

GUIDELINES FOR MOBILE MONEY SERVICES

1.0 AUTHORITY

These guidelines are issued by the Bank of Sierra Leone (hereinafter referred to as “the Bank”) in exercise of the powers conferred on it by Section 53 of the **Other Financial Services Act 2001** (hereinafter referred to as the OFS Act).

2.0 INTRODUCTION

Mobile Financial Services (MFS) represent a significantly cheaper alternative to conventional branch-based banking that allows mobile money service providers to offer financial services by the use of mobile phones.

3.0 OBJECTIVES

The objectives of these guidelines include the following: -

- (a) Provide clarity on mobile money services to customers, mobile money service providers, licensed financial institutions, mobile money agents and other parties involved in the provision of mobile money services in Sierra Leone;
- (b) Provide a level playing field for all stakeholders in the mobile financial services ecosystem and promote fair competition and market discipline;
- (c) Ensure that mobile financial services are provided by regulated financial institutions or their agents;
- (d) Outline the licensing procedure for parties seeking to engage in the provision of mobile money services;
- (e) Stipulate the roles and responsibilities of parties engaged in the provision and usage of mobile money services;
- (f) Ensure consumer protection including a mechanism for handling complaints relating to mobile money services and further the interests of customers in mobile money services;
- (g) Promote financial inclusion without risking the safety and soundness of the financial system;
- (h) Extending core banking and mobile financial services to the domain of everyday transactions; and

- (i) Ensure compliance with the Anti-Money Laundering and Counter Financing of Terrorism (AML/CFT) Laws, as well as standards set by the Financial Action Task Force (FATF).

4.0 INTERPRETATION

In these guidelines unless the context otherwise requires: -

“Bank-led model” - A mobile financial services business model (bank-based or nonbank-based) in which the bank is the primary driver of the product or service, typically taking the lead in marketing, branding, and managing the customer relationship.

“Nonbank-led model” - A mobile financial services business model (bank-based or nonbank-based) in which the nonbank is the primary driver of the product or service, typically taking the lead in marketing, branding, and managing the customer relationship.

Cash-out - The exchange of electronic value (e-money) for cash.

Cash-in - The exchange of cash for electronic value (e-money).

Customer” means a person who uses or has used mobile money services;

“Consumer protection” refers to measures put in place to ensure that consumers receive information to enable them to make informed decisions, are not subject to unfair or deceptive practices and have access to recourse mechanisms to resolve disputes.

“Customer Due Diligence (CDD)” refers to measures for obtaining and verifying customer identity and other information including true name, address and employment at the time of establishing a business relationship, e.g. mobile money account opening, to mitigate the risk of Money Laundering and Terrorist Financing.

Electronic money (e-money) - A type of monetary value electronically recorded and generally understood to have the following attributes: -

- (i) issued upon receipt of funds in an amount no lesser in value than the value of the e-money issued;
- (ii) stored on an electronic device (e.g. a chip, prepaid card, mobile phone, or computer system);
- (iii) Accepted as a means of payment by parties other than the issuer; and convertible into cash.

E-money account - An e-money holder's account that is held with the e-money issuer. In some jurisdictions, e-money accounts may resemble conventional bank accounts, but are treated differently under the regulatory framework because they are used for different purposes (for example, as a surrogate for cash or a stored value that is used to facilitate transactional services).

The funds backing such amount may be pooled with the funds of other customers of the nonbank e-money issuer and held in a bank account(s) or, in some cases, in a special trust account set up for the customer.

"e-money" means monetary value electronically stored, issued against receipt of funds in local currency, accepted as a means of payment by persons other than the issuer and redeemable for cash.

E-money issuer - The entity that initially issues e-money against receipt of funds. Some countries only permit banks to issue e-money (Bank-based model) whereas other countries permit nonbanks to issue e-money (Nonbank-based model).

"Encryption" is the process of encoding messages at the time they are sent such that an unauthorized person cannot interpret or interfere with the message.

"Escrow account" means a bank account held by a licensed institution for and on behalf of the participants in the mobile money service who have deposited cash in exchange for e-money they receive on their mobile wallet.

"Interoperability" - Payment instruments belonging to a particular scheme or business model that are used in other systems and installed by other schemes. Interoperability requires technical compatibility between systems, but can only take effect when commercial interconnectivity agreements have been concluded.

