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Showcasing Excellence In Regulatory Innovations

Special Post Conference Edition

Navigating the Regulatory Landscape:

A case of our regulatory sandbox framework for capital markets.

Phillip .K. Chitalu

Chief Executive Officer of the Securities and Exchange Commission (SEC) Zambia

Editor's Note

Yet another special edition with spotlights on the recently concluded RegTech Africa Conference 2023, with the Theme: **ELEVATING NATIONAL POLICY ON FINANCIAL INCLUSION, CONSUMER PROTECTION AND CYBERSECURITY**.

The Conference brought together regulators, innovators, ecosystem builders, investors, businesses and other key stakeholders with the power to influence change; to engage, collaborate and share knowledge around new technologies and practices that support better regulations.

The event x-rayed how national governments in emerging markets are raising the bar in the implementation of policies and strategies with the aim of setting innovative standards for risk management aimed at providing clarity and engendering prosperity.

As a catalyst for growth, the RegTech Africa Conference will continue to strive to create a social and business ecosystem that is conducive to influence and impact innovative regulatory changes.

By the way, have you subscribed to the **RegTechAfricaTV** channel on Youtube? You don't want to miss being a part of this revolutionary innovation, a truly global digital broadcasting platform for policy makers, entrepreneurs and investors.

Our digital future is one where human progress is transformed by innovation. We are excited to be a part of this digital future. Wouldn't you rather join us?

For now, stay safe!
For editorial feedback and if interested in contributing, contact us on info@regtechafrica.com.
Best wishes...

CYRIL OKOROIGWE

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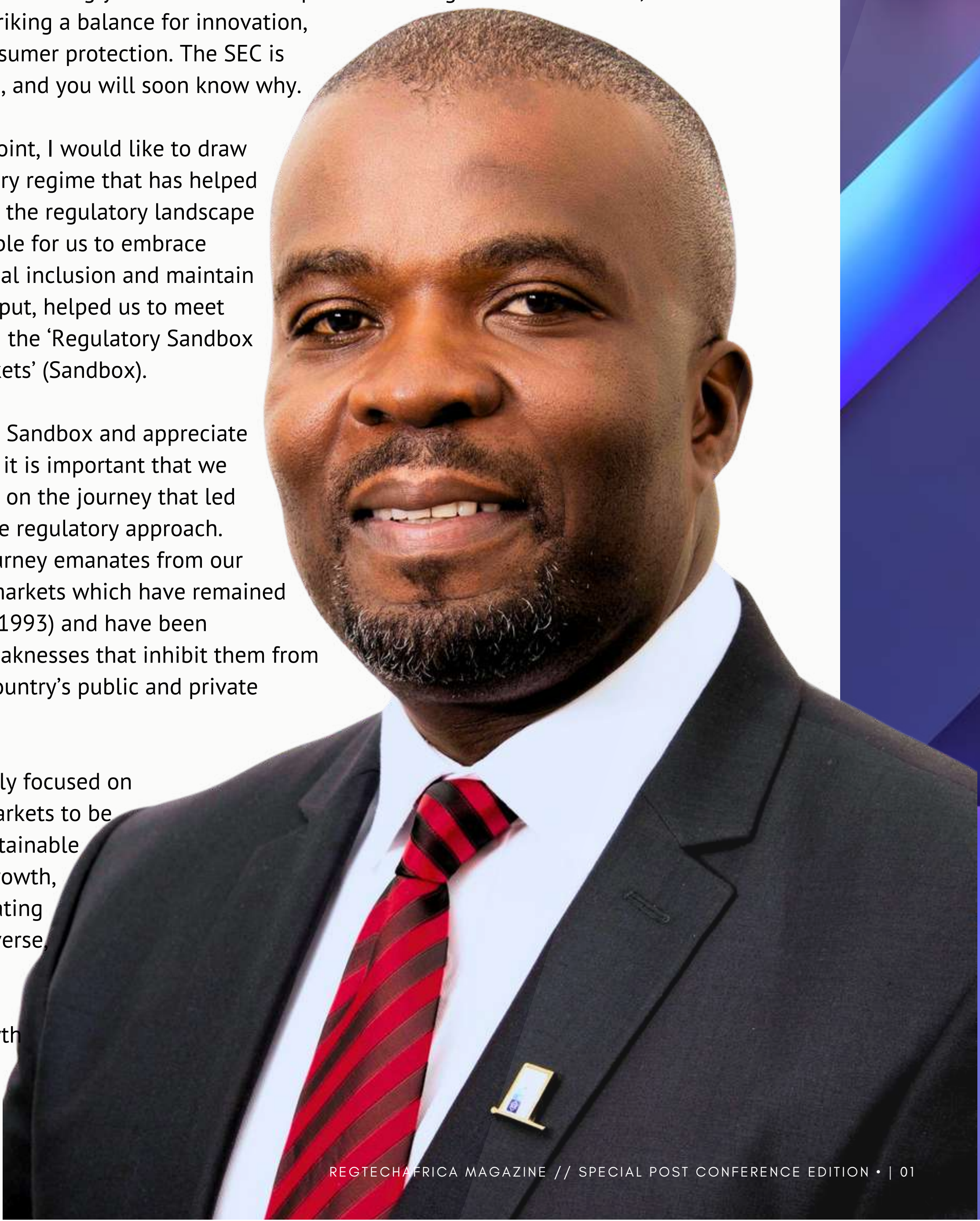
Navigating the Regulatory Landscape: A case of our regulatory sandbox framework for capital markets.

