PRESS STATEMENT

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FINANCIAL INCLUSION

The Jesuit Centre for Theological Reflection (JCTR) has recommended that there should be more cooperation between financial institutions and mobile service providers to enhance efficient dispute resolution mechanisms. This will ensure that individuals who use digital platforms are not financially excluded.

In its recommendations recently presented to the Parliamentary Select Committee on Economy, Trade and Labour Matters, JCTR says diverse financial markets can lead to innovation and improved consumer choice. “Accessible and efficient dispute resolution mechanisms allow financial consumers to resolve disputes with their service providers thereby not excluding individuals from the use of digital platforms,” said Muchimba Siamachoka, a Programmes Officer at JCTR. Ms. Siamachoka said the need for wide-spread literacy in financial inclusion cannot be over emphasized and that strides towards financial education should be taken. This would be helpful to overcome challenges of literacy associated with digital payment platforms if Zambia is to bridge the gaps that exist between men and women, rural and urban, poor and rich and between Zambia and other nations that are doing better in this sector. She said JCTR recommends that stronger consumer protection systems should ensure that the benefits of financial inclusion are not lost and consumers have the information needed to make informed decisions.

The Government can also play a role to support financial inclusion. As a governing entity, the Government does determine the routing and volume of payments made government-to-person such as grants and cash in-kind payments or social payments like Social cash Transfers that ably shape the financial ecosystem to be more inclusive. Ms. Siamachoka says while the Government can promote infrastructure, either financially or through incentives to private sector investments, it is important to align public and private sector roles to ensure inclusivity towards financial products. The Government can ride on the massive capacities of the private sector especially in times of constrained financial capacities of the Government given the debt challenges as well as the electricity crisis. She said financial inclusion entails that businesses and individuals have access to useful, relevant and affordable financial services and products that can meet day to day needs.

For any queries or clarifications, contact The Programme Manager - Social and Economic Development (SED) on the contact details below: