



# Timor-Leste

## Estratégia Nasionál ba Inkluziun Finanseira

Estratégia Nacional de Inclusão Financeira | National Strategy for Financial Inclusion

# 2017-2022





**Estratégia Nasionál ba Inkluziun Finanseira**

**Estratégia Nacional de Inclusão Financeira**

**National Strategy for Financial Inclusion**

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# Timor-Leste

## National Strategy for Financial Inclusion 2017–2022

## PREFACE

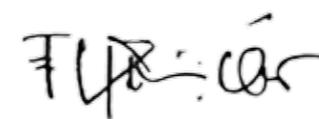
The empowerment which financial inclusion can bring to a developing nation such as Timor-Leste is invaluable, for the simple fact that financial inclusion enables all Timorese to access essential financial services to alleviate livelihoods. Financial inclusion brings positive changes to financial and socio-economic well-being of all Timorese, and is regarded as a foundation to support and ensure the financial health of the nation. Therefore, Banco Central de Timor-Leste (BCTL) and the Government has continued to nurture inclusiveness in the financial sector, and this shall remain a key priority for the years to come.

In 2016, BCTL carried out a landmark initiative to collect data on financial inclusion and published a Financial Inclusion Report in September 2016. The report which highlights the current level of financial inclusion in the country plays a vital role in improving the understanding of financial inclusion in the country and its challenges. The findings in the report deliver key insights and information to shape and develop the policy direction for financial inclusion in Timor-Leste.

Following the publication of the Financial Inclusion Report, BCTL has remained steadfast in pushing the financial inclusion agenda forward. With that, BCTL has designed the National Financial Inclusion Strategy, which establishes the national

action plans for the next five years, from 2017 to 2022. The weight and magnitude of National Financial Inclusion Strategy is indisputable. These national commitments carry the obligation and accountability to fulfil the hopes of Timorese from all backgrounds for a more sustainable, thriving and successful nation. The national strategies will serve as a roadmap to pave the way for a stronger, more innovative and inclusive financial sector for our country.

BCTL wishes to express appreciation to all our partners and stakeholders for their contributions in finalizing the strategy. While there will be great challenges in the road ahead to implement the National Financial Inclusion Strategy, I believe that all of us – BCTL, the Government, private sector, development partners and stakeholders – will come together and rise to meet these challenges with the aim of achieving the vision of an inclusive financial sector for all Timorese.



**Abraão de Vasconcelos**  
Governor  
Banco Central de Timor-Leste



## EXECUTIVE SUMMARY

In recognising the value of inclusive finance and its significance for sustainable social and economic progress for the nation, BCTL has coordinated efforts to design and develop the National Financial Inclusion Strategy to drive the financial inclusion agenda forward. The strategy and action plans are required to define the process and ways to move forward, towards the country's vision of financial inclusion. This strategy document outlines the roadmap of action plans to be achieved over the period from 2017 to 2022.

This document is centred on the importance of clearly defined action plans as an effective and efficient way to bring real, quantifiable changes and improvements in financial inclusion for the country. These forward looking action plans were designed based on evidence on the ground, following BCTL's data collection efforts published in the Financial Inclusion Report, and are customised to Timor-Leste's social, economic and cultural setting. In addition to data collection, other key components which were taken into account in developing the strategy include targets and objectives, planning and coordination, strategy implementation, as well as monitoring and evaluation. These components are quintessential to build solid policies which are credible, pragmatic and impactful for the target segments on the ground.

In order to increase the number of women with access to quality and affordably financial service, the BCTL initiates and includes some action plans that focusing for woman. The objective is to create an enabling environment that will accelerate women's financial inclusion.

This document is structured into five chapters. The first chapter provides an overview of the current level of financial inclusion in the country, and the reasons for the continued persistence of financial exclusion. This chapter intends to set the context and give insights into the challenges which need to be addressed. The second chapter iterates the country's commitment to financial inclusion and aspirations for the future. This chapter also discusses the rationales and building blocks for designing, developing and executing the National Financial Inclusion Strategy.

The third chapter of the document details the broad strategies and specific action plans to reach the desired goals. The broad strategies cover the areas of access and channels, products, capacity building and institutional arrangements, as well as financial literacy and consumer protection. The fourth chapter will highlight the necessary enablers or supporting mechanisms for successful strategy implementation. This includes a data measurement framework, a coordination structure for the strategy, and an enabling regulatory environment for the financial sector. Finally, the last chapter summarizes key conclusions and fundamental considerations for financial inclusion strategy to aid policy discussions for the future.



# CHAPTER 1

## FINANCIAL INCLUSION IN TIMOR-LESTE

- 1.1 Current Landscape of Financial Inclusion
- 1.2 Identifying Opportunities for Financial Inclusion
- 1.3 Importance of the National Financial Inclusion Strategy

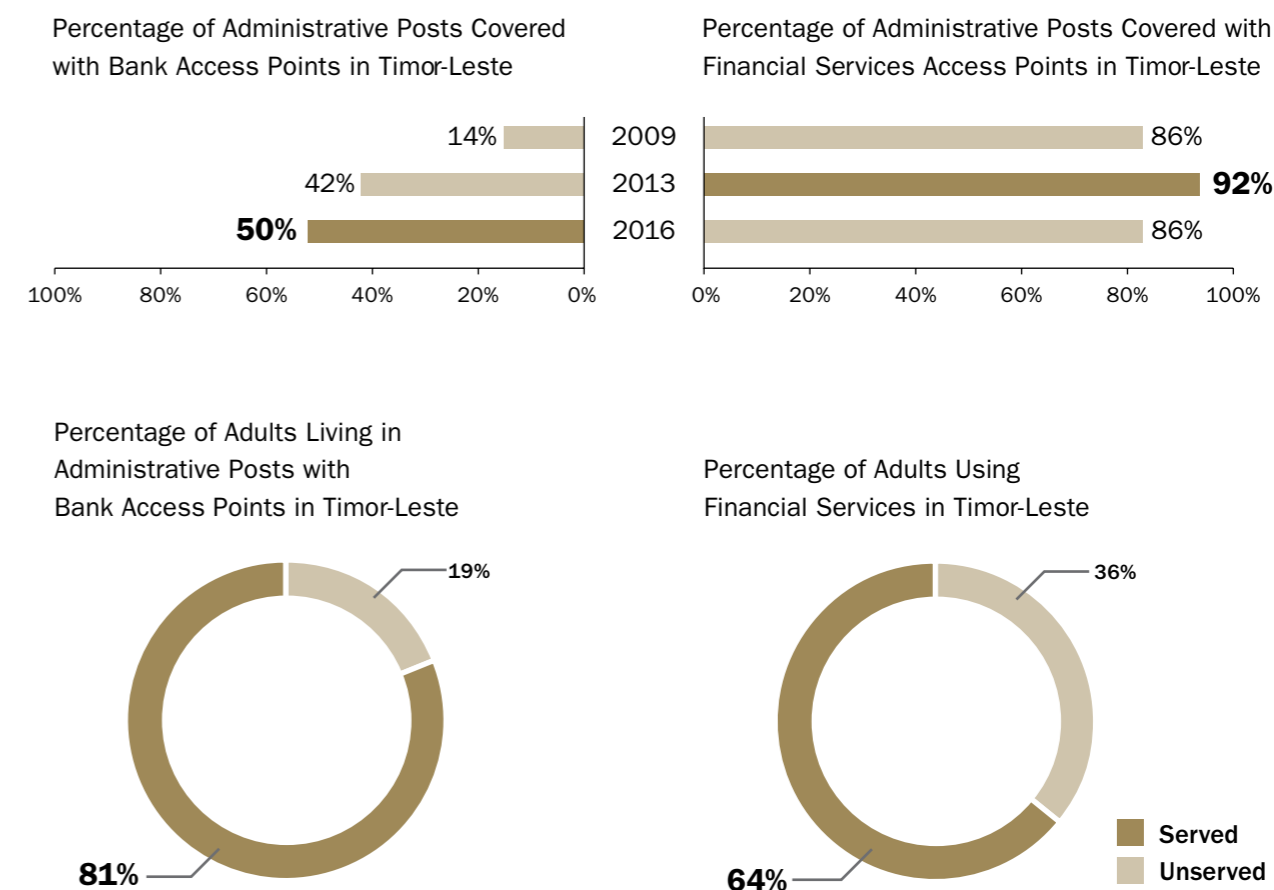
The introduction of sound and robust financial sector policies has contributed immensely to financial inclusion efforts over the years and Timor-Leste has shown promising advancements. BCTL has led a range of financial inclusion initiatives to improve access to financial services for all Timorese, especially to the underserved segments of society in rural areas.