Interconnectivity - The ability to enable a technical connection between two or more schemes or business models, such as a bank or payment services provider to an international or regional payment network. Interconnectivity with a payment scheme (e.g. Visa or MasterCard) requires a bank to go through a certification process

“Know Your Customer (KYC)” means a set of due diligence measures undertaken to identify the customer and monitor transactions performed on their mobile money wallets/accounts.

“Licensed institution” means a financial institution licensed under the Other Financial Services Act, 2001.

“Mobile banking” means the use of a mobile phone as a channel to access and conduct financial transactions on one’s account held in a licensed institution.

“Mobile financial services” refers to the use of a mobile phone both for mobile banking and mobile payments and remittances.

“Mobile money” is e-money available to a user to conduct transactions through a mobile phone.

“Mobile money agent” means any third party acting on behalf of a mobile money service provider to deal directly with customers.

“Mobile money platform” refers to the hardware and software that enables a mobile money service.

“Mobile money service provider” refers to any person offering mobile money services in accordance with these Guidelines.

“Mobile network operator (MNO)” means a person licensed to provide Communications services via mobile networks.

“Mobile payments” refer to payments effected using a mobile money service.

“Mobile remittances” refer to transfers completed using a mobile money service.

“Mobile wallet (M-wallet)” means a customer’s virtual account maintained by the mobile money service provider on the mobile money platform, also known as a “mobile money account”.

“Money laundering” is the process of turning illegitimately obtained property/monetary value into seemingly legitimate property/monetary value and it includes concealing or disguising the nature, source, location, disposition or movement of the proceeds of crime.

“Personal Identification Number (PIN)” is a secret password that a mobile money customer has to input to be able to carry out transactions on one’s account.

“P2B” (Person-to-business payment). Payments include payments for the purchase of goods and services.

“P2G” (Person-to-government payment) .Payments includes taxes and fees.

“P2P” (Person-to-person payment). Payments include both domestic and international remittances.

“Real-time” means the instant processing of transactions when a transaction instruction is received by the system (the mobile money platform).

“Terrorist financing” is the financing of terrorist acts, terrorists and terrorist organizations.

“Suspicious transaction” refers to a transaction which is abnormal for a particular account or an unusual transaction or an unusual pattern of transactions.

“Writing” or “written” includes any handwriting, typewriting, printing, electronic storage or transmission or any other method of recording information or fixing information in a form capable of being preserved.

“Third-party provider” - Agents and others acting on behalf of a mobile financial services provider, whether pursuant to a services agreement, joint venture agreement, or other contractual arrangement

5.0 MOBILE FINANCIAL SERVICES

The Bank Of Sierra Leone may allow the following Mobile Financial Services (in broad categories) -

- (i) Disbursement of inward foreign remittances,
- (ii) Cash in/out using mobile account through agents/Bank branches/ ATMs/Mobile Operator’s outlets.
- (iii) Person to Business Payments - e.g. a. utility bill payments, b. merchant payments
- (iv) Business to Person Payments e.g. Salary disbursement, dividend and refund warrant payments, vendor payments, etc.
- (v) Government to Person Payments e.g. Elderly allowances. Freedom-fighter allowances, subsidies, etc.
- (vi) Person to Government Payments e.g. tax, levy payments.
- (vii) Person to Person Payments.
- (viii) Other payments like microfinance, overdrawn facility, insurance premium, DPS, etc.

6.0 APPLICATION FOR LICENCE

6.1 Any person seeking, providing or intending to provide mobile financial services in Sierra Leone shall apply in writing to the Bank of Sierra Leone. The applicant shall adhere to the following conditions: -

- (a) The applicant must be a registered limited liability company;
- (b) Must open and maintain a trust account(s) at a commercial bank(s) specifically for the purpose of facilitating mobile payments;
- (c) Must provide proof of its financial position and ability to provide mobile financial services;
- (d) Must provide a Business Plan;
- (e) **Must provide a Risk Management framework indicating the step that shall be taken to identify, measure, monitor and control risks and submit a report to the effect that the MFSP has complied with the following minimum requirements: -**
 - (i) That an adequate risk management process is in place to assess, control, monitor and respond to potential risks arising from the proposed mobile financial services;
 - (ii) To submit Information, Communication, Technology Certification report issued by the relevant agency, confirming that corporate security policy and procedures that address all security issues affecting mobile money transfer services have been put in place. The report should cover, but not limited to the following: -
 - Authentication
 - Non-repudiation
 - Authorization
 - Integrity
 - Confidentiality
 - (iii) That it has carried out a risk analysis of the mobile money project that details the risk management measures required of the product;
 - (iv) that the management has reviewed the existing risk profile of its operations and considered the impact of implementing the mobile money service;