In the public eye, the mandate of a regulator is probably considered clear cut and seemingly straight forward. For instance, our mandate as regulator for capital markets is two-fold, to ensure Investor Protection and to promote capital markets development. Going by this general standard, it may be unexpected for a policy maker who is usually seen as 'the overseer of regulation' to be found navigating the regulatory landscape in no uncertain terms. Whilst this may make logical sense, I am very sure that in today's World, regulators such as the SEC think otherwise and are likely to share a divergent view. The reason for this is simple!

To put things into context, the fast paced and ever-changing business environment has generally altered the status quo and increasingly made it almost impossible for regulators world over, not to be caught up in a web of striking a balance for innovation, financial inclusion, and consumer protection. The SEC is certainly no stranger to this, and you will soon know why.



From an experience standpoint, I would like to draw your attention to a regulatory regime that has helped us to continuously navigate the regulatory landscape and basically made it possible for us to embrace innovation, promote financial inclusion and maintain investor protection (simply put, helped us to meet our regulatory objectives) – the 'Regulatory Sandbox Framework for Capital Markets' (Sandbox).

To get a better sense of the Sandbox and appreciate where we are coming from, it is important that we take time to share our story on the journey that led us to adopting an innovative regulatory approach. In essence, our Sandbox journey emanates from our desire to grow the capital markets which have remained nascent since inception (in 1993) and have been characterized by several weaknesses that inhibit them from efficiently mobilizing the country's public and private financing needs.

Thus, our efforts have largely focused on repositioning the capital markets to be an enabler to achieving sustainable and significant economic growth, by among other things, creating conditions that promote diverse, innovative, and customer-centric products that can accelerate the desired growth in our capital markets.

In doing so, we started by putting in place foundational steps as far back as 2015. These spanned across areas of regulation, capacity building, research, and collaboration. Below are some salient milestones that we attained for a start.

- Initiated a legal framework that encouraged the introduction of new products onto the capital markets (through the Securities Act no.41 of 2016).
- Partnered with the University of Cambridge Centre for Alternative Finance to conduct master classes to educate the public on capital markets and alternative finance.
- Carried out investor education in the form of university essay competitions (on Alternative Finance)
- Researched into regulatory trends on Alternative Finance such as crowdfunding.

By formulation, the Sandbox provides a profound framework that facilitates for the live testing of innovations under a controlled environment, designed to protect investors and done over a specified period of time. We therefore identified the it as an effective regulatory tool which we could adopt in a timely manner and in no time, we embarked on a project to develop the guidelines (in March 2020) which we issued the same year in December.

