



MOBILE MONEY IN LIBERIA

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Introduction

- Liberia has a population of about 4.4 million.
- 9 Commercial banks
- 87 banks' branches
- 1 Deposit-taking Microfinance Institution
- 1 Non -bank Financial Institution
- 13 Microfinance Institutions
- 10 Rural Community Finance Institutions (RCFI)
- About 256 Credit Unions – Monitored but not licensed



Introduction

- Mobile Money was officially launched in Liberia in 2011 as part of the Bank's broader agenda of financial inclusion. Since its inception, there has been progress but not as anticipated in improving the enabling environment and increasing wider usage of mobile money services.
- In May 2014, the CBL issued an amended MM Regulation with the objectives of facilitating efficient, reliable and convenient financial service transactions and promoting financial inclusion while applying sufficient safeguards to mitigate any stability or integrity risk to the poor and unbanked population.



Introduction

CBL Mobile Money Regulations:

- ✓ Platform: Dual Currency: USD and Liberian Dollars (Separate Wallets)
- ✓ Application fee of US\$500.00
- ✓ Licensing fee of US\$5,000.00
- ✓ An annual operating levy of US\$2,500.00
- ✓ Minimum paid in capital of US\$ 100,000
- ✓ Private Liberian investors or Liberian-owned institutions shall be given the opportunity to subscribe at least 20% of the capital of any Mobile Money Provider
- ❖ Open to the bank and non -bank financial institutions as well as other Financial Service Providers /Operators



STATUS OF MOBILE MONEY

- Two Mobile Money Providers licensed by the CBL:
 1. Lonestar Cell MTN Mobile Money Inc. – Licensed 2015.
 2. Cellcom Technologies Ltd. – Licensed in February 2016 – Launching on March 18, 2016
- There are four banks playing the role as Super-agents for Lonestar Cell MTN Mobile Money Inc:
 - Ecobank Liberia Limited
 - Guaranty Trust Bank Liberia Limited
 - International Bank Liberia Limited
 - United Bank for Africa

STATUS OF MOBILE MONEY



- Outreach and network extension of Mobile Money activities is within the 15 counties of Liberia.
- MM services have a wider usage by the Liberian populace mainly for Local Remittance, and also for the payment of DSTV bills, Liberia Electricity bills, School fees, Government's salaries, special program -Ebola and the purchases of goods and services at various supermarkets, stores and gas stations, etc.
- Used of MM for Micro-(credit, savings and insurance) and the payment of GoL's Taxes are being studied.



Mobile Money

Money Transfer



MOBILE MONEY ACTIVITIES IN LIBERIA

- Performance Report of Mobile Money Activities (in Volume & Liberian Dollars)

As at ending February 2016:

- Total subscriber base – 803,636 which is 18.3% of the population
- Total Number of Agents – 1304
- Active Agents - 701
- **Volume and value are broken down into p2p, b2p, g2p, p2g, bills payment, merchants payment on interval basis, etc**

CONSUMER PROTECTION & EMPOWERMENT



- In keeping with the Regulation and Supervision Department's five-year strategic plan (2014-2018), the department, in September 2014, set up an internal Mobile Money Task Force whose primary objective is to drive and promote the mobile money agenda of the CBL, as articulated in the 2014 Policy Statement.
- The CBL has established a Consumer Protection Unit for handling customer complaints and seeking redress. etc.



AGENT NETWORK

- Mobile Money Agents represent the frontline of delivery for advancing mobile money. Liberia's network suffers from the availability of agents dispersed around the country, particularly in rural Liberia. The absence of agents impedes the uptake of mobile money and stifles its expansion. Additionally, operating agents are faced with other challenges including liquidity management in the absence of a marketplace aggregator, security, etc.
- Agents are being recruited and governed by Mobile Money Providers in keeping with the CBL's Regulations. **There is non-exclusivity of Agents.**



REGULATORY CONCERNS

- In Keeping with the Regulatory framework:
- The need to have customers accounts linked to the MM accounts for the purposes of disbursement and repayment of loan cannot be overly emphasized.
- Section 14 of the CBL's MM Regulation: Interest Accrued on Mobile Money Trust Accounts is subject for approval by the CBL for the benefit of the mobile money customers.
- MM serves as a great opportunity for improving financial services delivery, promoting the wider development agenda, and increasing adoption to improve customer adaption, retention and loyalty to this new technology through various educational and informative programs.



REGULATORY CONCERNS

- Policy Issues to be addressed:
- Development of a MOU between regulatory authorities; telecoms regulators - ensure local interoperability.
- Develop a Regulation for Branchless Banking & Agency Banking .
- Conduct workshop on AML/CFT, reporting formats and consumer protection issues to ensure a safe and sound environment.



Settlement

- The Central Bank of Liberia exercises oversight responsibilities over the clearing and settlement procedures.
- Clearing and settlement for all Authorized Institutions will be conducted no later than bimonthly, on the second and last Friday of each month at the Clearing House of the Central Bank of Liberia.



REGULATORY REQUIREMENTS

- A bank and /or non-bank financial institution with the interest of engaging in MM service with the available platform or infrastructure can obtain license.
- A mobile network operator (or service providers) under the regulatory ambit of the Telecom authority that has the interest of engaging in MM service with the available platform or infrastructure must establish a separate financial service institution in order to obtain licensed from and be supervised by the CBL.



THANK YOU FOR LISTENING!