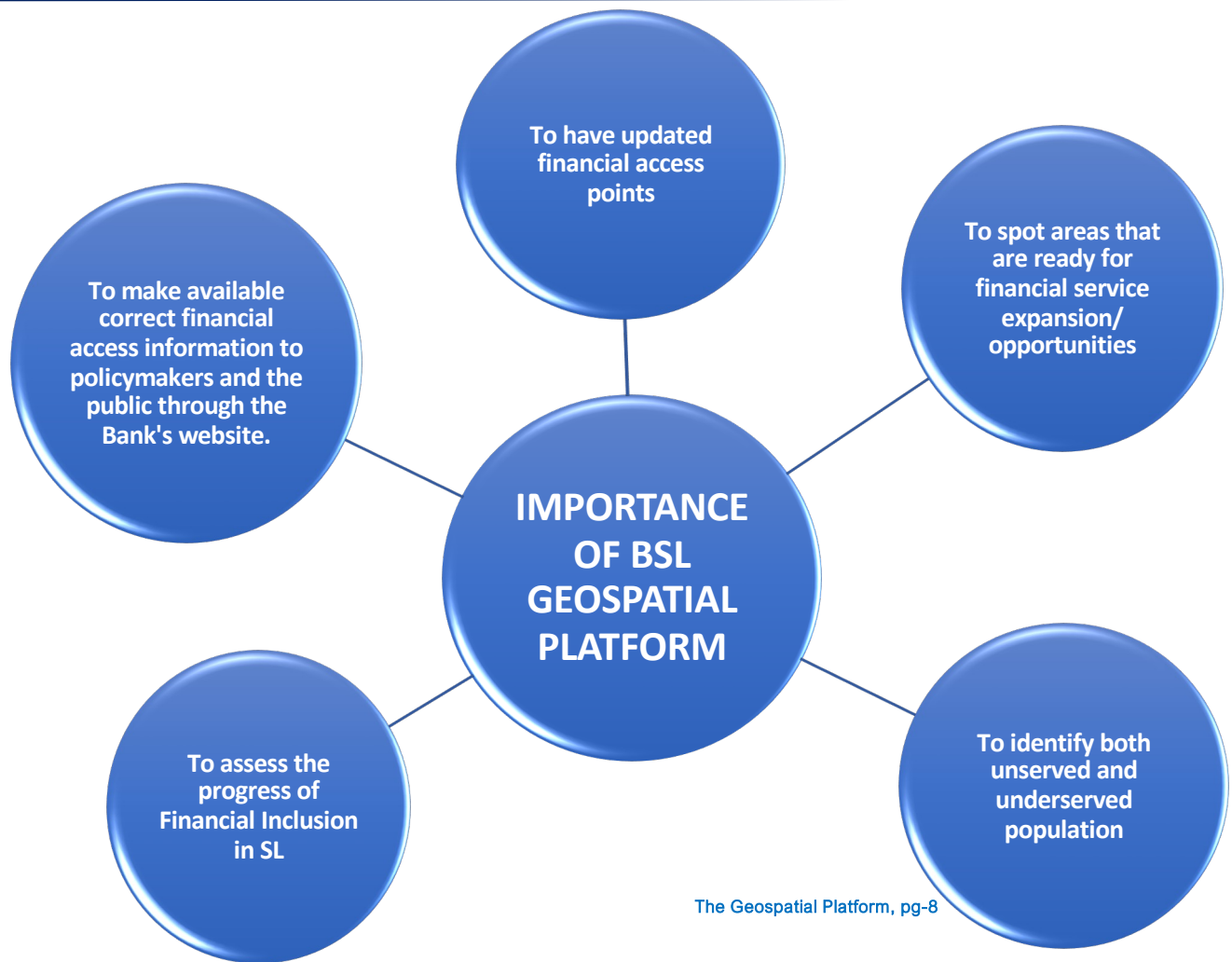




Financial Inclusion NEWSLETTER

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WHAT'S IN THIS EDITION?

