

Sanusi Lamido Sanusi: Using geospatial mapping to further the National Financial Inclusion Strategy

Keynote address by Mr Sanusi Lamido Sanusi, Governor of the Central Bank of Nigeria, at the launch of the result of the GIS mapping of financial access points in Nigeria, Lagos, 8 July 2013.

* * *

Introduction

1. It is indeed my pleasure to be delivering the keynote address at this occasion of the launching of the Geospatial mapping of Financial Institutions in Nigeria in conjunction with the Bill and Melinda Gates Foundation (BMGF).
2. The Nigerian National Financial Inclusion Strategy (NFIS) was launched in October, 2012 and the overall target outlined in the strategy is the reduction of the number of adults excluded from access to financial services from 46.3% in 2010 to 20% in 2020. As a member of the Alliance for Financial Inclusion (AFI), this is in line with our Maya declaration in 2011.
3. The broader aim of the target is that of the proposed 80% adult Nigerians to be included, at least 70% would be in the formal sector, with specific targets for services such as; payments, savings, credit, insurance and pensions outlined as well.
4. Achieving these targets will require the collaborative efforts of all the stakeholders in the financial industry, and with this in mind the Central Bank of Nigeria has approved a number initiatives centered around improving inclusion some of which include; The development of Agent Banking Guidelines, and tiered Know-Your-Customer (KYC) requirements to encourage Financial Institutions to reach out to under served segments, the development of a Consumer Protection Framework under a newly set up Consumer Protection Department and a National campaign to promote Financial Literacy.

Geospatial mapping

5. As part of our efforts to implement our National Financial Inclusion Strategy, the BMGF at the Alliance for Financial Inclusion (AFI) Global Policy Forum in 2012, made a commitment to support the Central Bank of Nigeria (CBN) in the actualization of set out targets in the strategy.
6. The gates BMGF identified certain areas for collaboration with the CBN based on their assessment of Nigeria's needs with respect to Financial Inclusion as well as the capacity of their partners. These areas include; Geo- Spatial Mapping, Capacity building initiatives for the Shared Services Office (which drives the Shared Services initiatives including the Cashless Nigeria Policy) and Capacity building Support for the Financial Inclusion Secretariat (which would drive the implementation of the NFIS).
7. Brand Fusion Marketing L.t.d was contracted by BMGF to carry out the Geo-Spatial Mapping of financial institutions which is essentially the provision of GPS Coordinates and other relevant parameters on all financial outlets and touch points across the country. The survey was commissioned and completed and the findings will be presented today.

The importance & potential uses of geospatial mapping

8. I have had the privilege of being given a demonstration of the tool as developed from the results of the exercise and would like to commend the Bill and Melinda Gates Foundation, Brand Fusion Marketing L.t.d and SpatialDev and all others involved in the collection, collation and analysis of this report for an excellent job which provides an important tool not only for the financial industry but for consumers and policy makers as well.

9. The potential uses of a tool like this are limitless and the Central Bank of Nigeria is excited to be partnering with the Bill and Melinda Gates Foundation on this project which will act as a catalyst in the realization of the targets outlined in our National Financial Inclusion Strategy.

10. It is important to note, that Financial Inclusion efforts rely largely on data based evidence which is why tracking the progress of our National Financial Inclusion Strategy needs to be data driven. This tool as developed by BMGF will go a long way in providing the necessary support for gathering, monitoring and analysing data as we move to the implementation of the Strategy.

11. The interactive mapping tool which has been developed is able to provide consumers of financial services in the area with the ability to find financial access points within a 5km radius of any point on the map. This Proximity-based approach reflects geographic distribution of financial access points creating an ease of access to live information of the services provided by the access points.

12. It is also important to note that the statistics provided from this mapping will enable Nigeria measure certain indicators and compare them across several countries providing for country by country comparison on progress of our inclusion efforts.

13. The visual display of data makes it easy to see and measure evolution over time while using the tool to mark progress toward channels and products targets under the National Financial Inclusion Strategy (NFIS).

14. Apart from the baseline and trend analysis which could be used to measure and monitor progress of increased products and channels against the set targets under FI Strategy, GIS mapping will provide supply side data that could be used to monitor the effectiveness of other government initiatives.

Next steps

15. The Central Bank of Nigeria is very pleased to be partnering with the Gates foundation and looks forward to the next phase of the project. It is imperative that going forward, a determination is made of additional information that may be relevant to our inclusion and regulation efforts that are not already accounted for in this round.

16. Other non-conventional financial access points should be captured and included in the report such number of people and value of transactions that pass through motor parks, markets and such other hubs where financial activities are carried out to help determine the general level of activities in the informal financial sector.

Conclusion

7. In conclusion, I believe that we are taking a very important step here today and the partnership between the Central Bank of Nigeria and the Bill and Melinda Gates Foundation will go a long way in ensuring that our efforts to realize the targets set are a success. I look forward to a continued collaboration. Thank you.