## 1.1 Current landscape of financial inclusion

The financial system of Timor-Leste consists of Banco Central de Timor-Leste, five commercial banks, one other deposit taking institution, three general insurance companies, nine money transfer operators, micro finances and several credit unions supplemented by self-help savings groups and informal lenders. The Banco Central de Timor-Leste, as the apex body in the financial system has placed high importance in advancing financial inclusion in Timor-Leste.

In recent years, BCTL has initiated multifaceted policies and initiatives which have played a big part in catalysing financial inclusion. BCTL has, amongst others, introduced measures to modernise the payments systems, launch agent banking, pilot e-wallet, develop access to credit infrastructure, provide training to MSMEs, as well as implement a range of financial literacy programmes and consumer protection regulation. This has led to remarkable improvements in fostering inclusiveness in the financial sector. As at 2016, all municipalities in Timor-Leste are covered by financial services access points. A deeper look into the data reveals that the majority of administrative posts, 88% of 65 administrative posts, have access to financial services. The banking institutions in particular have intensified their outreach of financial services in in the country, where bank access points increased from 198 in 2009 to 484 in 2016, while non-bank institutions continued to perform a complementary role in bridging the gap in areas where banks are unable to serve. In Timor-Leste, about 64% of the adult population currently use financial services, with the largest share of account ownership in banking institutions.

Diagram 1: Key Financial Inclusion Data<sup>1</sup>



<sup>1</sup> Banco Central de Timor-Leste, 2016, Financial Inclusion Report

## 1.2 Identifying opportunities for financial inclusion

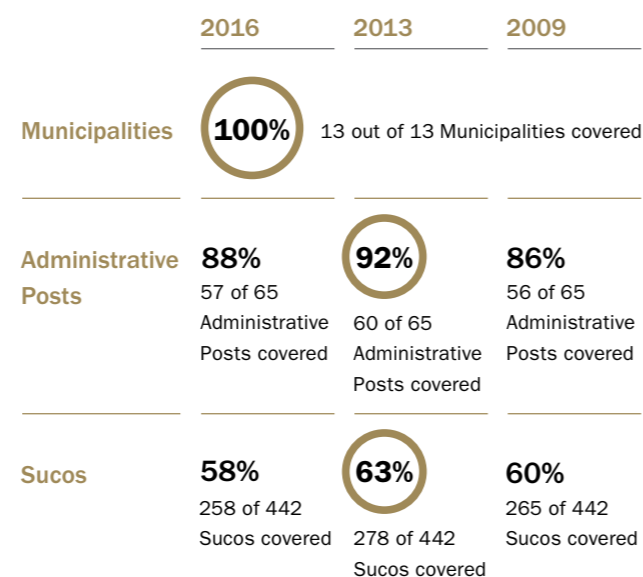
An analysis of the current landscape of financial inclusion in Timor-Leste has also uncovered some underlying challenges which often lead to prolonged financial exclusion. A key challenge is the deployment of access points, which are largely concentrated in urban areas. Currently, there are still 8 administrative posts yet to be served by any financial services provider.

The unserved rural segments of society have no option but to travel great distances to access financial services. Additionally, it was also found that the features of financial products and services available in the market are lacking in terms of user friendliness, convenience and affordability. Clients will continue to resist using financial services if the products are complicated and expensive to use, preferring to save and transact in more traditional methods. There is also a need to introduce supporting infrastructure to provide capacity building for financial services providers so they can better manage risks, as well as training and education to nurture the more vulnerable low-income and rural segments, including the micro and small business sector. Similarly, the lack of financial literacy and adequate consumer protection frameworks also act as a barrier to financial inclusion. When communities remain unaware about financial services, they are unable to make informed choices and continue to form distrust towards the financial system.

These challenges are core financial inclusion barriers evidenced in many developing countries in the world, including Timor-Leste. In identifying these weaknesses, it presents an opportunity for policymakers to address these gaps and make positive strides in boosting efforts towards greater financial inclusion.

**Diagram 2:**  
**Coverage of Access Points by Municipalities, Administrative Posts & Sucos**

### Administrative Units Covered by Access Points



Source: BCTL & Census 2010

## 1.3 Importance of the national financial inclusion strategy

The understanding of the current state of financial inclusion in Timor-Leste allows all policymakers and financial inclusion stakeholders to identify the strengths, weaknesses, opportunities, and risks in developing comprehensive and impactful policies for financial inclusion. This knowledge enables targets and goals to be set for the future, which is fundamental to reinforce commitment for the financial inclusion agenda.

A national strategy is essential to foster more effective and efficient processes to achieve financial inclusion objectives through engagements with public and private sector partners, structured implementation and monitoring mechanisms to ensure success of the strategy.

A well-coordinated mechanism involving the public and private sector under the strong leadership of BCTL is a must in the effective and efficient implementation of the strategies. It not only reduces duplication but also sets and pursues common goals, and ensures effective delivery of action plans.

*Financial inclusion is not only imperative for the development of the financial sector, but its significance extends to the country's socioeconomic development in entirety.*

For BCTL in particular, as the Central Bank, financial inclusion is a key priority which brings significant benefit towards the macroeconomic and financial stability objectives for the nation. Increased financial inclusion enables consumption smoothening over time, and encourages households to convert their savings from physical form of wealth or cash to deposits. These changes in the behaviour of firms and households would consequently enhance the effectiveness of monetary policies including interest rate tools and policies to maintain price stability. The goal of financial inclusion is complementary and mutually reinforcing with BCTL's core objectives of financial stability, financial integrity and consumer protection. Therefore, it is in BCTL's interest to optimize the linkages among these objectives by maximizing synergies and minimizing trade-offs, which will support the development of a stable financial system in Timor-Leste.