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| <ul style="list-style-type: none">BSL Launches Strategic Plan 2024-2028BSL Implements Youth Entrepreneurship FundEU Delegation Implement 'Jobs & Growth' ProjectBSL & CAFOD Collaborate on Gender and Financial Inclusion TrainingNSFI-2 Working Group Meetings.BE SURE, BE AWARE CAMPAIGNBSL Collaborate with Invest Salone on Sustainable FinanceBSL rolls-out Agricultural Credit Facility (ACF) | <ul style="list-style-type: none">WAIFEM Regional Workshop in Abuja, NigeriaCross-Border Payment SystemsUnlocking Access to Finance for Agri-based Enterprises in Sierra LeoneFormalization of the Informal SectorFeature: The Geospatial platformEcowas Regional Study on Digital MarketsFinancial Inclusion Expert's Corner: What is a Financial System?BSL Financial Inclusion Puzzle GameFinancial Inclusion Data and Insights |
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BSL EVENTS: PROMOTING FINANCIAL INCLUSION

BANK OF SIERRA LEONE (BSL) LAUNCHES STRATEGIC PLAN 2024-2028

BSL on Monday, 24th June 2024, officially launched its Strategic Plan (2024-28) at the Mezzanine Floor, Main Bank Building, Siaka Stevens Street in Freetown. The key strategic objectives of the plan include the following: a) reducing the use of cash in the economy through digital payment systems; b) enhancing monetary policy implementation with more tools to ensure price stability and effective policy transmission; c) boost the resilience of banks and other financial institutions with enhanced supervisory regulations, guidelines, and enforcement measures; d) ensure banks are robust, sound and adequately capitalized; e) promote financial inclusion and introduce Islamic banking and finance; f) improve data quality and availability using advanced tools to enhance economic and financial analyses and g) promote strategic human resources management and cultivate a culture of excellence and professionalism within the workforce to achieve operational efficiency. The launch of the Strategic Plan marks a significant milestone in the Central Bank's efforts to enhance financial stability and promote sustainable economic growth in Sierra Leone.



BSL Strategic Plan Flyer (Get the full document at www.bsl.gov.sl)



Dr. Ibrahim L. Stevens, Governor, BSL making the keynote address.

BSL APPROVES IMPLEMENTATION OF YOUTH ENTREPRENEURSHIP FUND (YEF)

The Bank has approved the implementation of the YEF to the tune of NLe22.8 million. The purpose of the Fund is to increase youth employment and empowerment through funding to promising youth-owned or managed or focused enterprises and entrepreneurs. The operating rules of the Fund and expression of interest have been forwarded to the participating institutions, and the Bank has started receiving applications. The operating rules of the Fund have also been published on the Bank's website (www.bsl.gov.sl)

YEF
YOUTH ENTREPRENEURSHIP FUND





EUROPEAN UNION COLLABORATES WITH BSL TO IMPLEMENT JOBS & GROWTH PROJECT

The European Union in collaboration with the BSL, UNCDF, ILO, and other relevant MDAs is implementing the “Jobs and Growth Program”. This program aims to address the investment-education-employment problem nexus through support in the following areas (a) improving the investment climate (access to financial services), (b) upgrading the human capital (general education and technical vocational education and training), and (c) creating jobs for a predominantly low-qualified workforce. In order to meet its objective, the Program has been divided into two sub-projects: “Salone Access to Finance Project” of which the BSL is a major stakeholder and “Opportunity Salone Project”. Steering committees for the two projects have been established to provide leadership and strategic guidance.



Representatives from EU, BSL, UNCDF, ILO & other MDAs



Dr. Ibrahim L. Stevens, Governor, BSL

BSL AND CAFOD COLLABORATE ON GENDER AND FINANCIAL INCLUSION TRAINING OF TRAINERS (TOT)

The Bank of Sierra Leone in collaboration with the Catholic Agency for Overseas Development (CAFOD) organized a TOT for NGOs in the eastern district of Kenema together with financial inclusion campaigns in Kenema, Port Loko and Kambia districts in the country. The training was geared towards the promotion of women financial inclusion. It aims to address the barriers women face in accessing formal financial institutions. The training was attended by staff of the Kambia District Development and Rehabilitation Organization (KADRO) and Caritas Kenema.



On-going Financial Inclusion Training



Cross-section of Trainers



NATIONAL STRATEGY FOR FINANCIAL INCLUSION 2022 – 2026 (NSFI-2) WORKING GROUP MEETINGS.

The Financial Sector Development Unit (FSDU) organised a two-day working group meeting for members of the three (3) working groups in the National Strategy for Financial Inclusion 2022-2026 (NSFI 2022 -2026). The objectives of these meetings were to update members of the working groups on the progress made in implementing the NSFI 2022 -2026. The NSFI 2022 -2026 is a national roadmap for promoting financial inclusion in Sierra Leone. It has three priority areas: Access to Client-centric financial products and services, Digital financial services, and Financial education, financial literacy, and consumer protection. A working group was developed for each intervention area as part of the implementation of the strategy.



Mr. Momoh L. Sesay-Head of FSDU (Left) giving opening remarks during DFS working group meeting



Members of the DFSWG

BSL COLLABORATES WITH FINANCIAL SERVICES PROVIDERS (FSPs) ON 'BE SURE, BE AWARE CAMPAIGN'

In March 2024, the Bank of Sierra Leone in collaboration with commercial banks, Orange-Finance SL, and Afrimoney embarked on a Financial Literacy, Education, and Consumer Protection Campaign in the northern region of the country. The targeted districts were Kabala, Bombali, Karene and Kambia. The Campaign targeted consumers of the various financial service providers. The trainings highlighted the rights and responsibilities of customers to the financial services providers, including awareness raising on financial fraud and scams. Activities of the campaign also included road shows, sharing of handbills, one-on-one talks with customers, and radio discussion programs.



campaign participants in a Radio discussion



Cross-section of campaign participants in Karene



BSL IN A QUEST TO BOOST THE REQUIRED CAPACITY FOR EFFECTIVE MONITORING AND SUPERVISION OF SUSTAINABLE FINANCE

Through a Memorandum of Partnership (MoP), the BSL is currently working with Invest Salone, a UK government-funded private sector initiative, to boost the required capacity for effective monitoring and supervision of sustainable finance. Sustainable Finance is a process of incorporating Environmental, Social and Governance (ESG) factors into the financial decision-making of financial service providers.

To date, Invest Salone has provided support to the Bank in the form of public-private dialogue event, a knowledge-sharing event between BSL and the National Bank of Rwanda, the establishment of a Sustainable Finance Working Group at the Bank and the provision of training in Environmental, Social and Governance Factors (ESG) for members of the Sustainable Finance Working Group. More trainings for members are underway.



Members of the Sustainable Finance Working Group



Sustainable Finance on-going Training

BSL ROLLS OUT AGRICULTURAL CREDIT FACILITY (ACF)

The Bank of Sierra Leone is implementing the ACF to the tune of NLe230 million to support the production of agricultural commodities across the following prioritized value chains: (i) production (ii) farm inputs (iii) aggregation and (iv) processing, packaging and branding. The Fund's operating rules and expression of interest have been forwarded to the participating financial institutions, and the Bank has started receiving applications. The operating rules of the Fund have also been published on the Bank's website.



BANK OF SIERRA LEONE PROMOTING FINANCIAL INCLUSION BY PARTICIPATING IN STRATEGIC WORKSHOPS/TRAININGS

BSL PARTICIPATES IN WEST AFRICA INSTITUTE FOR FINANCIAL AND ECONOMIC MANAGEMENT (WAIFEM) REGIONAL WORKSHOP ON PROJECT MANAGEMENT, MONITORING AND EVALUATION USING RESULT-BASED MANAGEMENT FRAMEWORK.

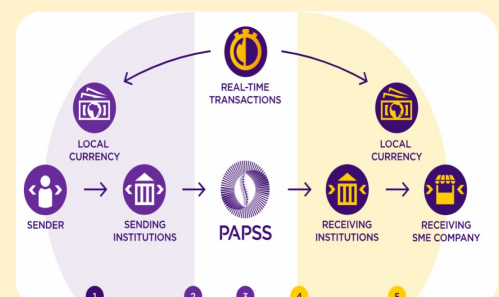
WAIFEM organized a five-day workshop on Project Management, Monitoring and Evaluation, using Result-Based Management Framework in Abuja, Nigeria from 4th – 10th May 2024. The workshop attracted thirty-four participants from WAIFEM member countries. The aim of the workshop was to equip participants with the requisite knowledge to undertake Project Monitoring, Evaluation and Management by using the result-based Management Framework. The course was delivered by a team of expert facilitators both from the public and private sectors.