Having implemented the Sandbox for close to three years, we can attest that if well harnessed, it certainly provides an enabling environment that promotes ingenuity, financial inclusion, and investor protection (consumer protection in general).
To date, we have made notable progress concerning the introduction of four capital markets innovations that we admitted as part of the first cohort namely; crowdfunding / peer-to-peer lending platforms, global securities offering, crypto-asset trading and digital evaluation, capital raising and listing platform. We expect to see more diverse innovations in the second cohort such as Robo-advisory, asset tokenisation, online trading platforms, and blockchain technologies.

Given the above, the Sandbox has clearly worked in favour. However, needless to say that whilst we have scored some wins, we have also faced challenges and drawn lessons. There are some critical success factors required for the smooth implementation of the Sandbox. These include among others the following;

- **Collaboration.** This is a must for the regulator. Synergies with various actors in the financial innovation ecosystem. This may span across cooperating development partners, co-regulators and other government agencies, academia,
- **Capacity building.** This is a cardinal element for Sandbox preparedness and implementation.
- **Stakeholder engagement,** a pre-requisite for pre and post-implementation
- **Resourcing**, a necessity to ensure adequate human capital, time, and financial resources are allocated towards the Sandbox implementation.

For as long as the financial sector remains dynamic and innovations continue to evolve, regulators will need to always explore plausible solutions that shall necessitate their adoption in a manner that does not erode their consumer protection mandates.

Our journey to developing a regulatory sandbox

SEVERAL PRECURSOR EVENTS CULMINATED INTO SANDBOX DECISION

2014
Awareness campaign for the luska stock exchange alternative market

2015
SEC strategic plan 2015 - 2018 & Let's Talk Capital Markets Campaign

2016
SEC Inaugural Master Class on Alternative Finance (Prof. Rao - CCAF)

2017
Capital Markets Indaba & Launch of National Financial Inclusion Strategy 2017 - 2022

2018
SEC Strategic Plan 2018 - 2021

2019
Sandbox concept paper developed

2020
SEC/UNCDF Partnership & Sandbox Guidelines developed (gazette)

2021
Regulatory Sandbox launched in March

The Sandbox initiative has been a game-changer for the capital markets and the financial sector as a whole. At the SEC, we plan to continue improving its implementation and leveraging it to better understand the development and application of novel capital markets product.

In conclusion, the Sandbox journey is one that has guided us in navigating the regulatory landscape as we explore bespoke regulations for various innovations.

Keynote Address:

Elevating National Policy on Financial Inclusion, Consumer Protection and Cybersecurity

Capital Market Regulator Perspectives by Phillip K Chitalu, CEO, SEC Zambia, represented by: Mubanga Kondolo Jr., Head, Financial Inclusion, Securities and Exchange Commission, Zambia.

Mubanga chose a storytelling approach into the consumer protection Cybersecurity agenda. According to him, it is important to understand where you're coming from, in order to know where you're going. He stated that the financial inclusion agenda stems from a broader government reforms that were initiated sometime 2004 - 2009, and also from 2010 - 2015.

The programme was called, 'Financial Sector Development Plan,' which had about five work streams that ranged from the current state of affairs to the reviews and normalization of laws, as well as the inclusion of securities bills, banking bills and financial services bills, pension scheme bills, and credit reporting bills amongst others.

He noted that there was a formation of Capital Markets Association, as well as key emphasis on settling levels of financial education in the country, which were perceived crucial to financial sector development. This led to the formulation of the National Strategy of Financial Education for Zambia. It was also important to educate people on Capital Markets through the promotion of investor education.

Hence, building on the successes of FSDP, there emerged the need to recognize a comprehensive strategy to accelerate progress towards an inclusive, stable and competitive financial sector.

This in turn led to the formulation of the first National Financial Sector Development Policy by the government and was implemented through the National Financial Inclusion Strategy.

The vision for the policy was to have a robust world class financial sector that supports the country's development aspirations.

