



BANCO NACIONAL DE ANGOLA

Gerar Valor Para a Sociedade

Annual Cambridge Centre For Alternative Finance Conference



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Financial Inclusion

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Financial inclusion has been identified in the national development plan as a critical goal to promote poverty reduction and social inclusiveness.

The Central Bank has embraced the challenge and has taken the lead in promoting access to basic banking services throughout the country.

Engaging with the local banks, specific services and products have been developed and between 2011 and 2015 the number of Angolans with bank accounts doubled.

Most Angolans with permanent jobs in the formal sector have today a bank account and a debit card, however the informal sector still plays an important role in the economy and there is limited access to credit to finance business initiatives.

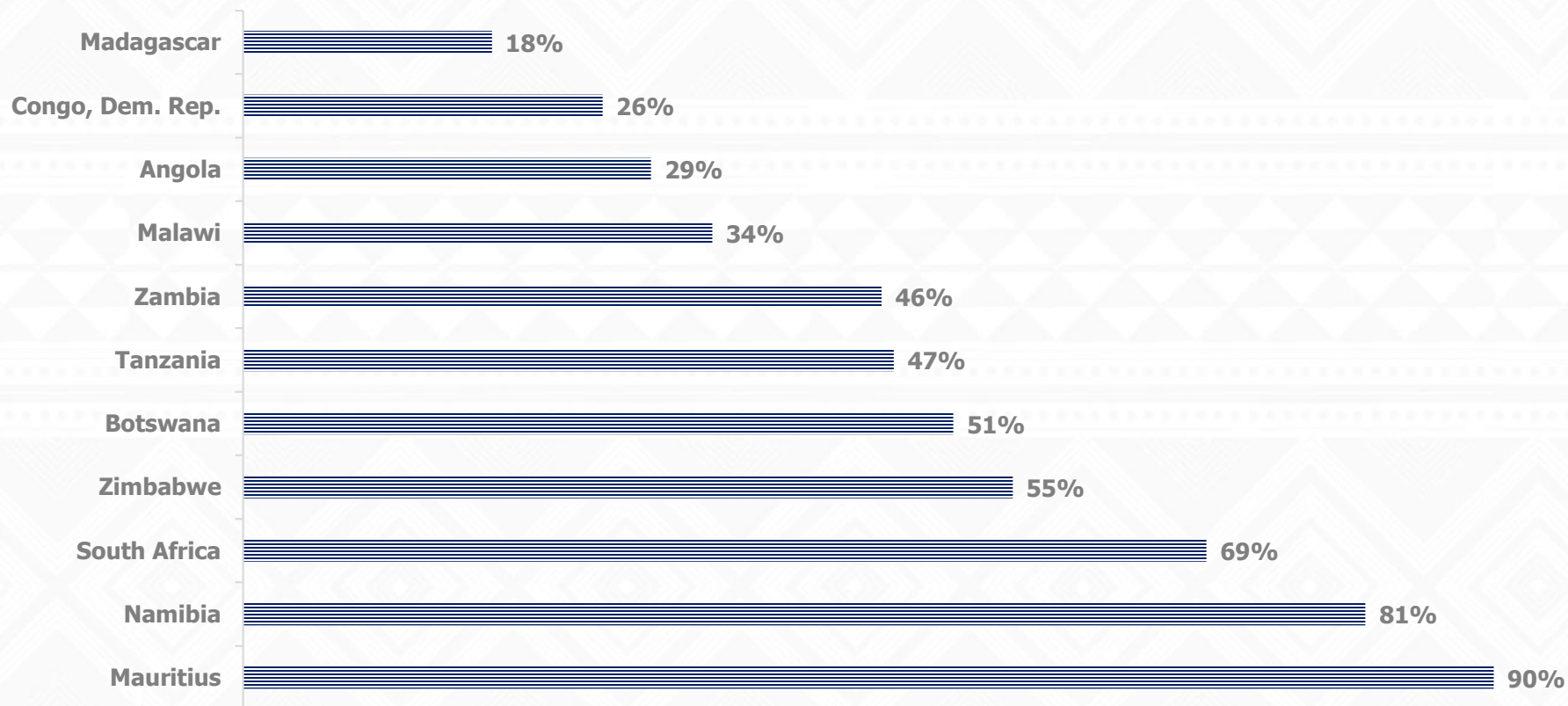
The challenges remain high given the domestic context and the need to speed up social inclusion to better address the needs of a growing younger population.