- (v) That major technology-related controls relevant to the mobile financial services have been addressed;
- (vi) That there are appropriate security measures in place, both physical and logistical together with other requisite risk management controls and a strategy has been developed to adequately manage the risks associated with mobile financial services. The strategy should clearly outline the policies, practices and procedures that address and control all of the risks associated with mobile financial services and that it has the potential of providing services to a wider outreach;
- (vii) provide business continuity and disaster recovery plans to ensure services are always available at all times; and
- (viii) That the pricing policies shall take into account affordability of the services to a wider market outreach.

6.2 The mobile money financial service provider shall ensure that its overall financial condition is adequate to undertake investment in mobile money service infrastructure, in terms of hardware, software, communications, maintenance, etc.

7.0 ACCEPTABLE MODELS OF MOBILE MONEY FINANCIAL SERVICES

7.1 This framework has identified two major models for the implementation of mobile money services namely: -

- (i) **Bank Led** - A mobile financial services business model (bank-based or nonbank-based) in which the bank is the primary driver of the product or service, typically taking the lead in marketing, branding, and managing the customer relationship.

This is whereby a bank, or any other licensed financial services institution such a micro-finance institution (MFI), is the main institution licensed to provide mobile financial services under the Banking Act, 2012 and the Other Financial Services Act, 2001.

The mobile financial services provided are mobile banking services such as payments, account balance inquiry, and monetary transfers between accounts. These services are accessed through the Internet or through a mobile phone based system where the mobile phone company provides menu based communications services in partnership with a bank. However, neither the mobile network operator nor the cell phone

company, is involved in any underlying financial transactions, all of which pass through the client's bank account and for systems will make it significantly easier to exercise fiduciary oversight over the payment process.

- (ii) **Non Bank Led-** A mobile financial services business model (bank-based or nonbank-based) in which the nonbank is the primary driver of the product or service, typically taking the lead in marketing, branding, and managing the customer relationship.

The payment transactions occur entirely within the MNO's network, and do not require the subscriber to have a bank account. The funds in transit - paid in by the remitter but not yet withdrawn by the recipient, are in principle on deposit in a separate trust account with one or more banks and are therefore not deposits in the context of banking business.

MNOs make use of the banking facilities, in the form of trust accounts. The MNO only executes client payment instructions and does not perform the credit assessment and a bank's risk management role. The Mobile network operator model of mobile financial services is different from the mobile banking model in three significant aspects.

- (a) Cash exchanged for electronic value are not repaid and remains in control of the customer at all times. To offer Mobile Money Financial services, the agent must deposit a float of cash upfront in a trust account, held by a local bank. As such there is no credit risk to either the customer or the mobile network operator.
- (b) Customer funds are not on-lent in the pursuit of other business or interest income. All funds are to be maintained in a pooled trust account at a reputable bank, and cannot be accessed by the mobile network operator to fund its business. Hence, there is no intermediation, which is a key part of the deposit taking definition
- (c) No interest is paid on customer deposits, or received by the mobile network operator on the float. This is a further factor which indicates that the e-value created is not in fact a deposit.

- 7.2 The Lead initiator shall be responsible for ensuring that the various solutions and services within a mobile money financial services system meets the stipulated regulatory requirements as defined by the Bank of Sierra Leone.

- 7.3 The Lead initiator (as an entity and as representative of other partners) shall be legally responsible and accountable to the Bank and the end user.
- 7.4 The Bank recognizes the critical role of telecommunication companies in any of the models specified above for the implementation of mobile money financial Services. Telecommunication companies shall -
- (i) provide telecommunication network infrastructure for the use of scheme operators;
 - (ii) ensure that a secure communication path based on the technology standard stipulated in this regulatory framework is implemented;
 - (iii) make available its network to scheme operators based on criteria which are transparent and generally applicable to all scheme operators without discrimination;
 - (iv) ensure that its subscribers are free to use any mobile payments system service of their choice;
 - (v) not receive deposit from the public except in respect of the prepaid airtime billing of their subscribers;
 - (vi) Not allow the use of the prepaid airtime value loaded by their subscribers for purposes of payment or to transfer monetary value.