In terms of the NFIS, the goal is to have a universal access for a wide range of products which will not only reach the high people alone but also touch on the lower.

Following a 5-year cycle or survey, it was discovered that the financial inclusion rate was at 69.4%, which when compared to that of 2015, there is an improvement by up to 20%.

As stated by Mubanga, they currently have about 6.5 million active users, out of a population of about 19.6 million.

In terms of Capital Markets, the uptake was low, with only about 0.6% of the population accessing investment products and with reasons being attached to lack of money for investment as well as lack of knowledge, awareness about benefits and lack of knowledge about product offers, which were discovered to a conducted survey.

In terms of Policy Regulations, the data collected revealed it to be at 58%, which implies the need to do more. He recommended a focus on policy and regulation for establishing and enabling environment to build an inclusive digital economy. He noted that there was an objective in the Strategic Plan of 2015, to have diverse and customer centric products and services being offered in the market.

And in 2018, after the launch of the National Financial Inclusion Strategy, there was a deliberate objective to develop a regulatory sandbox, and there were a lot of demands from potential Capital Market operators and those interested in deploying the products.

However, the weakness was the lack of regulation to monitor or allow the innovations to be deployed in Markets. Hence, there was a background done with the UNCDF, to develop a sandbox guideline, which started out in 2020, and the launching in 2021.

He noted some of the wins recorded since the implementation of the regulatory sandbox, which included; establishment of a multisector sandbox technical committee in charge of overseeing and supervising the implementation of sandbox, particularly the participants operating within the sandbox, which comprises of the Bank of Zambia, the Pensions and Insurance Authority, the ICT Authority and other key players like the market associations, the FinTech hubs and so on, also there has been collaborations such as running MOU with the UNCDF, certificates of collaboration signed with FinTech Innovation Labs, as well as University Associations for regular programmes to propel development of various digital financial services.

He further noted the importance of Capacity Building, which according to him has led to simulation exercises, as part of preparation before launching the sandbox, with supports from the UNCDF, the Capital Markets Authority of Kenya, Bank of Sierra Leone and Trainings through the Cambridge Centre for Alternative Finance, the FinTech and Regulatory Authority and so on.

He concluded with the future outlook, that is, the Strategic Plan for 2022 to 2026. He mentioned that the future outlook is to continue promulgating financial inclusion through various programmes in order to increase stakeholders' participation in the capital markets, to enhance market investor

protection services and to enhance business processes and procedures. This according to him will give the ability to receive automated reports, analyze results more effectively and with the hope to extend this to the sandbox in future Capital Market operators.

Key highlights

- Some of the problems with financial inclusion in Zambia is pointing to access to digital finance.
- The need to push for digital transformation in Zambia

The challenges identified with the regulatory sandboxes launched in 2021

- Resources constraints
- Rapid technological advancement
- Lack of clarity on innovation

Mobilizing additional revenue streams through technology

// CLARA DE LA HERAS, CHIEF MARKETING OFFICER AT GLOBAL VOICE GROUP

Domestic Revenue Mobilization (DRM) is a catalyst of sustainable development. It helps ensure that governments, especially those of emerging countries, have the necessary funds to provide their citizens with valuable services and to invest in national development projects. However, many countries, especially in Africa, are not generating enough domestic revenue, whether from tax or other sources, to be able to reach their development goals.

According to some studies, technology has the potential to enhance DRM by boosting tax collection, among other pillars of DRM, and may therefore be a beneficial addition to governments' revenue effort.

The rationale behind technology for effective DRM

Africa has a full agenda when it comes to development. While working to achieve the UNSDGs, the continent also needs to implement the Addis Ababa Action Agenda and the African Union's Agenda 2063.
This requires additional funds, some of which can be sourced from domestic resources such as taxes. When it comes to leveraging tax resources to achieve sustainable development, the World Bank recommends a minimum tax-to-GDP of 15%.

However, some African countries have not yet reached this desirable percentage, according to the OECD's Revenue Statistics in Africa 2022report. This is the case of 16 of the 31 African countries included in this report.