AFREXIMBANK COLLABORATES WITH BSL TO IMPLEMENT SUB-REGIONAL PAYMENT SYSTEMS

Afreximbank is currently collaborating with Central Banks in the sub-region in the implementation of the West Africa Monetary Zone (WAMZ) Payment and Settlement System Project. The aim of the Project is to resolve the challenges of cross-border payment in the sub-region. The Project will introduce an instant payment solution that will interconnect the national payment systems within the region to promote regional trade.

Implementation of the Project is ongoing, and the Bank of Sierra Leone is now at the stage of doing controlled transactions in a live environment.





UNLOCKING ACCESS TO FINANCE FOR AGRI-BASED ENTERPRISES IN SIERRA LEONE

In a bid to provide access to finance for Small and Medium Enterprises (SMEs) that are engaged in the cocoa, cassava, and palm oil value chain, the Small and Medium Enterprises Development Agency (SMEDA) in collaboration with UNIDO and European Union are currently implementing the West Africa Competitive Program (WACOMP). The objective of the project is to improve the performance and growth of the agricultural industry at national and regional levels. To this end, the Bank was invited by SMEDA to a one-day stakeholder workshop on the Project in June 2024. Participants in the workshop were drawn from both the public and private sectors



WACOMP Participants



TECHNICAL WORKSHOP FOR VALIDATION OF THE DRAFT NATIONAL ACTION PLAN FOR FORMALIZATION OF THE INFORMAL SECTOR

The Bank participated in a validation workshop organized by the Ministry of Trade and Industry (MTI) in partnership with the International Labour Organization (ILO). The workshop was held on Wednesday 26th June 2024, at the Radisson Blu Hotel, Aberdeen. The purpose of this technical workshop was to validate a draft national action plan on the formalization of the informal sector.

The plan outlines the steps the government will take to help informal enterprises formalize, with the primary goal of increasing the number of formal enterprises in Sierra Leone. The draft document was developed by MTI, with the technical guidance of the ILO under the "Supporting Informal Enterprises Transition towards Sustainable Growth and Formalization in Sierra Leone". This Project is jointly implemented by UNDP and ILO and funded by the European Union and the Organisation of African, Caribbean and Pacific States (OACPS).



BANK OF SIERRA LEONE GEOSPATIAL PLATFORM: IMPROVING ACCESS TO FINANCE ACROSS THE BOARD

With the aim to increase financial inclusion, the Bank of Sierra Leone with support from the World Bank established an online Geospatial platform to undertake geospatial data analysis and mapping for the Financial Inclusion project. This technology is used to map the distribution of financial access points (FAPs) which will help identify unserved and underserved areas, and to assess the progress made in financial inclusion since 2017.