8.0 PERMISSIBLE MODELS

Depending on the operation, responsibility and relationship(s) among banks, MNOs, Solution Providers and customers, mainly three types of mobile financial services (Bank led , Non Bank led and the hybrid model) are followed worldwide.

From legal and regulatory perspective both the bank-led and the non bank led model will be allowed to operate.

9.0 BANK-LED MODEL

- 9.1 This is a model where a bank delivers banking services to its customers using the mobile phone as a delivery channel. This model can only be deployed by a licensed deposit-taking financial institution. Licensed deposit-taking financial institutions, under this model shall include commercial banks and other deposit-taking financial institutions.

10.0 THE PARTICIPANTS IN THE BANK-LED MODEL

10.1 The participants in this model shall include the initiating bank, partner mobile network operators and the customers.

11.0 RESPONSIBILITIES OF THE FINANCIAL INSTITUTIONS

11.1 Financial Institutions shall be responsible for -

- (i) Seeking and obtaining necessary approvals from the regulatory authorities.
- (ii) the deployment and delivery of the mobile payment solutions to the customer;
- (iii) ensuring that the mobile payment solution meets all specified mobile payment standards as stated in the mobile payment services regulatory framework;
- (iv) Putting in place adequate measures to mitigate all the risks that could arise from the deployment and use of its mobile payment solution;
- (v) Facilitating inward international remittances to both scheme and non-scheme recipients.

12.0 RULES FOR THE FINANCIAL INSTITUTIONS

12.1 The financial institutions shall ensure that -

- (i) the mobile payment system meets all regulatory requirements and standards;
- (ii) it adheres to the requirements of the mobile payment KYC guidelines.
- (iii) it makes adequate provision for monitoring and reporting as defined in the mobile payment monitoring and compliance guidelines.
- (iv) Remittance messages shall, at a minimum, be conveyed to the recipient through secured SMS.

13.0 NON-BANK LED MODEL

13.1 This model allows a corporate organization that has been duly approved/licensed by the Bank of Sierra Leone to deliver mobile payments services to consumers.

13.2 This model shall be applicable to any organization other than a licensed commercial bank or deposit-taking financial institution. Corporate organization, under this model, shall include subsidiaries of telecommunication companies, switching companies and payments system service providers. These corporate bodies shall create separate entities that are registered for the purpose of providing mobile money services, must have their own administrative structures.

14.0 THE PARTICIPANTS IN THE NON BANK-LED MODEL

14.1 The participants in this model shall be the corporate organization, its partners and the consumers.

15.0 ROLES OF THE ORGANIZATION

15.1 The corporate organization would provide and manage the technology required to deliver mobile payment services to the customer.

15.2 The corporate organization would provide the agent network required to extend all the proposed services to the market place.

16.0 RESPONSIBILITIES OF THE ORGANIZATION

16.1 The organization shall be responsible for: -

- (i) Ensuring that the proposed solution meets all the regulatory standards and requirements specified in the mobile payment services regulatory framework.
- (ii) The deployment and delivery of the mobile payment solutions to the customer.
- (iii) Developing the agent network required to support the delivery of services to the customer.
- (iv) Recruiting, managing and training the agents on their network.
- (v) Educating the customers on appropriate use of the solution.

- (vi) Ensuring that its mobile payment system provides transactions monitoring and reporting system in compliance with regulatory requirements.
- (vii) Providing access for on-the-spot assessment and verification of its transaction details by the Bank of Sierra Leone on an on-demand basis.
- (viii) Providing a quarterly assessment report on the performance of the organization and the submission of same to the Banking Supervision Department of the Bank of Sierra Leone.
- (ix) Keeping records of transaction details emanating from the organization's mobile payment system.
- (x) Ensuring that the mobile payment solution complies with specified standards as stated in the regulatory framework.
- (xi) Putting in place adequate measures to mitigate all the risk that could arise from the deployment and use of its mobile payment solution.
- (xii) Facilitate remittances to both scheme and non-scheme recipients.
- (xiii) Ensuring that international inward remittance messages shall, at a minimum, be conveyed to the recipient through secured SMS.

17.0 RULES FOR THE ORGANISATIONS

17.1 The organization shall ensure that: -

- (i) monetary values in respect of its mobile payments services are reflected in the financial system by maintaining a trust account with a commercial bank.
- (ii) the trust account shall have trustees with users of the e-money issued on it as beneficiaries.
- (iii) the trust account is not interest bearing to both the e-money users and the corporate organization.
- (iv) the trust account is not used, under any guise or purpose, as collateral for negotiation of loans by the organization.
- (v) the balance on the trust account shall always be equal to the total outstanding (un-spent) balance of all holders of the e-money.
- (vi) the mobile payment system meets all regulatory requirements and standards.