One of the reasons behind the inadequacy of tax collection in Africa is the obsolescence of the tax systems. These need to be modernized to adapt to the increased digitization of the economy and match the technological innovation that characterized it.

Not only do inefficient tax systems enable fraud and tax evasion, they also make it difficult for the authorities to get a clear picture of the available tax base. It stands to reason that a technological gap would be best filled using technological tools.

The World Bank supports the idea that technology has the potential to improve tax collection, as one of the pillars of DRM, by helping identify the taxpayers and by monitoring and facilitating compliance.

Successful technology-driven DRM in Africa

Some African countries have already embraced the digital transformation and have included technology and digitization in their vision for their respective country's socioeconomic future.

The continuous growth of the telecommunications and digital financial services sectors, for instance, has made these sectors valuable sources of additional tax revenue. The governments of these countries have therefore adopted technology to help them tap into their potential in terms of DRM.

As a leading provider of regtech solutions in Africa, Global Voice Group (GVG) is currently working with some of these forward-thinking countries, including Rwanda, Ghana, and the Republic of Congo, to drive revenue mobilization through technology. GVG's technology enables governments and authorities to leverage the huge volumes of data yielded by the telecoms and digital financial services.

Our solutions collect data directly from these sectors, which enables the tax administrations to determine with great accuracy the volumes of taxable minutes of communication or financial transactions. They also include antifraud components that support revenue assurance by considerably reducing the illicit activities responsible for revenue leakage.

In Rwanda, our technology supports the Rwandan utilities regulator, the RURA, in promoting revenue assurance by curbing fraud in the telecoms sector. This has helped increase the revenue from the international incoming traffic.

Indeed, within the first year of implementation, this revenue increased by 122%. And over the 10 years during which RURA has been using GVG's solutions, the authority's revenue from the ICT sector has experienced a 250% increase.

In Ghana, the national revenue authority (GRA), uses our revenue assurance platform to increase the tax revenue from the telecom sector.

Our platform connects the GRA directly to the mobile network operators' core networks, thus providing it with reliable data regarding the operators' turnover. From 2021 to 2022, the platform has helped increase revenue by 36%.

In the Republic of Congo, our transaction certification solution helps the ARPCE to secure the Mobile Money payments made by the citizens towards their utility bills. The platform is preventing irregularities and increasing security, thus improving revenue collection.

Setting the right conditions for successful DRM through technology

The encouraging results achieved through technology in Africa so far form a solid basis for promoting technology in other countries on the continent, especially those that have

"...technology has the potential to enhance DRM by boosting tax collection, among..."

not yet achieved the recommended 15% tax-to-GDP ratio. However, it is important that the right conditions are met. According to the World Bank, these conditions are suitable infrastructure, the stakeholders' attitude towards technology, a long-term national strategy, and an appropriate regulatory framework.