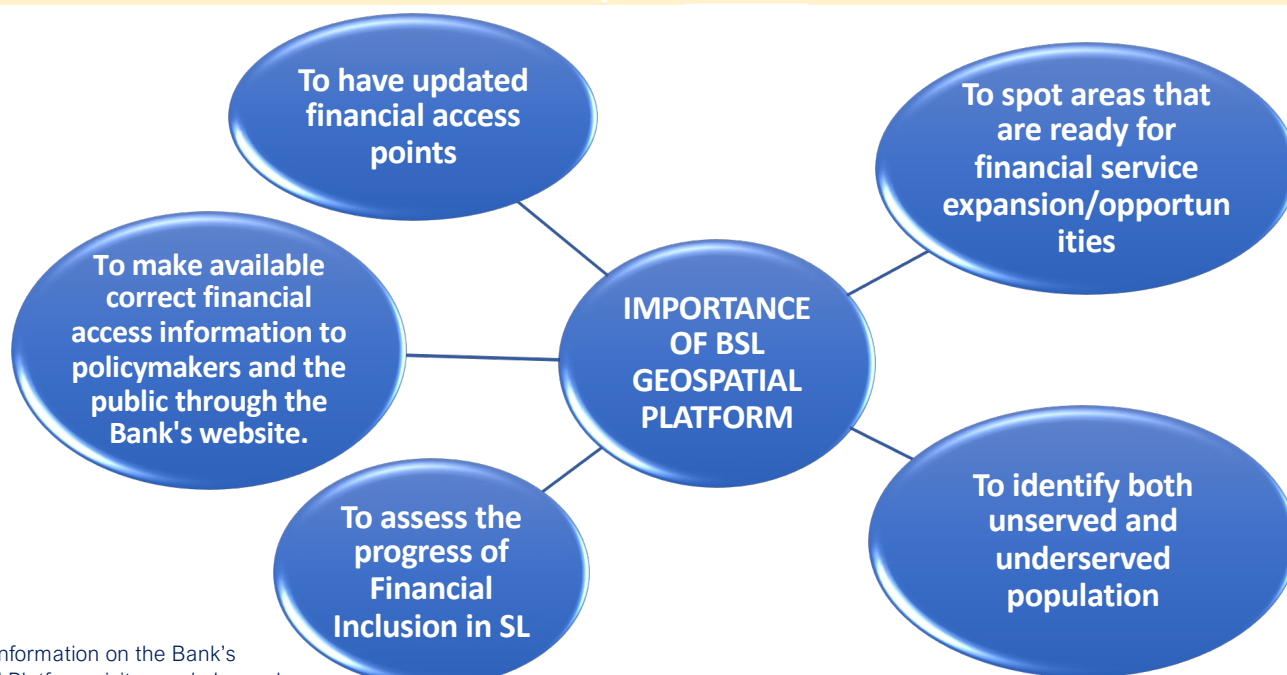
WHAT IS THE BSL GEOSPATIAL PLATFORM

The Geospatial Platform is a cloud-based/online tool that is used to collect data, map and visualize financial access points (FAPs). The platform shows a customized map of FAPs with geographical coordinates, financial institutions, the financially served, unserved and underserved population across Sierra Leone.

WHAT DOES A FINANCIAL ACCESS POINT (FAP) MEAN?

It is a physical entity where an individual can perform cash-in and cash-out transactions with a regulated financial institution, and these entities can be:

ATMs(On-site, Off-site)	Foreign Exchange Bureaus
Banking Agents	Insurance Service Providers
Commercial Banks	Microfinance (MFI)-Credit Taking
Community Banks	Microfinance (MFI)-Deposit Taking
Credit Unions	Mobile Money Agent (Mega/Retailers)
Discount Houses	POS Terminals
Financial Services Associations	Post Offices





ECOWAS REGIONAL STUDY ON DIGITAL MARKETS IN MEMBER STATES

The Consumer Protection Agency under the Ministry of Trade is currently collaborating with BSL and other relevant stakeholders to conduct a study on the digital financial market in Sierra Leone. The study is part of their contribution to an ECOWAS Regional Study on Digital Markets in the following countries: Benin; Cote d'Ivoire; The Gambia; Guinea Bissau; Liberia; Nigeria; Senegal; Sierra Leone and Togo.

The study aims to assist member states in evaluating their digital markets' competitiveness and consumer welfare conditions by providing them with an understanding of the market dynamics and regulatory frameworks. Additionally, the study will be able to offer suggestions on how member states should improve their competitiveness and customer-focused nature of their digital marketplaces.

The Report on the study has been drafted and will soon be finalized and shared with relevant stakeholders.



ERCA and Sectoral Experts from Member States



FINANCIAL INCLUSION EXPERT'S CORNER:
INSIGHTS & RESOURCES**WHAT IS A FINANCIAL SYSTEM?**

A financial system is a set of institutions such as commercial banks, community banks, insurance companies, mobile money operators and microfinance institutions that allow for the exchange of money.