- (vii) it adheres to the requirements of the mobile payments Know Your Customer (KYC) guidelines.
- (viii) all customer transactions are traceable; auditable and can be validated.
- (ix) Remittance messages shall, at a minimum, be conveyed to the recipient through secured SMS.

18.0 MOBILE MONEY AGENT

A mobile money agent is the main interface between the customer(s) and the mobile money service provider. The agent is selected by the mobile money service provider.

- (a) A mobile money agent shall: -
 - (i) Be a registered business with a physical address; and
 - (ii) Have an account in a licensed institution.
- (b) A mobile money agent shall perform the following activities: -
 - (i) Collect mobile money account opening documents for onward forwarding to the mobile money service provider. The agent should sensitize the customers at this time not to disclose their Personal Identification Number (PIN) to any other person;
 - (ii) Receive cash to credit a mobile wallet (cash in);
 - (iii) Pay cash in exchange for e-money from a mobile wallet (cash out); and
 - (iv) Attend to customer queries and complaints.
- (c) The following activities shall not be performed by a mobile money agent: -
 - (i) Carrying out a transaction when there is a mobile money system failure;
 - (ii) Carrying out a transaction on behalf of a customer (e.g. sending money to another customer or paying a bill on behalf of a customer); and
 - (iii) Charging any fees directly to the customers (agency commission should be paid to the agents by the mobile money service provider).

19.0 CUSTOMER

A mobile money customer should exercise due care in performing transactions and properly follow instructions given. The mobile money customer is responsible for keeping his/her PIN secret at all times by not disclosing it to anyone.

20.0 SYSTEMS STANDARDS

The Bank of Sierra Leone shall have the authority to inspect or direct the inspection of the technology systems of mobile money service providers. The Bank of Uganda may define standards from time to time regarding system standards in the following areas: -

- (a) Systems operations;
- (b) Monitoring and reporting functionality;
- (c) Business continuity including data backup and recovery;
- (d) Security measures to combat fraud and theft, particularly as regards data transmission and data storage;
- (e) Linkages to the national payments system; and
- (f) Additional requirements for telecommunications service support and platform delivery requirements may be provided by the Uganda Communications Commission.

21.0 COMPETITION

A mobile money service provider and other persons partnering in the provision of mobile money services shall not engage in anti-competitive practices, contracts, arrangements or understandings that would be likely to substantially inhibit competition in the market.

22.0 ANTI MONEY LAUNDERING (AML) AND COUNTERING THE FINANCING OF TERRORISM (CFT)

The mobile money service providers shall have measures in place to prevent money laundering and terrorist financing. The mobile money IT system shall have inbuilt mechanisms to identify suspicious transactions. The following measures shall be in place: -

- (a) Adhere to international Know Your Customer (KYC) standards at account opening by carrying out Customer Due Diligence (CDD). The entity conducting customer verification should require at least one of the following documents to verify the identity of the customer: a valid passport, driving permit, identity card, voter's card, financial card, local administration letter or business registration certificates.
- (b) Limits should be set for frequency, volume and value of transactions; and these limits, as well as any revisions thereof, shall be sent to Bank of Uganda for approval.

- (c) Suspicious transactions and large cash transactions should be reported to the partnering licensed institution which should in turn report them appropriately.

23.0 TRANSACTIONS

23.1 The institutions licensed to provide mobile money services shall ensure that -

- (i) All transactions initiated and concluded within the mobile payment system shall have a unique transaction reference issued by the system;
- (ii) All transactions shall have the following elements: Transaction number, transaction amount, transaction date and time stamps, merchant categories and codes;
- (iii) Each transaction details logged within the payment system shall contain a valid description, payer and payee phone numbers.
- (iv) Mobile money solution providers shall provide notifications for all transactions concluded on their mobile payment systems.
- (v) Scheme Operators shall ensure that all transactions processed within its infrastructure are not compromised.
- (vi) Maintain audit trail and transaction log of all transactions consummated on the scheme.

24.0 SETTLEMENT

24.1 The scheme operator shall ensure that its mobile payment infrastructure fully complies with the mobile payment services regulatory framework requirement for finality of settlement.