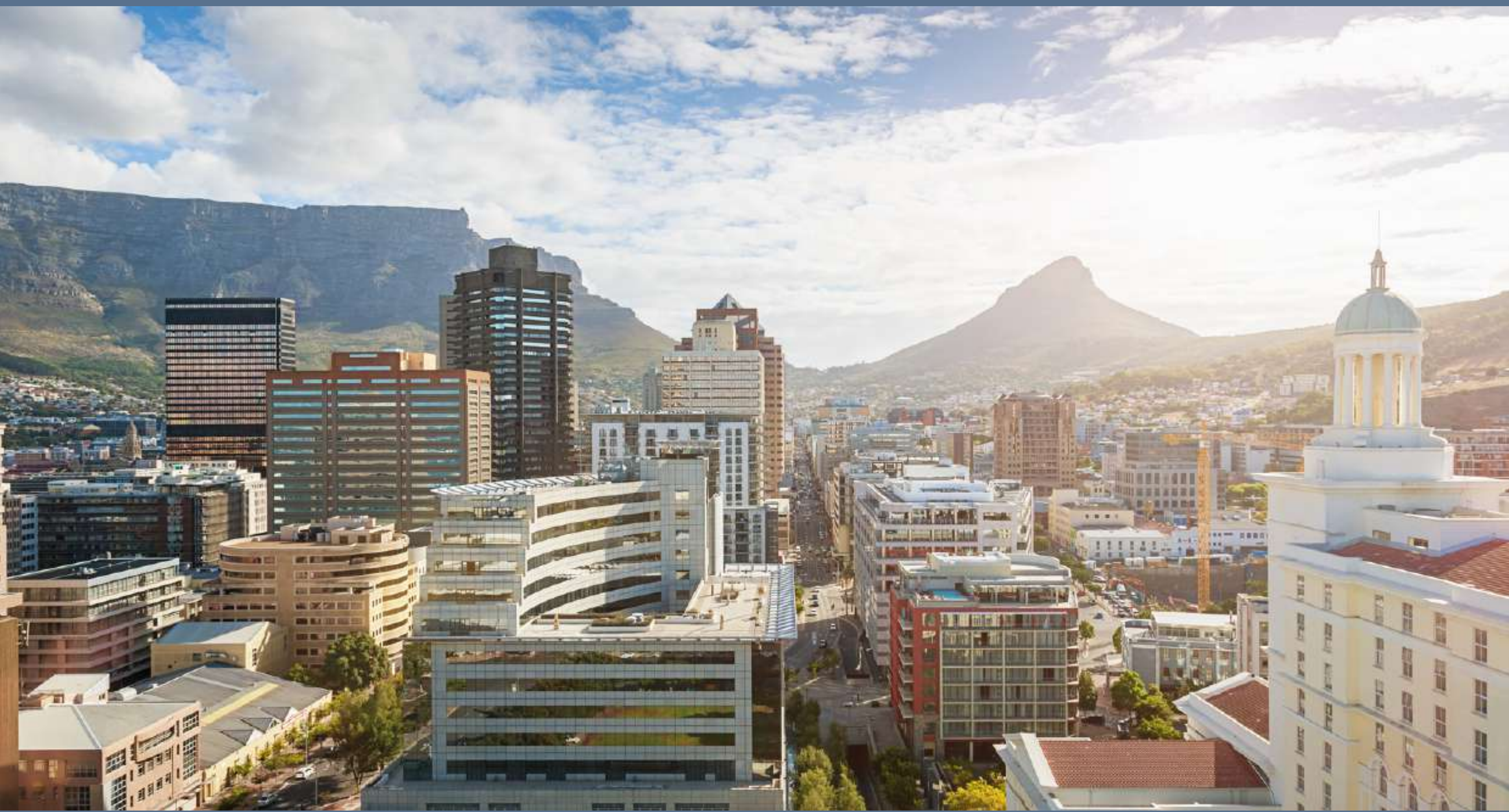
Indeed, there first needs to be an adequate and stable supply of electricity and Internet connectivity to minimize downtime. Additionally, it is important that the taxpayers, tax officials and governments alike buy into the idea of improving DRM through technology. Therefore, an institutional strategy promoting technology adoption, data integrity and training should be in place. Finally, a relevant regulatory framework would support data sharing between the public and private sectors, by addressing data protection concerns.

The available evidence supporting the positive impact of technology on DRM, and by extension on development, may convince African governments to seriously consider modernizing and digitizing their revenue processes. Technology represents an opportunity for these governments not only to generate additional revenue, keep up with the digital transformation and to promote their financial independence and sovereignty. The process may require significant preparation work, but consultation with the private sector could considerably smooth it out.

ABOUT

Clara de las Heras
Chief Marketing Officer
Mrs Clara de las Heras holds a double degree in Journalism and Advertising from Universidad San Pablo CEU, Madrid. Over the past 6 years, Clara has worked as a Financial Communications Consultant at Llorente & Cuenca and has held the position of External Communications Manager at Telecoming. After one year as Content Manager at GVG, Clara currently leads the Marketing Department, crafting strategies for all Marketing teams, including Digital, Content, Product Management, Communications and Creative.