**Diagram 3:**  
**Stakeholders in Financial Inclusion Strategy Development**

	Public Sector	Private Sector	Civil Society
Financial Sector	<ul style="list-style-type: none"> <li>• BCTL</li> <li>• BNCTL</li> </ul>	<ul style="list-style-type: none"> <li>• ANZ</li> <li>• KIF</li> <li>• BNU</li> <li>• Sinarmas</li> <li>• Mandiri</li> <li>• FIT</li> <li>• BRI</li> <li>• MTOs</li> <li>• NITL</li> <li>• CEBs</li> <li>• Moris Rasik</li> </ul>	<ul style="list-style-type: none"> <li>• Savings Groups</li> <li>• Federasaun Hanai Malu and Credit Unions</li> <li>• ADB</li> <li>• World Bank/IFC</li> </ul>
Non-Financial Sector	<ul style="list-style-type: none"> <li>• Ministry of Education</li> <li>• Ministry of Finance</li> <li>• Ministry of Social Solidarity</li> <li>• MECAE</li> <li>• MCIA</li> <li>• MAAF</li> <li>• SEM</li> <li>• Local Authorities</li> </ul>	<ul style="list-style-type: none"> <li>• Pawn Shops</li> <li>• Stores that give credit</li> <li>• Businesses Associations</li> <li>• CCI-TL</li> </ul>	<ul style="list-style-type: none"> <li>• UN Agencies</li> <li>• Agencies for International Development and NGOs</li> <li>• Other Development partners</li> </ul>

The advancement of financial literacy and education especially, would cultivate well-informed decision-making from both financial institutions and consumers, which are grounds for responsible financing practices to lower risks associated with financial deepening. For these reasons, the implementation of the National Financial Inclusion Strategy will be integral to the development of the financial sector. Therefore, this strategy will complement and support existing financial sector development strategies including the Financial Sector Master Plan, a comprehensive roadmap for the development of the financial sector over the decade to 2025.

More importantly, the National Financial Inclusion Strategy will also contribute extensively to the country’s Strategic Development Plan 2011-2030 which envisions Timor-Leste to be a prosperous and strong nation by leading the country’s transition to an upper middle income country by 2030. A stable, healthy and more inclusive financial system play a key role in economic development through expanding access to financing, leading to increased productivity across all industries including rural, agriculture, oil, gas and tourism. Access to appropriate financial tools and services fosters greater participation of firms, households and women in the financial system and economy. This leads to poverty alleviation and reduction in income disparities for more equitable growth. From the social capital aspect, participation in the financial sector provides the avenues for

Timorese to build their savings and manage financial risks, empowering them to reach long term goals such as education for their children, savings for retirement and healthcare. Promoting inclusiveness also puts safeguards in place through financial education and protection frameworks, facilitating greater trust in the financial system. This encourages increased transactions, as well as private sector and foreign investments. It is evident that financial inclusion is not only imperative for the development of the financial sector, but its significance extends to the country’s socioeconomic development in entirety.



## CHAPTER 2

### AMBITIONS & STRATEGY DESIGN

- 2.1 Financial Inclusion Commitments
- 2.2 Defining Financial Inclusion
- 2.3 Strategy Design and Formulation
- 2.4 Vision for Financial Inclusion

With the growing advocacy for the importance of strategic plans and coordinated actions to achieve financial inclusion commitments globally, BCTL initiated the process to design the National Financial Inclusion Strategy for Timor-Leste. The National Financial Inclusion Strategy is intended to achieve Timor-Leste's vision and commitments to financial inclusion.

## 2.1 Financial inclusion commitments

BCTL formally embarked on the journey towards achieving financial inclusion by making commitments under the Maya Declaration, as part of the Alliance for Financial Inclusion (AFI) network commitment to financial inclusion. Under this global pact, BCTL pledged to:

- I. Promote the extensive use of digital financial products and to facilitate the introduction of agent banking arrangements to cover 75% of administrative posts.
- II. Review the regulatory framework for consumer protection and introduce appropriate provisions, including planned amendments to the banking law.

- III. Publish a financial literacy strategic plan and launch a pilot national financial literacy campaign covering all municipalities.
- IV. Complete a study of SME finance and introduce a pilot credit guarantee scheme.

These commitments were the driving force behind the country's thrust towards expanding financial inclusion in the recent years. These commitments have also paved the way for enhanced, and more organized efforts to broaden financial inclusion, including nationwide data collection initiatives which resulted in the Financial Inclusion Report 2016. This landmark initiative was vital to provide data and evidence to inform future financial inclusion policies.



## 2.2 Defining financial inclusion

The strengthening of commitments to advance financial inclusion in the recent years has required policymakers to clearly define its meaning. BCTL has undertaken the leading role to engage financial inclusion stakeholders in the country to obtain input and feedback on the key components which define financial inclusion. The consensus achieved links financial inclusion with bringing disadvantaged segments of society into the regulated financial system. These disadvantaged or vulnerable groups include the rural, poor, women and children, where financial inclusion enables them to be empowered with the right knowledge and the ability to use affordable financial services in a safe and efficient manner. Financial inclusion facilitates all members of society to learn and be able to save, increase investment, raise productivity and manage risks. These are essential financial tools for the progress and financial health of all communities.

*Financial inclusion is the delivery of essential financial services to all segments of society, including vulnerable and low-income groups, at affordable costs.*

<sup>2</sup> World Bank Brief, "Overview: Financial Inclusion Strategies," 2015. <http://www.worldbank.org/en/topic/financialinclusion/brief/national-financial-inclusion-strategies>

## 2.3 Strategy design and formulation

The national strategy provides a more organized well-resourced and comprehensive methodology to increase and intensify efforts towards improving access to financial services.

The World Bank Group recommends six main building blocks<sup>2</sup> to effectively design and execute National Financial Inclusion Strategies. BCTL has adopted this approach in developing Timor-Leste's National Financial Inclusion Strategy.

The six building blocks comprises of:

### I. Data and Diagnostics

The content and priorities of the national strategy are informed by data and diagnostics. In Timor-Leste, BCTL's supply-side data collection and analysis have permitted a more thorough understanding of the current level of financial inclusion and the opportunities to enhance financial inclusion. It will also facilitate financial service providers to design need based products and facilitate delivery through innovative channels. BCTL also plans to explore ways to obtain both supply and demand-side data on financial inclusion through collaborations with Governmental Agencies and focus group discussions with specific target groups and key stakeholders.

## II. Targets and Objectives

Based on the financial inclusion data, targets and objectives can be set for the short, medium to long term period. These targets and objectives should reflect the real needs of the underserved. BCTL will use the financial inclusion measurement framework with defined indicators on all three dimensions of access, usage and quality in setting targets and monitoring progress against them.

## III. Leadership and Coordination

It is vital to ensure high level and working level coordination of the formulation and implementation of the national strategy. BCTL has taken a leading role, with a clear mandate and dedicated human resources, to build and structure the development of this strategy.

## IV. Strategy Formulation

The design and development of the national strategies require partnerships, feedback and input from financial inclusion stakeholders from the public, private and civil society groups. BCTL continues to organise technical consultations, workshops and working groups to consolidate feedback, solutions and obtain buy-in from partners.

## V. Strategy Implementation

There is a need to prioritize and sequence the strategy's action plans over an agreed timeframe, with transparency and accountability on the roles and responsibilities of the partners and stakeholders involved. These steps would ensure structured implementation with highest levels of efficiency and effectiveness.

## VI. Monitoring and Evaluation

Monitoring and evaluation provides checks and balances to ensure that the action plans are on track to achieving the intended results. This form of surveillance allows policymakers to obtain data to fine-tune or modify action plans for better outcomes. This process is also crucial to inform the formulation of ensuing strategies in the future.

## 2.4 Defining financial inclusion

The vision is the focal point of the collective National Financial Inclusion Strategy. For Timor-Leste, the vision statement for financial inclusion was carefully deliberated to ensure that it encapsulates all the elements and ambitions for inclusiveness of the financial system.