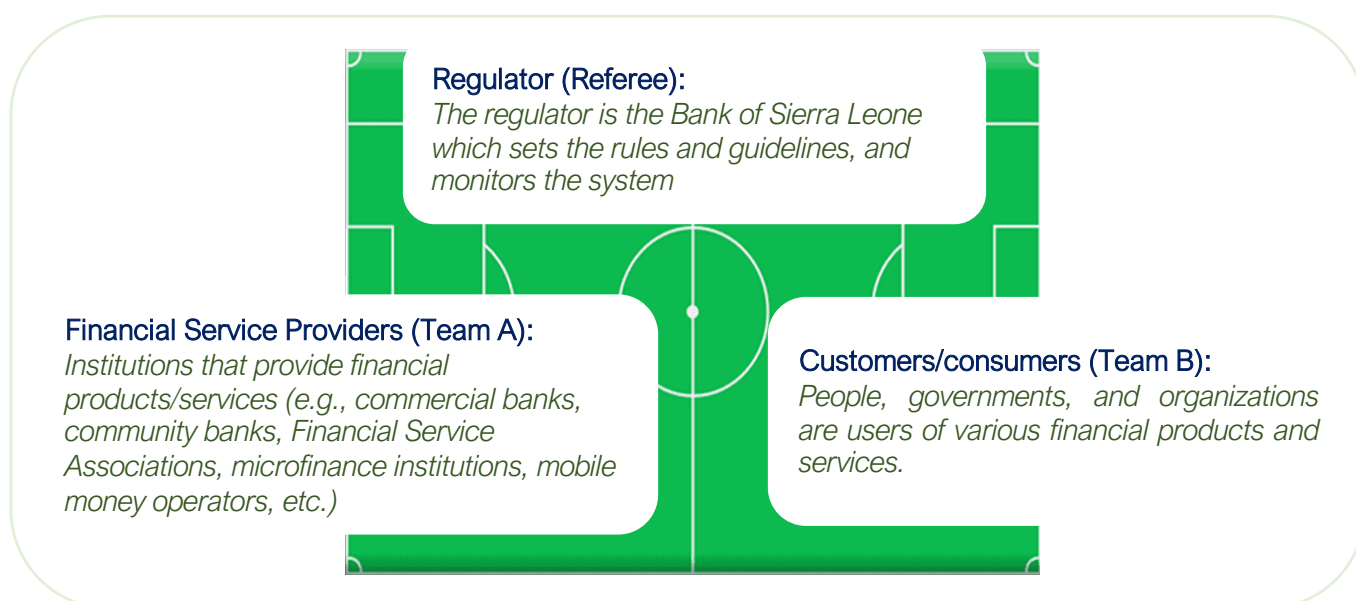
But why does the financial system exist?

The financial system exists because there are two types of people: (1) those who want to spend and (2) those that want to save.

- A spender or borrower is someone who needs money to buy something – such as a stove, kekeh or to start a business.
- A saver or lender is someone who has extra money (after their expenses) that they can give to someone and get it back later.

Financial institutions or financial service providers – like a commercial bank or microfinance institution can help connect these two types of people in a safe and protected way.

The financial system is like a football match – there are two teams and one referee. But in the financial system, both teams can be winners. If everyone plays by the rules, everyone can benefit.



FINANCIAL INCLUSION EXPERT'S CORNER:
INSIGHTS & RESOURCES**WHO ARE THE FINANCIAL SERVICE PROVIDERS?**

There are different types of financial service providers (FSPs) that are regulated and licensed by the Bank of Sierra Leone.



- **Commercial banks** – *larger institutions that offer loans, deposits, savings accounts, investments*
- **Community banks** – *smaller institutions located in communities with fewer services, mainly offer deposits and savings accounts, and smaller loans*



- **Microfinance institutions (MFIs)** – *institutions that mainly offer small-scale loans and savings. There are Credit-only MFIs and Deposit-Taking MFIs.*



- **Mobile money operators (MMOs)** – *companies that use telecommunication operator networks to offer financial services and products, such as mobile money accounts*

**As part of the financial system, there are financial markets.**

A Financial market is a broad term that refers to any marketplace where people and businesses can trade different types of financial products – *such as stocks, bonds, foreign currencies and others.*

Popular financial markets and products are stocks and bonds.



Stocks or the stock market is where companies publicly offer a piece of their shares/stocks for anyone to buy or sell – the price is determined by the demand and success of the company. *Publicly traded stocks are not popular in Sierra Leone.*



Bonds are loans issued by a company or the government to an investor to help fund projects. For governments, these are known as **treasury bills (T-bills)**. The government will borrow money from an investor to fund projects and then return the money with a fixed interest. It is possible for you to invest in T-bills in Sierra Leone.