- (i) The scheme operator shall provide all solution providers with settlement positions for reconciliation of transactions.
- (ii) All final settlement processes shall be routed through the inter-bank settlement system.
- (iii) The scheme operator shall ensure that all settlement information details are preserved for reference over a 5 year period.

25.0 ISSUER OF E-MONEY

25.1 The issuer of e-money is the entity (bank or non-bank) which receives payment in exchange for virtual money and which is obligated to pay or redeem transactions or balances presented to it. The issuer pledges a float and is responsible for: -

- (i) settlement of all transactions against (all) their e-money schemes
- (ii) appointment of Agents and subagents
- (iii) monitoring the exit of agents and sub-agents
- (iv) ensuring compliance to KYC/AML limits as set
- (v) enrolment of customers
- (vi) sale of e-money
- (vii) cash out/withdrawal
- (viii) complying with the minimum technical specification for the operation of this scheme as specified in this framework.
- (ix) interoperability with other scheme operators
- (x) maintaining and providing the regulator with data on transactions on the mobile payments scheme detailing transactions as may be required from time to time.
- (xi) the provision of adequate collateral securities with the regulatory authority for the purpose of mitigating settlement risks, where applicable.
- (xii) the replenishment of the pledged float within 24 hours of depletion, failing which the issuer shall be sanctioned.

25.2 In the case of a non-bank, maintaining a trust account at a bank(s) for the purpose of conducting mobile money transactions and shall notify the BSL of the bank(s) of its choice. The trust account shall warehouse the total outstanding balance of e-money issued at any given time.

26.0 CONSUMER PROTECTION AND RECOURSE

26.1 The following consumer protection measures are intended to capture and maintain the trust of customers and ensure their protection against abusive practices. This protection is guaranteed by establishing a “trust” or fiduciary agreement, under which funds are held on behalf of the clients and protected from institutional risks, such as claims made by creditors in cases of bankruptcy. Furthermore, mobile money service providers shall ensure the following: -

(a) Transactions

- (i) A mobile money agent shall carry out transactions only when the mobile money system is up and running and transactions should be in real-time.

- (ii) Every transaction shall require authentication by a customer's PIN. At the time of opening mobile money accounts, mobile money agents should sensitize customers not to disclose their PINs to any other person.
- (iii) There must be a mechanism for the customer to verify the name and number of the funds' recipient for confirmation before a transaction is completed.
- (iv) The customer shall immediately receive written confirmation of execution of a transaction, including the fee charged.
- (v) In case of mobile money sent to unregistered users, the sender must receive a message confirming encashment by the recipient. All funds sent to unregistered users and are not cashed out within two weeks must be returned to the sender.
- (vi) The mobile money platform shall be secured through security of data measures including end to end encryption of all messages containing information related to mobile money transactions.
- (vii) The mobile money service provider shall provide in writing the balance remaining in the customer's mobile wallet as well as a statement on previous transactions, including hard copies if requested by customers.

(b) Transparency

- (i) At mobile money account opening, the consumer shall be made privy to the terms and conditions that govern mobile money services including the relevant fees, charges, penalties and any other consumer liabilities or obligations.
- (ii) The consumer shall be given at least 30 days notice, including by SMS, of any changes in terms and conditions (including fees and charges) of the mobile money service.
- (iii) The agent shall clearly display in a conspicuous place: -
 - (a) The identity of the mobile money service provider(s) for whom the agent operates;
 - (b) The agent's unique identification number provided by the mobile money service provider;

- (c) All applicable charges and fees for the mobile money service;
 - (d) A written notice that no charges or fees are levied at the agent location
 - (e) The dedicated telephone line through which customers can contact the mobile money service provider, including the contact in case the consumer has a complaint about the service; and
 - (f) A statement that the agent does not carry out transactions on behalf of customers.
- (iv) Where a consumer is unable to understand English, the agent shall provide an oral explanation in a language the consumer understands. Where a consumer is unable to understand written information, the agent shall orally explain to the consumer the written information.

(c) Data protection

- (i) A mobile money service provider, as well as its agents, shall uphold privacy and confidentiality of customer information and data;
- (ii) The conditions under which customer information and data will be kept shall be disclosed before the customer enters into agreement with the mobile money service provider; and
- (iii) Provisions of data protection including confidentiality shall be in accordance with all relevant laws.