*The vision for financial inclusion is to create an inclusive financial system that brings the benefits of financial services to all, including unbanked people and communities, towards the objectives of reducing poverty and enhancing shared prosperity.*

This vision signifies that financial services would be accessible, easy to use and meet people's needs, irrespective of their demographic group, over their lifetime. BCTL hopes that Timorese will benefit meaningfully from using financial services, by inculcating the knowledge and motivation to use them effectively. It is envisioned that all Timorese will be able to use financial accounts for transactions, instil the culture of savings, build resilience against unforeseen adverse events, and have access to fair and comprehensible financial education and advice.

As a milestone in the quest for universal access, BCTL aims for 75% of the adult population to have formal, regulated bank account by 2025. BCTL together with the Government and all partners seek to gather expertise and resources to work towards this goal to benefit every segment of society in the country, regardless of gender, age group and geographical location. This vision anchors all key drivers of financial inclusion towards this united goal and aspiration.



## CHAPTER 3

# NATIONAL FINANCIAL INCLUSION STRATEGY

- 3.1 Enhance Access to Financial Services & Modernize Payments Systems
- 3.2 Develop a Range of Specialised and Affordable Financial Services
- 3.3 Capacity Building for Financial Service Providers and Strengthen Supporting Infrastructure
- 3.4 Implement Financial Literacy and Consumer Protection Frameworks



The vision of financial inclusion, together with the identification of barriers to financial inclusion, has guided and steered the establishment of priority areas for expanding financial inclusion. BCTL will adopt four broad strategies which form the pillars to support the vision of financial inclusion. The execution of the specific action plans identified under each broad strategy will also be prioritised and sequenced along the targeted timeframe.

Diagram 4: Vision and Broad Strategies<sup>3</sup>

#### Vision

To create an inclusive financial system that brings the benefits of financial services to all, including unbanked people and communities, towards the objectives of reducing poverty and enhancing shared prosperity.

#### Broad Strategies

- Enhance Access Points & Payments Systems
- Specialised & Affordable Financial Services
- Capacity Building & Supportive Infrastructure
- Financial Literacy & Consumer Protection

<sup>3</sup> Banco Central de Timor-Leste, 2016, Financial Inclusion Report

### 3.1 Enhance access to financial services & modernize payments systems

The low presence of financial services access points in remote geographical regions remain a primary obstacle to achieving financial inclusion. This broad strategy aims to encourage innovation to enhance access to financial inclusion through modernisation and reforms of financial services channels. This will be achieved through the following action plans:

- I. Implement the National Switch platform in collaboration with private sector partners to connect all ATM, mobile banking and POS networks of banking institutions to facilitate payment transactions between individuals, businesses and the Government.
- II. Establish a digital financial services pricing committee in collaboration with financial services providers to introduce subsidized tariff structure targeting the unserved and self-excluded population.
- III. Establish enabling Interoperability environment for digital financial services to support women's financial inclusion, given their preference for confidentiality, security and privacy.
- IV. Promote E-wallet as a channel to enhance the existing infrastructure, improve product offerings with simplified 'KYC' requirements.
- V. Deploy branchless banking channels by identifying potential agents or providers in target areas. This will be supported by the implementation of facilitative regulation with "non-exclusivity" provision, supplemented by capacity building for banks and their agents.
- VI. Establish "light touch agent regulations" for bank and insurance agents who provide basic financial services to address the needs of the unserved clients.
- VII. Study the possibility of allowing non-bank led models under the branchless banking regulations.
- VIII. Leverage on the usage of mobile vans to widen outreach to unserved areas and enhance the financial products and services provided until full coverage by digital financial services.
- IX. Optimize the roles of meeting centres of banking and microfinance institutions to provide complete range of financial services such as deposit, credit, payments, pension, insurance including financial literacy programs.
- X. Encourage research and development to spur innovative channels such as virtual money, stored value or cash cards.
- XI. Encourage membership in Credit Unions as a safe and suitable non-bank alternative to access financial services for Timorese.

The targeted timeframe for the action plans are as follows:

Action Plans	Key Implementation Agencies	Priority (High, Medium, Low)	Time Frame	Target
I Implement the National Switch platform	<ul style="list-style-type: none"> <li>BCTL</li> <li>Banks</li> </ul>	H	2017	All banks connected
II Establish a digital financial services pricing committee	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2019	Digital financial services pricing committee in place.
III Establish enabling interoperability environment for digital financial services to support woman's financial inclusion	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2020	Woman can be reached by digital financial services
IV Promote E-Wallet as a channel	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> <li>MECAE/Telco Regulator</li> </ul>	H	2019	Telco users properly registered and e-wallet operating
V Deploy branchless banking channels by identify potential banking agents or providers in targets areas	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> <li>Selected Agents</li> </ul>	H	2019	All 65 Administrative posts covered
VI Establish "light touch agent regulation" for bank and insurance agents	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	M	2018	Agent banking is able to provide basic financial service
VII Study the possibility of allowing non-bank lead model under branchless banking regulations	<ul style="list-style-type: none"> <li>BCTL</li> </ul>	M	2019	Possibility to implement non-bank lead model
VIII Leverage on the usage of mobile vans to widen outreach to underserves areas	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	M	2018	Introduce new services & remote areas covered
IX Expand the roles of FI and MFI's meeting centres	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> <li>IFMs participantes</li> </ul>	M	2018	Offer another services: insurance, financial education
X Encourage research and development to spur innovative channels	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> <li>Telcos</li> </ul>	M	2022	One innovative product on e-wallet by 2019
XI Encourage membership credit union	<ul style="list-style-type: none"> <li>BCTL</li> <li>Credit Unions</li> </ul>	L	2019	Credit union regulation approved.

**H** High Priority

**M** Medium Priority

**L** Low Priority

### 3.2 Develop a range of specialised and affordable financial services

A critical factor in advancing financial inclusion lies in the understanding of the financial needs of the underserved segments of society. The target groups require financial products and services which are simple and affordable to meet their basic, yet distinct financial needs. Suitable financial products and services have the potential to improve the standards of living of underserved communities by giving them the opportunity to transact, save and increase productivity in a safe and secure manner. The following measures will be pursued to enrich and diversify product offerings for the underserved:

- Undertake efforts to understand market needs through surveys or leveraging on the national census to ascertain barriers, customers' preference and expectations. These insights will be constructive to design new, customised products to meet the needs of various client segments across all income levels, location and industries.
- Design new products, product bundling and client outreach targeted at women clients based on market research and segmentation within the prevalent socio-economic and cultural environment.
- Increase access points in remote areas through innovative and alternative delivery channels.



- IV. Introduce attractive pricing strategy to enhance affordability of financial services to ensure that low income clients are able to use financial services.
- V. Enhance domestic payments services through affordable pricing and simplified KYC requirements.
- VI. Collaborate with interested banks to launch products for the underserved, including rural and low-income clients.
- VII. Study the feasibility of introducing a basic savings account with minimal or no bank fees and charges, to be made available to all Timorese at all financial institutions nationwide.
- VIII. Issue appropriate guidelines (interest spread cap/prime lending rate/base rate etc) to banks and ODTIs on product pricing(deposits/ credit) and ensure its strict implementation to incentivise clients to save and borrow.
- IX. Focus on developing micro-savings products with minimal fees and low account opening deposits, combined with reasonable returns, to encourage low-income households to inculcate the savings habit to fulfil long term goals.
- X. Introduce a menu of micro-insurance products to provide the underserved with adequate financial protection against unexpected adverse events.
- XI. Issue guidelines requiring comprehensive motor insurance for vehicles purchased on credit from licensed financial services providers.
- XII. Build on existing product development initiatives for the SME and micro-finance target groups and continue to support this sector.