1. SADC statistics

Country	Population '000	Land area Sq. Kms	Population/ Sq. Km	GDP/capita	Literacy	Bank penetration rate
Mauritius	1,265	2,030	623	11,239	93%	90%
Namibia	2,448	823,290	3	5,932	88%	81%
South Africa	57,780	1,213,090	48	6,340	94%	69%
Zimbabwe	14,439	386,850	37	2,147	89%	55%
Botswana	2,254	566,730	4	8,259	88%	51%
Tanzania	56,318	885,800	64	1,051	78%	47%
Zambia	17,352	743,390	23	1,540	83%	46%
Mozambique	29,496	786,380	38	490	56%	42%
Malawi	18,143	94,280	192	389	62%	34%
Angola	30,809	1,246,700	25	3,432	66%	29%
Congo, Dem. Rep.	84,068	2,267,050	37	562	77%	26%
Madagascar	26,262	581,800	45	461	72%	18%

1. SADC statistics

Average Bank Penetration Rate in SADC Countries



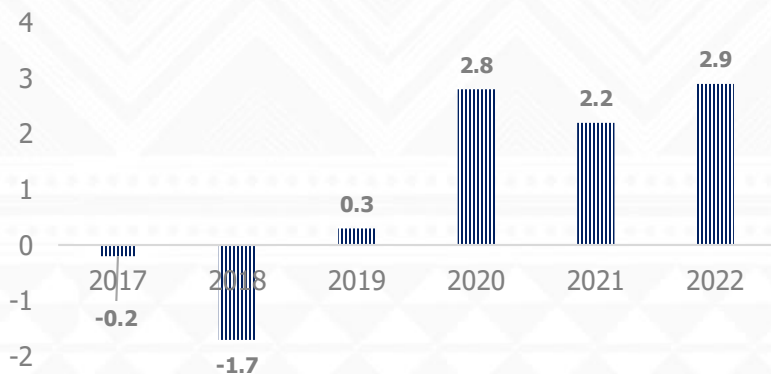
SADC BANK PENETRATION (2017)

50%

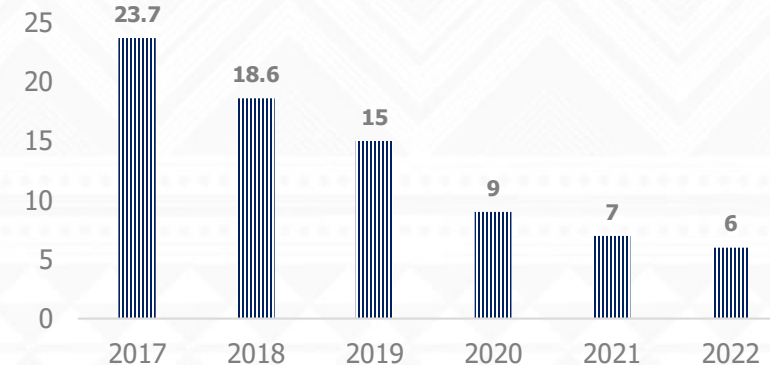
Source: Database World Bank

2. Country Snapshot

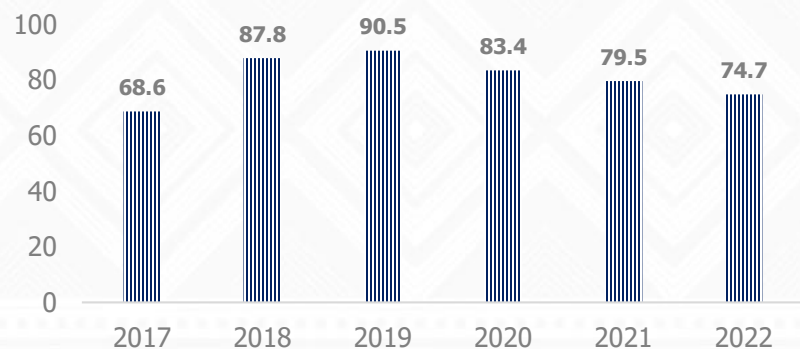
GDP Real Growth (%)



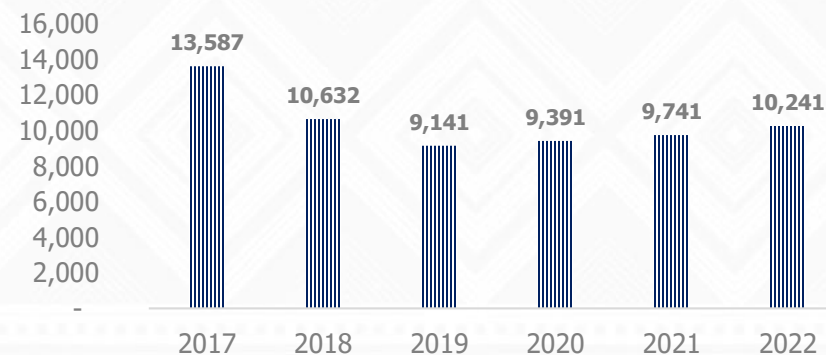
Inflation (%)