(d) Complaints handling and consumer recourse

- (a) Mobile money service providers shall ensure that appropriate and effective procedures for receiving, considering and responding to complaints are put in place. The complaints handling procedure shall ensure that: -
 - (i) Information about procedures for handling complaints is easily available at any channel used in the provision of mobile money services;
 - (ii) Agents are trained on receiving complaints and handling their resolution or escalation;
 - (iii) A dedicated toll free telephone line for complaint resolution is provided; and
 - (iv) Records are kept for all complaints lodged.

Customers have a right to contact Bank of Sierra Leone in case they are dissatisfied with the way their complaints are being handled by the mobile money service provider. Customers who may be dissatisfied with the manner in which the complaints have been handled may resort to alternative legal procedures for redress.

27.0 SUPERVISION

- (a) Bank of Sierra Leone shall have the powers to supervise mobile money services and can co-opt other persons including other regulators to do so. An inspection report may be issued to the partnering licensed institution and the mobile money service provider.
- (b) The partnering licensed institution and the mobile money service provider shall provide periodic reports to Bank of Sierra Leone on their mobile money operations, as specified in the Appendix. Bank of Sierra Leone may at any time request for any information from any licensed institution, mobile money service provider or mobile money agent.
- (c) The mobile money service provider shall submit annual audited financial statements to Bank of Sierra Leone.
- (d) Bank of Sierra Leone may appoint an appropriate professional to conduct a special audit on the operations of a mobile money service provider. The cost of the audit shall be met by the mobile money service provider.
- (e) The licensed institution shall maintain accurate and complete records of the aggregate e-float and the amount in the trust account. These records shall be kept for a period of at least 5 years.
- (f) The mobile money service provider shall maintain accurate and complete records of mobile money accounts opened, the identity of mobile money customers, agents, transactions undertaken by mobile money customers and the individual balances held by mobile money customers.
- (g) If the Bank of Sierra Leone has reason to believe that the operations of the mobile money service are being conducted in a manner that is detrimental to the interest of the mobile money customers or in contravention of the terms and conditions imposed, it may take any of the following courses of action: -

- (i) Issue directions regarding measures to be taken to improve the management and provision of the mobile money services;
- (ii) Suspend or cancel the approval/no-objection;
- (iii) Impose any other conditions as it may consider appropriate.

28.0 PROHIBITED ACTIVITIES

27.1 The Mobile Financial Services Provider shall not unless with the approval of BSL grant any form of credit to e-money holder.

- (i) pay interest or profit on the e-money account balances that would add to the monetary value of e-money;
- (ii) issue e-money at a discount, i.e. provide e-money that has a monetary value greater than the sum received; and
- (iii) Grant any other facility that exceeds the monetary value of the cash paid by the e-money holder.
- (iv) International outward remittances.

29.0 TRANSACTION LIMITS

29.1 Individual stored value limits, transaction limits, Merchant's limits and day limits shall be in accordance with AML laws and as approved by the BSL. Any subsequent amendments to such limits shall also be made only with the approval of the BSL.

29.2 Mobile money service providers shall identify dormant e-money accounts and report the particulars of such accounts, including the names of customers and their individual account balances.

APPENDIX

A. Report by Mobile Money Service Provider:

MOBILE MONEY REPORT

Name of Mobile Money Service Provider:

For the month of

Number of registered customers																				
Number of active customers*																				
Number of agents																				
Agents' balances(Le)																				
Customers' balances (Le)																				
Number of transactions																				
Value of transactions (Le)																				
Outstanding remittances (Le) (Specify nature) **																				
Transactional Limits (Specify): (a) Frequency (b) Values (Le)																				
Suspicious transactions: (a) Number (b) Value (Le)																				
Number and nature of complaints																				
Complaints resolved																				
Number, nature and value of frauds: <table border="1" data-bbox="172 1563 900 1832"><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr><tr><td></td><td></td><td></td></tr></table>																				
Applicable fees																				
System Uptime																				

* Customers who have transacted in the last 90 days

** Transactions that have been originated but not completed and are in suspense e.g. Remittance sent but not yet received by the recipient or bill paid and not yet credited to Bill Provider's account.

B. Report by Licensed Institution:

MOBILE MONEY REPORT

Name of Licensed Institution:.....

For the month ending:.....

Name of mobile money service provider			
Number of agents			
Deposits into escrow account (Le)			
Withdrawals from escrow account (Le)			
Balance on escrow account (Le)			