The targeted timeframe for the action plans are as follows:

Action Plans	Key Implementation Agencies	Priority (High, Medium, Low)	Time Frame	Target
I Undertake efforts to understand market needs through surveys or leveraging on the national census	<ul style="list-style-type: none"> <li>BCTL</li> <li>Government Agencies</li> <li>Statistic Department</li> </ul>	H	2018	Customers survey performed
II Design new product, product bundling and client outreach targeted at woman client	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2020	New product, product bundling and client outreach targeted at woman client in place
III Increasing access point in rural area	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2019	Access point in rural area are available
IV Improve pricing strategy to enhance affordability of financial services	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2018	Product cost study completed
V Enhance domestic payments through affordable pricing and simplified KYC requirements	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2019	Increasing the domestic payment
VI Collaborate with interest banks to launch product for the underserved	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2018	Product for the underserved are available to underserved people
VII Study the feasibility of introducing a basis savings account with no bank fees and charges	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	M	2018	Feasibility study completed
VIII Issue guidelines to banks and ODTIs on product pricing	<ul style="list-style-type: none"> <li>BCTL</li> </ul>	M	2019	Guidelines to banks and ODTIs on product pricing is in place
IX Focus on developing micro-savings products	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	M	2018	Product launched
X Introduce a menu of micro-insurance products with adequate financial protection	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	M	2020	Launch the micro insurance product to underserve people
XI Guideline requiring comprehensive motor insurance for vehicle purchased on credit from licensed financial service providers.	<ul style="list-style-type: none"> <li>BCTL</li> </ul>	M	2020	The guideline is enacted and implemented
XII Building existing product development initiative for the SME and micro-finance target groups.	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> <li>Government Agencies</li> </ul>	L	2022	The product development initiative for the SME and micro-finance is available

H High Priority

M Medium Priority

L Low Priority

### 3.3 Capacity building for financial service providers and strengthen supporting infrastructure

The effective delivery of inclusive financial services also relies on competent and adequately trained regulators, supervisors and financial services professionals. In addition to that, the financial sector should be fortified with resilient and supportive infrastructure to facilitate financial inclusion. It is therefore crucial to establish policies and instil best



<sup>4</sup> Crowd funding refers to mobilizing small amounts of money from a large number of persons to fund a project through crowd funding platforms.

practice to bolster human resource development and institutional arrangements through these actions:

- I. Emphasize the development of capacity building programmes and knowledge sharing mechanisms for financial services providers and policymakers in Timor-Leste. These mechanisms for knowledge sharing include annual forum for financial inclusion, peer-to-peer learning, Train-of-Trainers program (TOT), workshops and training.
- II. Publish comparative human resource capacity building studies at a national and international level to understand and assess against required levels.
- III. Introduce and implement “Technology Risk Management guidelines” to address potential risks arising from technology based financial models.
- IV. Encourage internet based finance such as “crowd funding<sup>4</sup>” to support funding for women entrepreneurs.
- V. Collaborate with financial services providers to design structured financial inclusion capacity building modules for staff to promote financial inclusion, particularly in the area of credit products with appropriate credit risk management.
- VI. Adopt appropriate and supportive regulatory framework to set up the Credit Guarantee Scheme to boost access to financing for MSMEs, with focus on women SMEs and livestock businesses.
- VII. Establish a National MSME Council to enhance access to finance and training, facilitate simplified registration and tax reporting system and also to coordinate programmes across Ministries and Agencies throughout Timor-Leste in developing the MSME sector.

The targeted timeframe for implementation are as follows:

Plano de Ação	Entidades Chave de Implementação	Prioridade (Alta, Média, Baixa)	Prazo	Meta
I Emphasize the development of capacity building programme and knowledge sharing mechanisms for financial services and policymakers	<ul style="list-style-type: none"> <li>BCTL</li> <li>Training Providers</li> </ul>	H	2019 –2020	Capacity building programme and knowledge sharing mechanisms
II Publish comparative human resource capacity building studies	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2019 –2021	Studies on the comparative human resource capacity building being published
III Introduce and implement “Technology Risk Management guidelines”	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2022	Technology Risk Management guidelines being introduced
IV Encourage internet based finance to support funding for woman entrepreneur	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2020	Launch the internet based finance to support funding for woman entrepreneur
V Collaborate with financial service providers to design structured financial inclusion capacity building module for staff	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> <li>Training providers</li> </ul>	H	2019	Material and modules for staff training defined
VI Adopt appropriate and supportive regulatory framework to set up the Credit Guarantee Scheme to boost the MSMEs access to finance	<ul style="list-style-type: none"> <li>BCTL</li> <li>International Partners</li> </ul>	H	2018	Loan Guarantee Scheme implemented and operating
VII Establish a National MSME council	<ul style="list-style-type: none"> <li>BCTL</li> </ul>	M	2018	National MSME council being established

H High Priority

M Medium Priority

L Low Priority



### 3.4 Implement financial literacy and consumer protection frameworks

Financial literacy and consumer protection have received greater recognition as key enablers for financial inclusion. Therefore, a comprehensive and holistic approach towards consumer protection and education is essential to empower all Timorese, particularly the underserved communities, to enhance their knowledge and capabilities to utilise financial services effectively and responsibly. It is also important to cultivate values of mutual responsibility, among the financial services providers and clients, where both sides can participate effectively in the financial system. To achieve these objectives, the following multi-pronged approaches will be carried out:

- I. Continue to prioritize the National Strategic Plan (NSP) for Financial Literacy, comprising of a nationally coordinated network of financial education programmes and awareness campaigns over a five year period of 2016-2020.
- II. Enrich financial education material to include diversified financial products and services, with particular attention to insurance products.
- III. Develop an evaluation process to assess levels of consumer literacy and awareness, and utilise this data to further augment education programmes.

- IV. Introduce targeted financial education programs for all sections of society supplemented by road shows, knowledge sharing sessions and visits to money museums.
- V. Financial services providers to provide training and advisory to customers on their products and services.
- VI. Offer existing financial clients, such as clients of the Hau-nia Futuru programme, access to customized financial education programmes.
- VII. Customize financial education modules and “TOT” programs according to the level of financial skills and competencies required by different segments of society including SMEs.
- VIII. Continue to enhance regulatory frameworks for consumer protection, by building on the Consumer Protection Law 2016, to inculcate public confidence in the financial system through the introduction of appropriate codes of conduct, consumer protection rules, and institutionalizing formal avenues to seek redress and manage disputes. Key information should be simple and easily communicated to equip customers with all relevant information including obligations, pricing structure and any amendments to the terms and conditions.
- IX. Set up alternative dispute resolution systems, to encourage prompt resolutions and reduce the dependency on the judiciary process. Evaluate the options to set up a Central Bank Customer Complaint Committee, banks to set up an Ombudsman Office and a Customer Care Unit supplemented by a toll free number to enhance customer care services.

