

**Statistics Botswana and Non-Bank Financial
Institutions Regulatory Authority (NBFIRA) signing of
the Memorandum of Understanding**



**Chief Executive Officer's Statement
Mr Oaitse Ramasedi**

15th March, 2017

- **Statistician General (Ag) Dr B. Mguni**
- **Colleagues from both sides;**
- **Members of the Press;**
- **Ladies and Gentlemen;**

1. *Ladies and Gentlemen:* I think you will agree with me that, In any discussion about financial regulation, the topic is not just of local interest, but also of global reach, in view of the key pointers of the global financial crisis. Data remains key in determining both the market growth and possible failures.
2. Today's event is a monumental one in that it marks the establishment of formal relations between Statistics Botswana and the Non-Bank Financial Institutions Regulatory Authority (NBFIRA). We began the process of establishing formal cooperation between the Statistics Botswana and the Non-Bank Financial Institutions Regulatory Authority in 2013 and today's signing of the Memorandum of Understanding between the Statistics Botswana and the Non-Bank Financial Institutions Regulatory Authority is a culmination of that process.
3. It is in this manner that all of us would probably agree that the spreading of risk via new and sophisticated financial techniques and instruments is, in principle, positive for the financial system, insofar as it reduces the likelihood that such risk would be concentrated in, or more on, the financial institutions sector of the economy. Furthermore, the dispersion of risk makes it more difficult when you don't have statistics to qualify and validate it, conversely Statistics Botswana's effort

to collect data becomes impossible without data from sectors regulated by NBFIRA, hence the reason for this agreement with Statistics Botswana.

4. The MoU between NBFIRA and Statistics Botswana is premised on the need for collaboration on Data for entities the Authority regulates and there shouldn't be ambiguities in our priorities as we formalize this noble working agreement to advise each other on issues relating to improved transparency, accurate and timely information sharing. We must view this as culmination in a multilateral consensus on a broad range of commitments through having bilateral meetings through the working committee to promote dialogue for development around data kept by both organizations.
5. Let me share with your organization that NBFIRA does participate in the SADC financial inclusion agenda which touches on financial participation and these can only be achieved through availability of statistics from your organization to help us determine whether as a country we are making progress on this pillar as indicated in the Financial Investment Protocol.
6. This collaboration will help equip us with insight on issues of common interest such as;

- Continuing viability of sector data in order to protect consumers of financial services;
- To determine the market size of regulated entities and their contribution to our country's GDP.
- To determine sector growth and other market variables which can further give us indicators of possible market failures when numbers of consumer products uptake dwindles.

7. In conclusion, let me highlight a relevant quote in our regulatory roles by Sir Andrew Crockett, *“better regulation is a regime that can readily identify weaknesses and emerging vulnerabilities. It is capable of analysing risks and adequately addressing pricing risks.”* With information sharing the above statement can be possible if we set measures within which our collaborative effort shall not go to waste and pursue development of sectors regulated by NBFRIA through qualified statistics and data from Statistics Botswana.

8. My colleagues and I look forward to working closely with Statistics Botswana in the years to come.

Ladies and gentlemen, let me stop thus far, and **thank you** all for your audience.