Debt to GDP (%)



Net International Reserves (\$ Million)



2. Country Snapshot



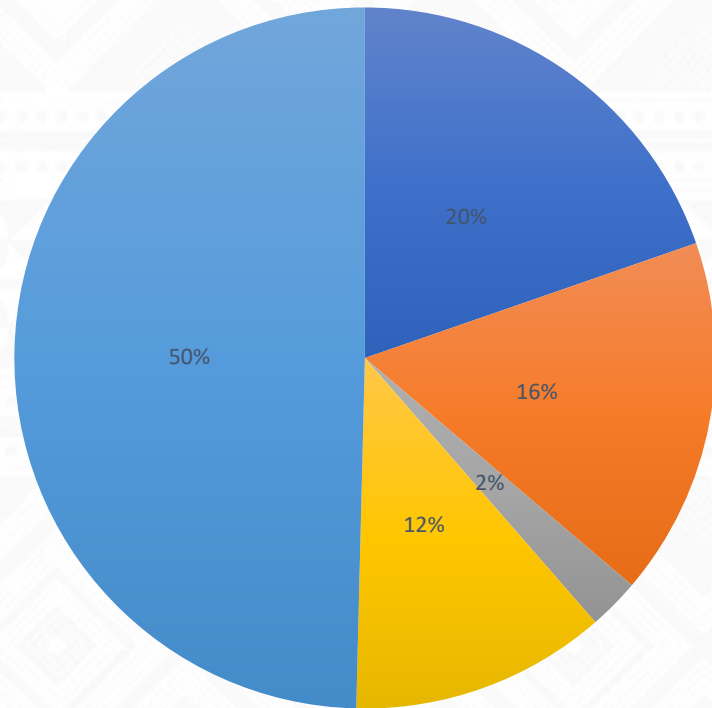
	Population (2016)	%	Bank Branches (2016)	%	ATMs (2019)	%
Luanda	7,460,871	27%	1038	53%	1709	56%
Huíla	2,654,836	10%	105	5%	176	6%
Benguela	2,352,918	9%	148	8%	260	9%
Huambo	2,161,692	8%	76	4%	134	4%
Cuanza Sul	1,993,413	7%	75	4%	102	3%
Uíge	1,570,641	6%	40	2%	59	2%
Bié	1,552,808	6%	35	2%	42	1%
Cunene	1,054,711	4%	51	3%	54	2%
Malanje	1,046,082	4%	43	2%	72	2%
Other 9 provinces	5,655,554	21%	355	18%	420	14%
Total	27,503,526	100%	1966	100%	3028	100%

Source: INE, EMIS, ABANC

- Population growth estimated at 3.1% per annum.
- 47% of the populations is under the age of 15.