The targeted timeframe for implementation are as follows:

Action Plans	Key Implementation Agencies	Priority (High, Medium, Low)	Time Frame	Target
I Continue to prioritize the National Strategic Plan (NSP) for Financial Literacy	<ul style="list-style-type: none"> <li>BCTL</li> <li>Training Providers</li> </ul>	H	2017–2020	Action plans are implemented
II Enrich financial education material to include diversified financial product and services	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2018–2020	Dissemination of financial literacy programs through different forms of print and visual media
III Develop an evaluation process to assess level of consumer literacy and awareness	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	H	2019	Result of evaluation process is in place
IV Introduce targeted financial education programs for all sections of society supplemented by road shows, knowledge sharing sessions and visits to money museums	<ul style="list-style-type: none"> <li>BCTL</li> </ul>	M	2017–2020	Realized road shows, knowledge sharing sessions and visits to money museums
V Financial services providers to provide training and advisory to customers on their products and services	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> <li>Training providers</li> </ul>	M	2018	Customers of Financial Institution are familiar with the products and services
VI Offer existing financial clients to customized financial education programmes	<ul style="list-style-type: none"> <li>BCTL</li> <li>Participating Financial Institution (FIs)</li> </ul>	L	2018–2020	Existing financial clients are access to customized financial education programmes
VII Introduce financial education programmes tailored to demographics	<ul style="list-style-type: none"> <li>BCTL</li> </ul>	L	2020	There is available financial education programmes tailored to demographics
VIII Continue to enhance regulatory frameworks for consumer protection, by building on the Consumer Protection Law	<ul style="list-style-type: none"> <li>BCTL</li> </ul>	H	2018	Amendment for Financial Sector
IX Set up alternative dispute resolution systems.	<ul style="list-style-type: none"> <li>BCTL</li> </ul>	H	2019	Alternative dispute resolution systems are in place

H High Priority

M Medium Priority

L Low Priority

These four broad strategies are all equally important in laying the foundations for sustainable financial inclusion. All the action plans and programmes recommended will be implemented over the period from 2017 to 2022, with prudent management of time and resources to attain the highest impact of policies for the target segments of population. These action plans will contribute to different dimensions of financial inclusion and the success of the nation is contingent on all these broad strategies working collectively in driving financial inclusion.



## CHAPTER 4

# AN ENABLING ENVIRONMENT TO FACILITATE NATIONAL FINANCIAL INCLUSION STRATEGY

- 4.1 Data Collection and Financial Inclusion Measurement Framework
- 4.2 Coordination Structure for National Financial Inclusion Strategy
- 4.3 Strengthening Regulatory Environment for the Financial Sector

The comprehensive, multi-pronged action plans are designed to cohesively elevate and escalate financial inclusion towards the vision. In order to successfully implement this strategy, it is also necessary to build an enabling environment to ease the operations of these action plans.

*A facilitative setting is absolutely indispensable, as it positions the readiness of the financial sector to adapt to and accept changes that bring inclusiveness.*

To support the National Financial Inclusion Strategy, BCTL recommends for the bolstering of the financial inclusion measurement framework, the establishment of a national coordination structure for the national strategy, and the strengthening of the regulatory environment of the financial sector.

4.1 Data collection and financial inclusion measurement framework

A financial inclusion measurement framework with accurate and reliable data sources is central to the financial inclusion policymaking process. When policymakers have clear and consistent performance indicators, policymakers will be able to diagnose the current state, detect gaps, set targets, design strategies and monitor policy impact. Hence, a measurement framework with clearly defined indicators is fundamental to monitor progress effectively, and inform future policies.

BCTL has launched data collection operations, commencing with supply-side data collection which has successfully resulted in the mapping of geographical location of financial services access points in the country, provided insights into the penetration of financial services and information on product features. These findings were documented in BCTL's inaugural Financial Inclusion Report 2016, a significant milestone in the nation's path towards an inclusive financial sector. The data initiative also facilitated the creation and application of a measurement framework, encompassing the dimensions of access, usage and quality indicators for financial inclusion.

Diagram 5: Key Enablers to Support Broad Strategies and Vision

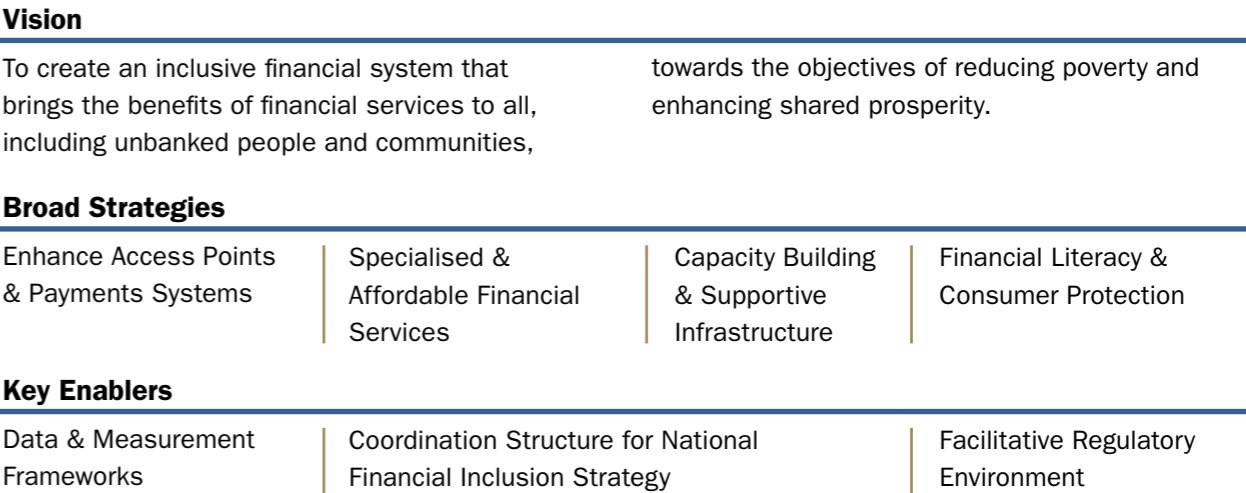


Diagram 6: Financial Inclusion Measurement Framework

Dimension	Indicators	Baseline (2016)	Target (2022)
Access*	Penetration of Access Points by Administrative Post	88%	100%
	Penetration of Access Points by Suco	58%	75%
	Access points per 10,000 adult population	15.55	22.85
	Access points per 1,000 sq. km	65.08	95.65
Usage**	Penetration of deposit accounts per adult population	65%	80%
	Penetration of loan accounts per adult population	6.1%	12%
	Penetration of insurance policies** per adult population	0.2%	2.5%

Source: Baseline from BCTL FIR 2016  
(\*) Access Points for deposits and loans from banks (not considered ATMs and POS), MFIs and Credit Unions. Country area of 14,919 sq. km. from Census 2010  
(\*\*) Adult population of 624,503 from Census 2010

Demand-side data is also pivotal to complete the financial inclusion measurement framework. It complements supply-side data by providing key information such as financial needs of customers, their perceptions and willingness to participate in the financial system. BCTL is in the development stages of preparing a demand-side data survey to better understand financial inclusion and whether the needs of the customers are sufficiently being met by existing financial products and services.

When supply and demand side data are used in combination, the findings it offers can be used to measure and monitor the effectiveness of the National Financial Inclusion Strategy and assess progress over time to ensure that the strategy remain relevant, keeping abreast with latest financial inclusion developments.

4.2 Coordination structure for national financial inclusion strategy

A coordination structure is the main body accountable for spearheading financial inclusion reforms and coordinating policies to propel financial inclusion.

*A coordinating structure is important to organize and synchronize action plans, to manage resources and enhance efficiency of strategy implementation to reach their envisioned objectives.*

To improve the coordination process, all financial inclusion stakeholders should cooperate and take ownership with clear lines of accountability in moving the financial inclusion agenda to desired levels.

