



Empowering Youth by Building an Inclusive Financial System in Angola

Jacky Bass
Deanna Salpietra



Why is FSD Important in Angola?

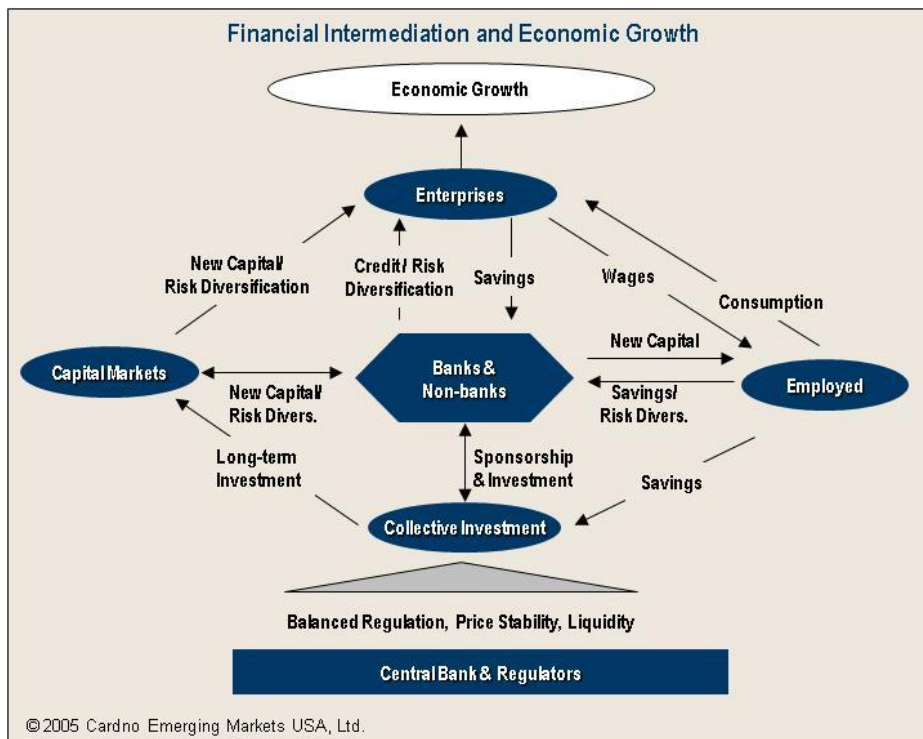
The financial sector is not deep:

- Only 8-11% of the population has a bank account.
- The banking sector is highly concentrated with five major banks accounting for 85.4% of deposits and 83.9% of loans.

Financial intermediation is low:

- Loan to deposit ratio of 53% .
- Private credit to gross domestic product (GDP) ratio of just 22%.

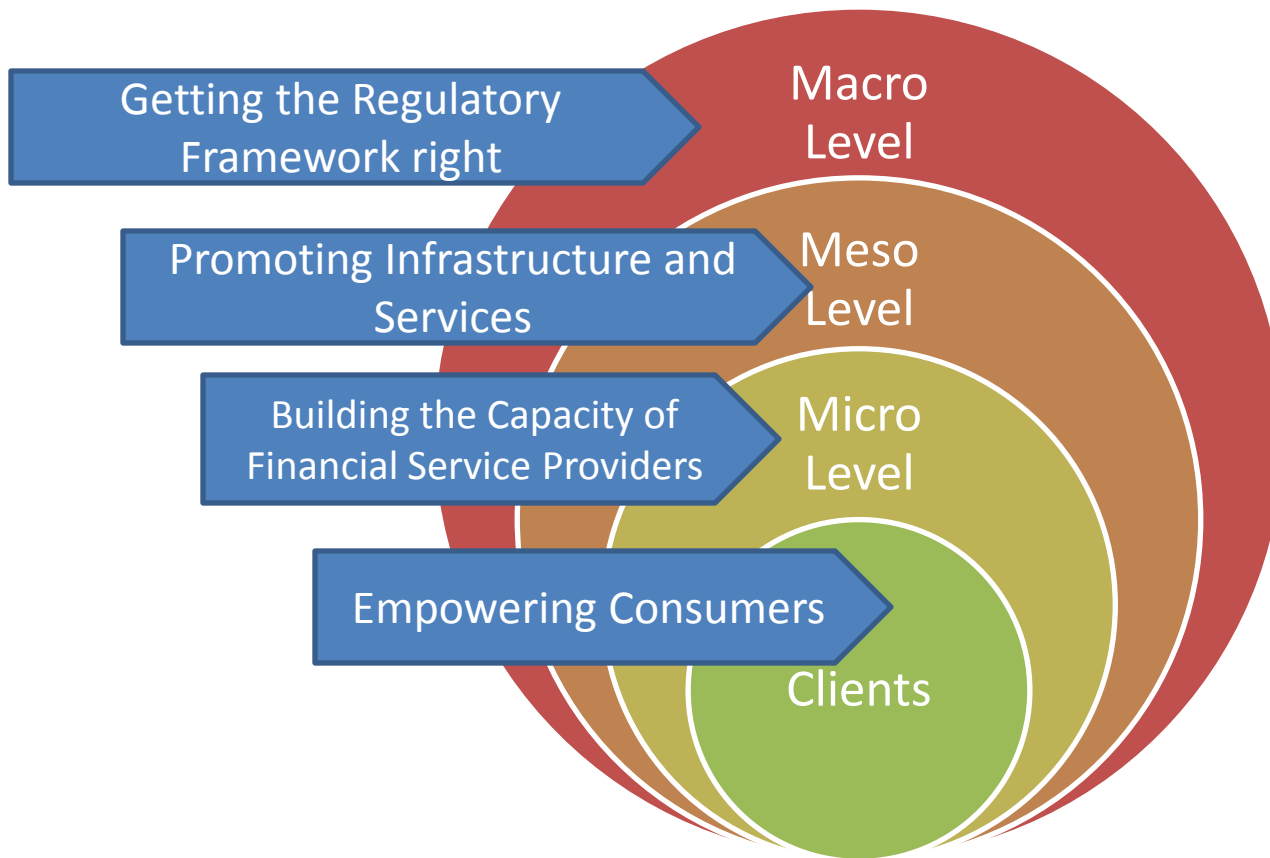
Financial Intermediation and Economic Growth