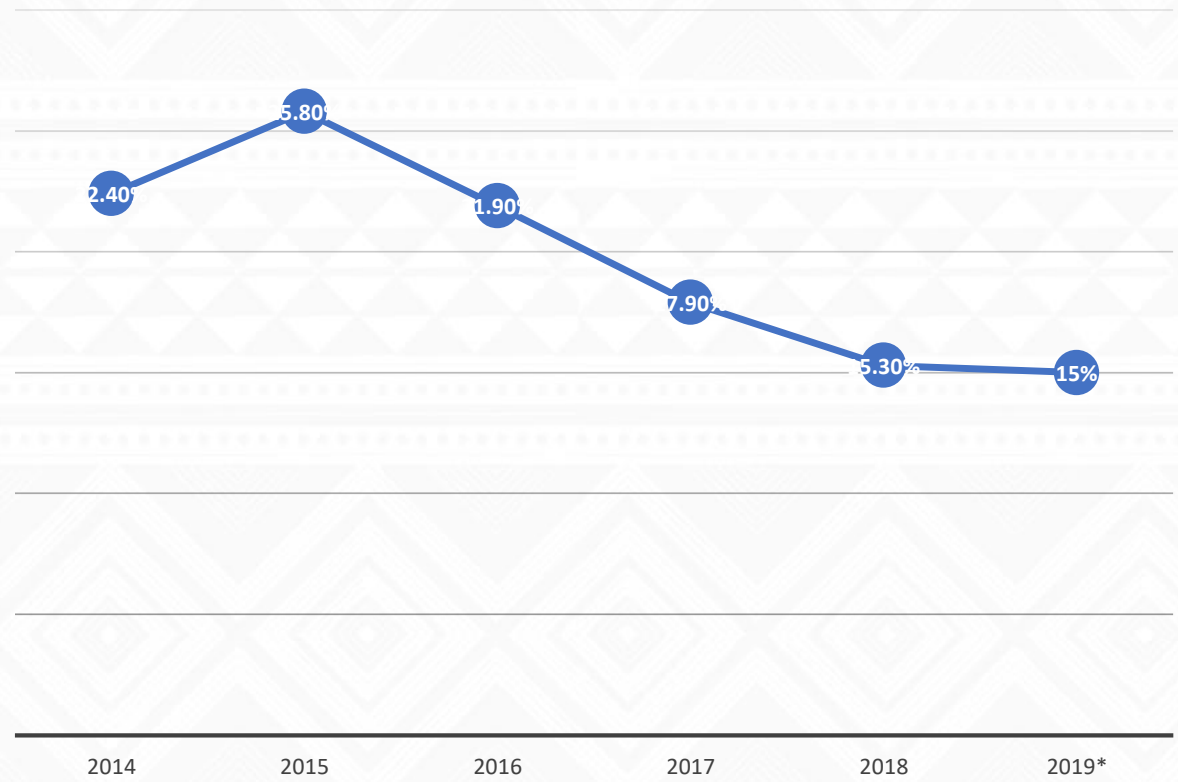
2. Country Snapshot

Market Segmentation



■ Retail Banks ■ Microcredit Societies ■ Cooperatives ■ Payment Societies ■ Banks Agents

Loan to GDP



3. Principles and Governance

National Plan for Financial Inclusion (PNIF) – approved in 2018

Main Objective:

Promote financial inclusion to 50% of adult population by 2022, ensuring coordinated actions by financial regulators

Composition:

- Ministry of Finance
- Central Bank
- Insurance regulator
- Capital markets regulator

Monitoring:

Quarterly reports on social impact of all initiatives under PNIF



**National Council of
Financial Stability
(CNEF)**

3. Principles and Governance

1. Increase the understanding of the basic concepts of banking services and financial products
2. Promote awareness of the benefits of a bank account and communicate the importance of savings and investment
3. Safeguard consumer rights
4. Raise consumer awareness of their rights and obligations
5. Promote the use of electronic means of payment
6. Provide access to credit facilities to low income population and micro entrepreneurs

4. Impact and Goals

	Statistics (2017)	Where we want to be (2022)
Account (% age 15+)	29%	50%
Account (% age 15+), female	22%	50%
Account (% age 15-24)	15%	50%
Debit Card Ownership	21%	100%
Mobile Money Accounts*	223.668	>5.000.000

*2018

Source for statistics: World Bank and EMIS

1. Stimulate innovation while preserving financial stability
2. Develop analytic systems for risk management
3. Mobilise funds for microcredit lending
4. Ensure property rights on land and other non-finance assets
5. Reduce the size of the informal sector in the economy

6. Central Bank Initiatives

Bankita: a simplified bank account that can be opened and transacted with small amounts

- Established in 2011 by a Central Bank regulation
- Permits the opening of bank transaction accounts with a minimum deposit of Kz 100 (equivalent to ± 0.30 US cents), and a maximum amount of Kz 100,000 (equivalent to ±USD 290)
- No account or transaction charges
- Can be opened with any document which identifies the client