To achieve this, a National Coordination Committee(NCC) and a Technical Committee(TC) may be established supported by a Financial Inclusion Division (FID) within the Central Bank. The roles of these Committees are detailed below:

- National Coordination Committee**
- The NCC shall consist of heads of all implementing agencies chaired by the BCTL and shall meet on a half-yearly basis. The NCC shall be responsible for policy guidance and ensuring efficient implementation of financial inclusion strategy action plans. The NCC shall remain in force until the end of the NSFI implementation period.
- Their roles shall include, but is not limited to:-**
1. Consult partners and stakeholders, including Government Ministries, Agencies, Financial Services providers, regulators, supervisors, private sector players and civil society groups to reinforce collaboration and partnership.
  2. Integrate and align the National Financial Inclusion Strategy under a framework with clear timelines and targets.
  3. Monitor and evaluate strategy impact for all action plans under the National Financial Inclusion Strategies.
  4. Conduct policy reviews and champion policy discussions to ensure the National Strategy remain relevant in view of the changing context and growth of the financial sector in the country.
  5. Raise awareness on issues related to financial exclusion and urge partners and stakeholders to collaborate and take accountability for their roles in developing a more financial inclusive society.
  6. Form partnerships with international stakeholders including multilateral organizations and country networks to encourage knowledge sharing and peer-to-peer learning.



7. Initiate the signing of agency specific Memorandum of Understanding with the BCTL to exhibit agency specific commitment and cooperation in pursuing the financial inclusion goals.
8. Lead the drafting of agency specific financial inclusion strategy in line with the national financial inclusion strategy.
9. Review and approve the structure and functions of Technical Committee;

#### Technical Committee (TC).

The Technical Committee shall consist of Technical Heads of all implementing agencies chaired by the BCTL and shall meet on a quarterly basis. The TC shall be responsible for timely implementation of financial inclusion strategy action plans. The TC shall remain in force until the end of the NSFI implementation period.

#### The TC will be responsible for:-

1. Ensure effective implementation of the NSFI with detailed work plan.
2. Provide technical guidance in the implementation, review and revision of the national financial inclusion strategy;
3. Identify challenges in the implementation of action plans by their agencies and initiate reforms in addressing the problems.
4. Support the NCC members to draft respective FI implementation framework.

5. Ensure full compliance their respective Memorandum of Understanding to ensure full ownership and accountability of NSFI in meeting financial inclusion goals.
6. Prepare progress implementation report and submit to the NCC and the FID, BCTL on half-yearly basis.

#### Financial Inclusion Division (FID)

The Financial Inclusion Division will provide secretarial services to the NCC and the TC and will be responsible for the following:

1. Prepare the annual work plan for the NCC and the TC and provide logistical support in planning, preparing, organizing and minute keeping of the meetings.
2. Facilitate the review and signing of MOU between the BCTL and the stakeholders on a timely manner.
3. Implement, monitor and supervise the financial inclusion strategy action plans against the time frame set.
4. Prepare and publish financial inclusion data indicators.
5. Prepare and hold the annual financial inclusion forum.
6. Review and propose initiatives to enhance capacity building and awareness programs for all stakeholders in advancing financial inclusion.

Based on the performance indicators as provided under the national financial inclusion strategies submitted by the Key Implementing Agencies (KIA) to the FID in the M&E reporting form, the NCC will take the lead responsibility to monitor and evaluate the performance of KIAs to ensure targets are met within the given timeframe. The FID will submit the M & E report to the NCC on an annual basis.

This national M & E system will be supplemented by agency specific internal M & E system to measure, monitor and evaluate the achievement of FI targets against action plans under the broad strategies.

As the Central Bank, BCTL has historically been the main organisation directly involved in promoting financial inclusion as part of its mandate. Therefore, BCTL will continue to take a leading role in championing discussion and debate, as well as coordinating efforts with other Governmental Agencies and private sector stakeholders.



### 4.3 Strengthening regulatory environment for the financial sector

A facilitative regulatory environment in the financial sector is also a key enabler to attain the goals of the National Financial Inclusion Strategy. Laws and regulation set the underpinning conditions of the financial sector, shaping and impelling its development. A principle based approach, as opposed to a prescriptive approach, to setting regulation can support financial services providers and other stakeholders in providing better solutions to target groups and the underserved communities.

As a key enabler, it is therefore vital to strengthen the regulatory environment of the financial sector through the application of sound, prudent and accommodating directives.

To this end, BCTL with support from development partners, have issued branchless banking guidelines supplemented by “light touch” corporate governance regulation for MFIs. Besides, to ensure proper market conduct and protect financial consumer, the Consumer Protection Law was passed in 2016 with clarifications on provisions pertaining to applicable language, loan pre-payment, late fee cap of 2 per cent and prohibition of unilateral change in contractual clauses.

BCTL will continue drafting and tabling financial law, regulation and guidelines in the areas of banking, new products and services, as well as anti-money laundering. The enforcement of these laws and regulation play an important role to warrant safeguards, transparency and accountability of all financial sector participants. These steps bring heightened stability, leading to enhanced trust and broader participation in the financial sector. These are necessary requisites to foster greater financial inclusion.



## CHAPTER 5

### KEY CONCLUSIONS AND CONSIDERATIONS FOR THE PATH AHEAD

**This report is the most important instrument to accelerate the pace of financial inclusion in Timor-Leste. The National Financial Inclusion Strategy will utilize and employ the key enablers which are critical to achieve the vision, serving as a comprehensive roadmap to build on actions to broaden financial inclusion.**

**The NSFI is well aligned with the goals of the Master Plan for Financial Sector Development (2014-2025) and the objectives of Strategic Development Plan (2011-2030).**

**As strongly advocated globally, BCTL affirms the critical role of inclusive financial system in achieving balanced economic and social development of a country.**

*The National Financial Inclusion Strategy is a demonstration of the nation's utmost commitment to the financial inclusion agenda.*

The design and development of the national strategy also captured a few key considerations which are pivotal in promoting a cohesive framework for the progression of financial inclusion. First of all, financial inclusion is connected to financial sector determinants, including aspects of stability, integrity and market conduct. The strategy was prepared by taking into account the analysis and intents of each of those components, to circumvent policy mismatch and divergence. Secondly, the strategy was built based on existing knowledge, including the evidence gathered through BCTL's data initiatives which revealed the current gaps and the opportunities to close those gaps. There needs to be a continued focus on enhancing financial inclusion knowledge and analysis through data collection, monitoring and knowledge sharing platforms to understand and identify appropriate policy development for the future, in line with the ever evolving financial sector. Finally, moving forward, financial inclusion is not the responsibility of the public sector alone. It is an area where BCTL, as the mandated financial sector regulator, can take a leading role. However, this role has to be complemented by dynamic and cooperative public and private sector actions.

Obtaining buy-in from all partners is critical, as their response plays a decisive role in shaping financial inclusion solutions for the country.

The national strategy represents more articulately conveyed plans for financial inclusion in the country, which are in line with the goals of the Financial Sector Master plan 2014-2025. This report represents a pledge to execute the strategy and all action plans for the benefit of Timorese, and it serves as a reminder and map to chart the path of the financial system towards the vision of an inclusive financial sector. The strategy will not only assist in the expansion and maturity of the financial sector, but also perform principal functions in inclusive and sustainable socioeconomic development, reaffirming the goals of the Strategic Development Plan 2011-2030. The National Financial Inclusion Strategy is a call for action, to harness and align all efforts to achieve desired outcomes of inclusiveness and sustainable growth for the country.



# Abreviatura sira

<b>ADB</b>	Banku Dezenvolvimentu Aziátiku
<b>API</b>	Ajénte Implementasaun Prinsipál sira
<b>ATM</b>	Kaixa Automátiku (Multibanku)
<b>BCTL</b>	Banku Sentrál Timor-Leste
<b>BNCTL</b>	Banco Nacional de Comércio de Timor-Leste
<b>BNU</b>	Banco Nacional Ultramarino
<b>CCI-TL</b>	Kámara Komérsiu Indústria-TL
<b>CEB</b>	Troka Osan Bureaus
<b>DIF</b>	Divizaun ba Inkluzaun Finanseira
<b>EMKM</b>	Empreza ne'ebé Mikro (Ki'ikliu), Ki'ik no Médiu
<b>ENIF</b>	Estratéjia Nasionál Inkluzaun Finanseira
<b>FIR</b>	Relatóriu Inkluzaun Finanseiru 2016
<b>FIT</b>	Federal Insurance Timor
<b>FSMP</b>	Planu-Mestre ba Dezenvolvimentu Setór Finanseira iha Timor-Leste
<b>FSP</b>	Prestadór Servisu Finanseira
<b>KIF</b>	Kaebauk Investimentu no Finansas
<b>KNK</b>	Komisaun Nasionál ba Kordenasaun Inkluzaun Finanseira
<b>KT</b>	Komisaun Técnica ba Inkluzaun Finanseira
<b>KYC</b>	“Know Your Customer” Regulamento
<b>M&amp;A</b>	Monitorizasaun no Avaliasaun
<b>MAFF</b>	Ministériu Agrikultura Floresta no Peska
<b>MBV</b>	Servisu Bankáriu Móvel
<b>MCIA</b>	Ministériu Komérsiu, Indústria no Ambiente
<b>MECAE</b>	Ministru Estadu Kordenador ba Asuntu Ekonómiku
<b>MFI</b>	Instituisaun Mikrofinansas
<b>MOE</b>	Ministériu Edukasaun
<b>MOU</b>	Memorandu-Entendimentu
<b>MTO</b>	Operador Transfere Osan
<b>NITL</b>	National Insurance Timor-Leste
<b>NMDC</b>	Konsellu Nasionál Dezenvolvimentu MSME
<b>NSP</b>	Planu Estratéjiku Nasionál Literasia Finanseira
<b>OTDI</b>	Institusaun Seluk Foti Depositu
<b>PME</b>	Empreza Ki'ik no Médiu
<b>POS</b>	Pontu Venda ba Pagamentu Eletróniku
<b>SEM</b>	Sekretaria Estadu ba Apoio no Promosaun Siosu-Ekonómika Feto
<b>SERVE</b>	Servisu ba Rejistu Komersiál

# Siglas

<b>ATM</b>	Caixa Automático (Multibanco)
<b>BAD</b>	Banco Asiático de Desenvolvimento
<b>BCTL</b>	Banco Central de Timor-Leste
<b>BNCTL</b>	Banco Nacional de Comércio de Timor-Leste
<b>BNU</b>	Banco Nacional Ultramarino
<b>CCI-TL</b>	Câmara de Comércio e Indústria de Timor-Leste
<b>CEB</b>	Casas de Câmbio
<b>CNC</b>	Comissão Nacional de Coordenação
<b>CNDM</b>	Conselho Nacional de Desenvolvimento das MPME
<b>CTIF</b>	Comissão Técnica de Inclusão Financeira
<b>DIF</b>	Divisão de Inclusão Financeira
<b>ENIF</b>	Estratégia Nacional de Inclusão Financeira
<b>FIT</b>	Federal Insurance Timor
<b>IFM</b>	Instituições Financeiras de Microfinanças
<b>KIF</b>	Kaebauk Investimentu no Finansas
<b>KYC</b>	“Know Your Customer” Regulamento
<b>M&amp;A</b>	Monitorização e Avaliação
<b>MAP</b>	Ministério da Agricultura, Florestas e Pescas
<b>MCIA</b>	Ministério do Comércio, Indústria e Ambiente
<b>MdE</b>	Memorando de Entendimento
<b>ME</b>	Ministério da Educação
<b>MECAE</b>	Ministro de Estado, Coordenador dos Assuntos Económicos
<b>MPME</b>	Micro, Pequenas e Médias Empresas
<b>MTO</b>	Companhias de Transferência de Dinheiro
<b>NITL</b>	National Insurance Timor-Leste
<b>OIRD</b>	Outras Instituições de Recebimento de Depósito
<b>PDDSF</b>	Plano Diretor para o Desenvolvimento do Setor Financeiro em Timor-Leste
<b>PEI</b>	Principais Entidades de Implementação
<b>PME</b>	Pequenas e Médias Empresas
<b>PNE</b>	Plano Nacional Estratégico (para a literacia financeira)
<b>POS</b>	Pagamento Eletrónico no Ponto de Venda
<b>PSF</b>	Prestadores de Serviços Financeiros
<b>RIF</b>	Relatório de Inclusão Financeira 2016
<b>SBM</b>	Serviço Bancário Móvel (em carrinhas)
<b>SEM</b>	Secretaria de Estado para o Apoio e Promoção Socio-Economica da Mulherr
<b>SERVE</b>	Serviço de Registo e Verificação Empresarial

# Abbreviations

<b>ADB</b>	Asian Development Bank
<b>ATM</b>	Automated Teller Machine
<b>BCTL</b>	Banco Central de Timor-Leste
<b>BNCTL</b>	Banco Nacional de Comércio de Timor-Leste
<b>BNU</b>	Banco Nacional Ultramarino
<b>CCI-TL</b>	Chamber of Commerce and Industry of Timor-Leste
<b>CEB</b>	Currency Exchange Bureau
<b>FID</b>	Financial Inclusion Division
<b>FIR</b>	Financial Inclusion Report 2016
<b>FIT</b>	Federal Insurance Timor
<b>FSMP</b>	Master Plan for Financial Sector Development in Timor-Leste
<b>FSP</b>	Financial Service Providers
<b>KIA</b>	Key Implementing Agencies
<b>KIF</b>	Kaebauk Investimentu no Finansas
<b>KYC</b>	Know Your Customer regulation
<b>M&amp;E</b>	Monitoring and Evaluation
<b>MAFF</b>	Ministry of Agriculture, Forestry and Fisheries
<b>MBV</b>	Mobile Banking Van
<b>MCIA</b>	Ministry for Commerce, Industry and Environment
<b>MECAE</b>	Ministry of State, Coordinator of Economic Affairs
<b>MFI</b>	Microfinance Institution
<b>MOE</b>	Ministry of Education
<b>MOU</b>	Memorandum of Understanding
<b>MSME</b>	Micro, Small and Medium Enterprises
<b>MTO</b>	Money Transfer Operators
<b>NCC</b>	National Coordination Committee
<b>NITL</b>	National Insurance Timor-Leste
<b>NMDC</b>	National MSME Development Council
<b>NSFI</b>	National Strategy for Financial Inclusion
<b>NSP</b>	National Strategic Plan (for financial literacy)
<b>ODTI</b>	Other Deposit Taking Institution
<b>POS</b>	(Electronic Fund Transfer) Point of Sale
<b>SEM</b>	Secretary of State for the Support and Socio-Economic Promotion for Women
<b>SERVE</b>	Service for Business Registry
<b>SME</b>	Small and Medium Enterprises
<b>TC</b>	Technical Committee for Financial Inclusion
<b>TOT</b>	Train of trainers

# Appendices

## Anexos

### Appendix

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