BSL FINANCIAL INCLUSION PUZZLE GAME

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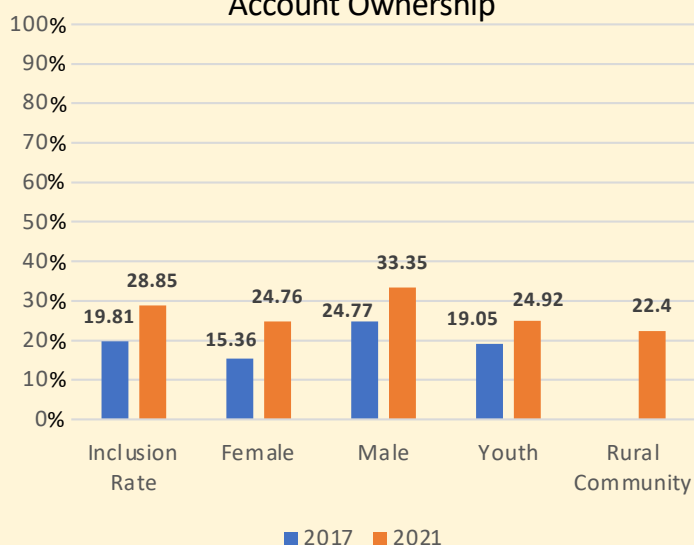
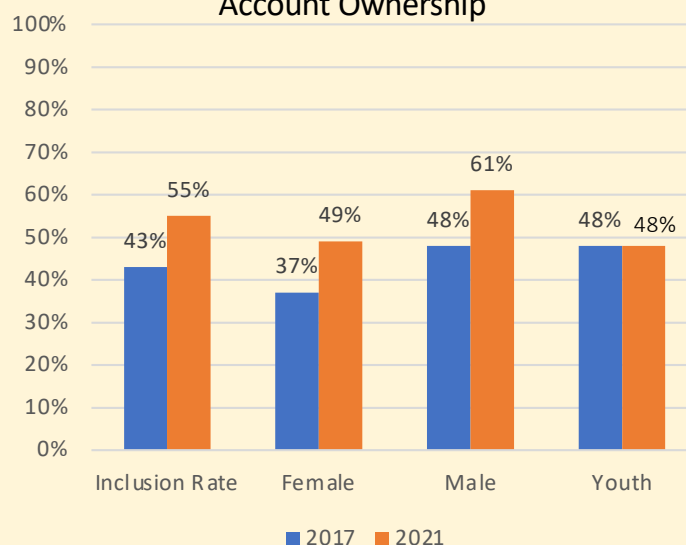


I F I N A N C I A L Z R X I P
G N R G V G J A I V T C L M S
D B S C C U S T O M E R S C P
C A U T Y X M W D G C Z R O E
M N O C I X G V T W L S F M N
R K E A O T E N S W R E V M D
E S W N L M U J C F U R T E E
F B C C O S P T B W L V E R R
E O F N A R R A I J E I A C P
R R K A D S P S N O S C M I K
E R K T L H Q Z O I N E Z A K
E O E X C H A N G E E S A L P
H W O W N I E Q F S Y S T E M
B E N S F O O T B A L L I L O
Y R S D V A O P Z D Z M E G A

INSTITUTIONS
FOOTBALL
CUSTOMERS
TEAM
SPENDER
RULES
BANKS
BORROWER
COMMERCIAL
SERVICE
EXCHANGE
FINANCIAL
COMPANIES
SYSTEM
REFEREE



FINANCIAL INCLUSION DATA & INSIGHTS

GLOBAL FINDEX DATA BASE 2017 and 2021
(WORLD BANK)SIERRA LEONE
Account OwnershipSUB-SAHARAN AFRICA
Account Ownership

Contributors and Appreciation Message:

The Financial Inclusion Newsletter initiative would not have been possible without the continued support and guidance from the Governor of the Bank of Sierra Leone, Dr. Ibrahim L. Stevens, Deputy Governor - Financial Stability, Sheikh A.Y Sesay and Deputy Governor - Monetary Stability, Dr. Joseph A. Tucker.

Additional thanks to all the Directors at the Bank of Sierra Leone for their input and participation in the Financial Inclusion Newsletter and financial inclusion efforts. Special thanks also to the Alliance for Financial Inclusion (AFI) and UN Capital Development Fund (UNCDF) for their continued support to the Financial Sector Development Unit and the Bank of Sierra Leone over the years.

Financial Inclusion Newsletter encourages its readers to send their contributions based on their experiences in the sector.

For inquiries, comments and/or suggestions on the Newsletter, please email: fkamara@bsl.gov.sl



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