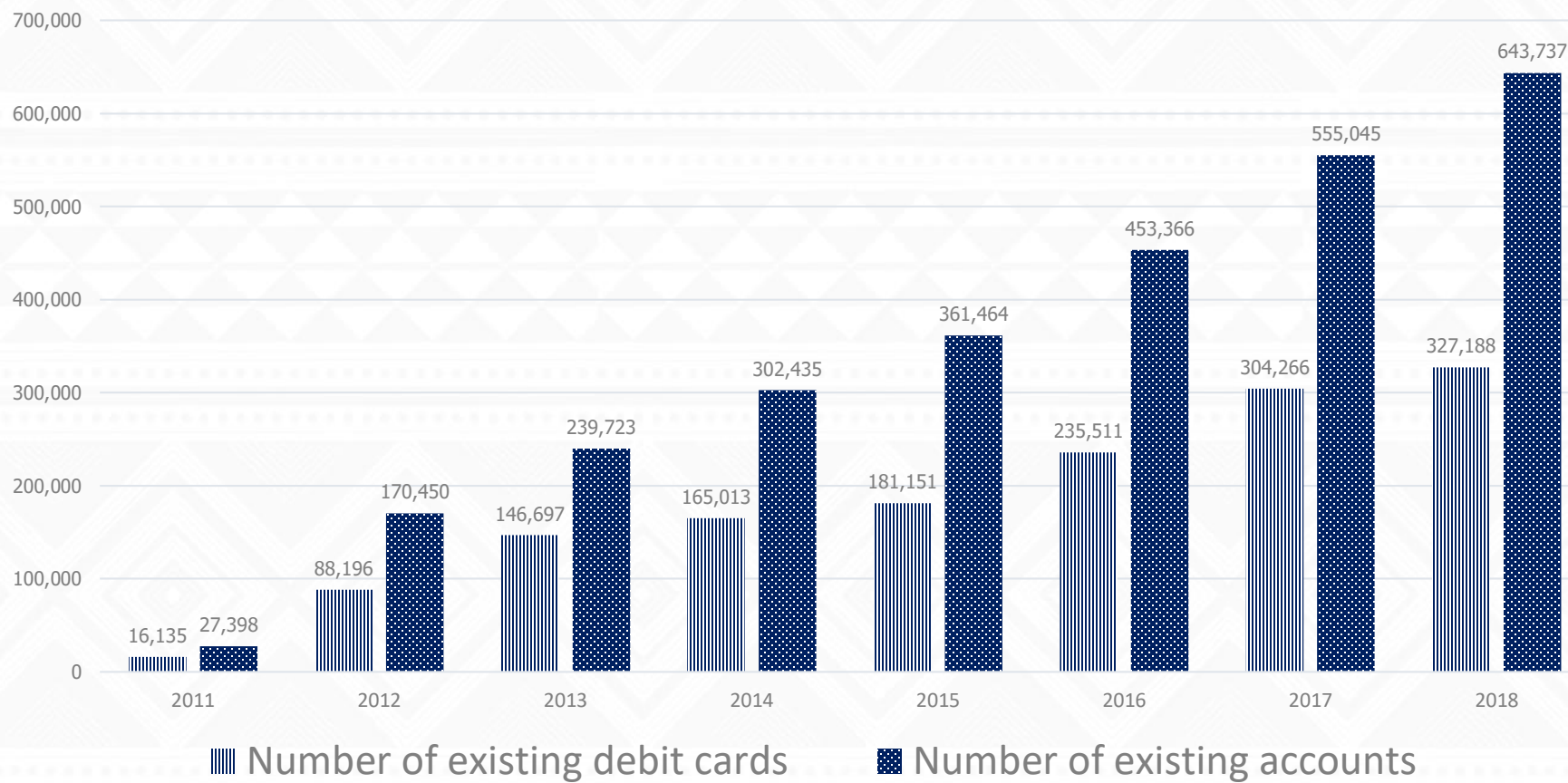
- Banks do not have to constitute mandatory reserves at the central bank (17%) for these deposits.

Free Basic Banking Services

Regulation published by the Central Bank in 2017 which covers all bank accounts held by individuals and which determines that certain, predefined, basic banking services have to be provided free of charge.



Bankita statistics



6. Central Bank Initiatives

Joint Action Plan with the Ministry of Education



Celebrated in 2015

Objective:

Inclusion of financial education content in the national education curriculum

Phases:

Pilot, Expansion e Monitoring

Results:

3.392 trained teachers
311.208 targeted students

National Contest on Financial Education and Workshops



Annual event that started in 2017

Who participates?

Students from schools that are part of the Joint Action Plan with the Ministry of Education

Objectives:

- To highlight the importance of financial literacy
- To motivate young students for continuous learning
- To identify special talents in children and youth

7. Development partners contribution



Strengthening the legal framework

- Simplified Accounts Regime
- Notice 25/2012 Bank Agent
- Deposit Guarantee Fund
- New payment systems law



Financial Inclusion Strategy

Team up with Alliance for Financial Inclusion (AFI) to review Financial Inclusion Strategy



National Survey on Financial Literacy

Working with the National Statistics Bureau and The World Bank Group to conclude a national survey on financial literacy

Results will serve to feed the review of the Financial Inclusion Strategy



Innovation

Implement 2 incubators, one in a public university;

Regulatory Sandbox to be implemented in 2019 to guarantee safe rollout of innovative solutions.





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THANK YOU