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The financial Sector Program In Angola





Why Financial Education?

- To ensure citizens are well informed about their financial options and consumer rights.
- Financial literacy communicates the knowledge, skills and attitudes that people need for good money management.
- Savvy consumers are more likely to spend less, budget well, borrow wisely, and compare financial products and services.





What is Unique About FSP's Systemic Approach

- Contributing to the Central Bank of Angola (BNA) with the development of a national vision – with national players
- The FE strategy is not a prescriptive approach but rather seeks to create consensus to establish a high level umbrella framework in which initiatives can be coordinated.

Increasing Knowledge and Access to Finance

Reaching people



Extending Delivery



Developing Financial Products





FE Macro Level Interventions

- Consumer Protection institutions
- Disclosure and sales practices
- Customer account handling
- Privacy and data protection
- Dispute resolution mechanisms
- Consumer protection
 - ***Builds Consumer Confidence***
 - ***Encourages Consumers to Use Financial Services***





FE Meso Level Interventions

Delivery Channels

1. Nationwide TV and Radio Campaign (Edutainment)
2. Street Theatre
3. Distribution of Pamphlets





FE Micro Level Interventions

- Develop a unique entry product and make it available to all banking institutions
- Study the uptake, usage, and impact of these products
- Use project learning to inform global dialogue and practice



Micro level: Products & Features

Bankita “Savings to Grow”

Bankita Deposit

Balance Requirements USD \$2,600 Max	\$1,000 – \$250,000 (KZ)
Withdrawals	Permissible
Penalties for Withdrawals	None
Interest Calculations	Rates daily Interest Monthly
Interest Rates	Quarterly /BNA
Eligible Currency	KZ and USD
Account Availability	FIs
Account Requirements	Existing checking account & App

Balance Requirements USD \$1,068 Max	\$100.00 to \$100,000 (KZ)
Monthly Fees & Commissions	None
Teller Deposits and Withdrawal Fees	None
ATM and POS Transaction fees	None
Eligible Currency	KZ and USD
Checks	Not Available
Banks Statements	Free ATM, one free P.S
Account availability	FIs
Account requirements	ID & Application



Micro Level: Products & their Incentives

Bankita Savings “ To Grow” – Time Deposits

- **Bank Incentives**

- Increased number of clients and funding
- Social engagement
- Issuance of bond paid by BNA, at least at the rate of interest of this product to the bank that join up to the amount of borrowing incurred for this product.

Bankita Deposits

Demand Deposits

- **Bank Incentives**

- Increased number of clients and funding
- Social engagement
- Account not eligible for mandatory reserves



Micro Level: Products & their Benefits

Bankita Savings “ To Grow” –

- **Product Benefits for the Client**
 - Increases bankability rate
 - Provides attractive rates of interest to savors
 - Lowers the minimum requirements to open a savings account

Bankita Deposits

- **Product Benefits for the Client**
 - Increases Bankability rate
 - Protects depositors’ funds
 - Provides ATM access
 - Promotes reduced use of cash
 - Lowers the minimum requirements to open an account



Client Level: Focus Group Opinions

FORM

"The stories are funny"

"Excellent! It gives the idea of what it is to have a bank account".

"The images call the attention of the young and adult public"

"It reaches the illiterate public as they can understand the stories"

"It is a good thing for me and my children. This pamphlet has beautiful things"

CONTENT

"The topics were dealt with appropriately"

"The questions are clear"

"Clears doubts"

"Opens ones ' mind"

"It encourages one to open a bank account"

"It's the future for me and my children"



FSP Angola

*Promoting
Access to
Finance by
Empowering
Consumers*





THANK YOU!

**FOR MORE INFORMATION CONTACT:
JACQUELINE BASS, CHIEF OF PARTY
CARDNO EMERGING MARKETS USA, LTD.
EMAIL: JACKY.BASS@CARDNOEM.COM**

**CHECK: WWW.CARDNOEM.COM FOR
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