

West African Sub-Regional Workshop on Mobile Financial Services
Tokeh, Freetown, Sierra Leone
14th – 16th March 2016

The Gambia Working Group Strategy Development

Area	Current Status	Recommendations
Regulatory Frameworks	<ul style="list-style-type: none"> • Regulations in place since 2011 • Introduced in the absence of a product 	<ul style="list-style-type: none"> • Working committee of stakeholders • Overseeing as market emerges • Comprehensive, market-led yet flexible amendments for growth
Capital Requirements	<ul style="list-style-type: none"> • D10 Million Core Capital • D5 Million Security Deposit 	<ul style="list-style-type: none"> • No change in short term • Review in medium term
Consumer Protection	<p>Calls for :</p> <ul style="list-style-type: none"> • Disclosure Requirements • Customer care system • Client service agreements with agents • Confidentiality/Privacy • 7 days notice for “material” price changes 	<ul style="list-style-type: none"> • MOU between regulators and in consultation with national consumer protection agencies • Harmonization of disclosure requirements • Minimum 15 working days notice price changes

Area	Current Status	Recommendations
Partnerships	<ul style="list-style-type: none">• Not defined; fragmented	<ul style="list-style-type: none">• MOU between financial, telco and banking regulators (clear roles)• Continuous consultation between all stakeholders including national consumer and competition protection agencies
Obstacles, Measures, Legal and Institutional Frameworks	<ul style="list-style-type: none">• National ID requirements but not enforced• Low percentage of population with ID• Infrastructure gaps• Small market size	<ul style="list-style-type: none">• Tiered KYC (risk-based)• Enforcement of ID requirements• Use existing SIM registration data• Telco regulator take lead in co-location guidelines• Innovative products• Cross-border/international remittance

Area	Current Status	Recommendations
Agents and Cross Border Issues	<ul style="list-style-type: none"> • Agents must have a business licence, hold a bank account and be liquid • CBG validates contract between principal and agents • Principal monitors the agent, Principal to provide approval • Non-exclusivity • No cross-border moves yet 	<ul style="list-style-type: none"> • Pre-funding by distributors/agents • Continuous agent training and monitoring • Compliance enforcement & fraud checks • Early engagement with neighbouring operators to prepare the ground for cross-border
Earning Interest on a mobile account	The current framework does not address interest payments on mobile accounts	<ul style="list-style-type: none"> • Allow market to grow first • consider using the “interest” to educate consumers on financial literacy or development programs

Area	Current Status	Recommendations
Taxation	<ul style="list-style-type: none">• Tax is already applied on salaries• Turnover tax charged on transaction cost which is already high	<ul style="list-style-type: none">• Allow market to emerge first• Set national financial inclusion targets after which the issue of transactional taxation will be tabled
Lending & Credit	<ul style="list-style-type: none">• Not under discussion	<ul style="list-style-type: none">• Allow the market to grow and develop to obtain relevant data in consultation with licensed lenders• Monitor consumer behavior and gain public trust/confidence• Follow market's lead

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The Gambia – Road Map

Short-Medium Term

- Develop frameworks for harmonizing the work of relevant industry regulators with roles clearly defined to avoid gaps
 - Allow market to grow
- Invest in awareness, sensitization programs and training for the key players; regulators and operators
- Early engagement with neighbouring operators and international remittance partners to prepare the ground for cross-border

Medium-Long terms

- Monitor behaviour/data/escrow accounts before proposing comprehensive, market-led yet flexible amendments/guideline to spur growth
 - Review requirements
- Management of interest payment on escrow account based on commonly adopted industry best approach
- Interoperability of systems and more rigorous enforcement of non-exclusivity and reporting requirements