

# SPEECH BY THE ACTING GOVERNOR OF THE CENTRAL BANK OF LESOTHO, MS. M.G. MAKENETE



## AT THE OFFICIAL LAUNCH OF THE 2018 LESOTHO MONEY MONTH CAMPAIGN, AVANI MASERU HOTEL, 01ST OCTOBER, 2018

### GREETINGS

1. I am pleased to welcome you all to the official launch of the 2018 edition of the Lesotho Money Month Campaign.
2. I wish to take this opportunity to thank you all for the support that this Campaign has received from your organisations, over the years from its inception in 2013.
3. I also look forward to the continued cooperation, support and active participation of your organisations and the media at large, in this year's edition.

### MONEY MONTH A PUBLIC AWARENESS CAMPAIGN

4. Ladies and Gentlemen, Money Month Campaign is an annual public awareness campaign, which is primarily designed to empower members of our society, with necessary skills in order for them to be able to manage their personal financial resources, effectively.

### MONEY MONTH PART OF A GLOBAL CAMPAIGN

5. The Lesotho Money Month Campaign, is our local version of an annual campaign which is celebrated globally, over the duration of a week. This campaign is celebrated by over one hundred (100) countries.
6. Owing to its critical importance for the financial well-being of the members of our society, a decision was taken in 2017, to extend the duration of this campaign in Lesotho, from a week to a month, in order to ensure wider coverage.
7. This year's edition of our Money Month Campaign begins today, and will end on the 31st October, 2018.
8. In addition to some activities that will be carried out in Maseru, a number of other activities will also be held in the district of Thaba-Tseka, from the 22nd to the 27th October 2018.
9. The reason for hosting some of the activities in Thaba-Tseka, is to ensure that the Campaign also reaches the remote parts of our country. You would recall that in 2017, some of the activities of that

year's campaign, were held in Mokhotlong, for the same reason.

#### **WHY MONEY MATTERS MATTER FOR LESOTHO?**

10. This year's theme is relevant for Lesotho because:

- The success of a well-diversified and inclusive economy does not only depend on fit, proper and efficient leadership and management that can competently run the financial sector. It also relies on a competent society, that can effectively manage its personal finances, and use them productively, for the future benefit of their families, communities and the country at large.

- Lesotho is no exception to the rest of the world, as it is witnessing dynamic changes in demography, technology and an increasingly competitive landscape, within the financial sector today. And all these rapid changes, have a profound impact, both positively and negatively, on the financial system.

- Technology, financial technology innovations and enhancements in particular, commonly referred to as fintec, is the future direction of banking, insurance, asset management, mobile money, credit giving and deposit taking businesses. As such, we need to educate members of the public to keep pace with these new fintec developments. The financial industry and all stakeholders in the campaign, shall dedicate some of their resources to arm consumers with knowledge, relevant skills and proper behaviours, to respond meaningfully, to current and future monetary and financial challenges facing the country.

- Why do money matters matter?

- New, and in many cases undesirable elements in the financial sector, are now being seen; these include the threat of cyber-crime; the ever-increasing number of illegal financial institutions, pyramid schemes; and unlicensed foreign exchange traders, to mention a few.

- Failure to handle these new complexities diligently, could undoubtedly, weaken public confidence in the financial sector, and undermine the financial inclusion agenda, and the very essence of rapid economic growth and development.

- The adverse effects of these illegal activities

within the financial sector, can impose a heavy financial burden on the public, as the society loses their hard earned resources and savings, and as financial institutions commit resources to preventive measures; and often the costs of such, being passed to innocent customers.

#### **LESOTHO MONEY MONTH CAMPAIGN 2018**

**Ladies and gentlemen,**

11. Now in its sixth year, this year's awareness campaign will focus on financial resilience. We aim to equip members of our society, with a direct focus on women's groups and the youth, with financial literacy skills in order to be on the look-out and to guard against falling victim to illegal financial institutions and elements.

12. A further ongoing objective of the campaigns is to enhance the financial inclusion agenda of the country, to enable financial access to increased members of the public, hence extending the campaign to the rural areas.

13. The Financial Education Steering Committee has, as usual, made preparations for this year's campaign, and its representative, will give us a highlight of the activities that are planned for this year.

#### **CONCLUDING REMARKS**

14. With these few words Ladies and Gentlemen, let me thank you all for taking the time to be here this morning from your busy schedules for the official launch, and allow me to declare the Lesotho Money Month 2018 Campaign, officially launched!!!