Africa must leverage big data to accelerate growth



With humans, businesses and machines generating billions of data points every day, 'big data' is not a buzzword anymore but an immense opportunity for the continent. Premlin Pillay, Group Executive of Strategy and Analytics at Mettus, a technology and data company, says with data sitting at the centre of the Fourth Industrial Revolution (4IR), Africa has a major opportunity to implement solutions that benefit businesses and societies.

"If Africa gets it right and accelerates the moves to adopt these new technologies, the benefits are immense. Skills and job acceleration, business growth, trade and innovation all lie in wait," he says.

"Kickstarting 4IR in Africa cannot and should not be implemented by a company sitting in Silicon Valley. We need African solutions and in-country expertise for African problems," says Pillay.

"Having automated machine learning (AutoML) applications built in tech hubs outside of the continent leaves little understanding of the realities and complexities of the contexts they will be appliedfor Africa to ensure it is not left behind.

The World Economic Forum (WEF) says 4IR has the potential to raise global income levels and improve the quality of life for populations around the world. This comes as the inexorable shift from simple digitization to innovation based on combinations of technologies and this is forcing companies to re-examine the way they do business.

Pillay says Africa cannot be a passenger as these important global trends take shape, as African states are already integrated into the global economy. It is therefore critical that policy and data solutions align so that practical answers to African problems can be found and the move to 4IR accelerated.

However, there are challenges that stand in the way of Africa taking advantage of this immense opportunity. Key amongst these include infrastructure and skills.

For instance, a recent research report has indicated that less than half of people in developing countries have internet access. Further the digital divide, indicating the gap between demographics and regions that have access to modern information and communications technology (ICT), and those that don't or restricted access, continues to increase. If we don't address these digital skills and knowledge of advanced technologies, we will miss out on the opportunities brought about by 4IR.

Pillay says that when Africa gets it right, the results can be profound. "We need to participate in initiatives to resolve the challenges that we face on the continent so that we can realise the benefits in this new digital economy," he emphasises.

To help bridge the digital divide and solve the scarcity of skills, Mettus has embarked on a large-scale programme to hire and train interns in the technology, data and analytics fields. Mettus has also invested heavily in cloud technologies, data infrastructure and advanced analytical tools ensuring that these interns are working on the cutting edge of technology and analytics in finding solutions to problems.

Mettus, the holding entity for four established independent brands across the fast-growing and in-demand credit check, background screening and big data, analytics and technology markets, is already seeing the impact on the ground, in projects for Africa that make a real, tangible difference.

For instance, Mettus is involved in a project across Southern Africa that is helping identify and trace mineworkers who had silicosis poisoning in the 80s and 90s to help compensate them and their families financially. This is proof of what can be done when data is harnessed for the greater good.

"Our goal at Mettus is to use technology, data and analytics to deliver creative solutions to solve both business and societal problems," concludes Pillay.

Harnessing the power of big data in driving regulatory technology

Welcome Address
Cyril Okoroigwe (CEO, RegTech Media)

The digital evolution in the financial services sector has seen increasing changes with a move towards technology driven delivery channels. This holds great promise as a means to enable financial inclusion and thus help improve citizens' lives. However, cybercrime has become a key concern in developing and emerging countries' and is threatening to hinder consumer trust and other global advances in building more inclusive financial sectors.

Harnessing the power of big data, artificial intelligence and even blockchain, regulatory technology is poised to reduce financial risk, increase regulatory compliance and stamp out laundering and fraud, all of which contribute to an estimated $2 trillion yearly loss for the global economy.

Against this backdrop, the RegTech Africa Conference 2023 holding in the beautiful city of Lagos is set to spotlight how National governments in emerging countries are raising the bar in the implementation of policies and strategies with the aim of setting innovative standards for risk management aimed at providing clarity and engendering prosperity.

And on this note, I would like to welcome you all to the second edition of the RegTech Africa Conference.

With a lineup of over 50 inspiring speakers, 500 registered in-person attendees and over 5,000 registered virtual attendees, across over 100 companies in 45 countries, this edition promises to be exciting, educative and informative, providing lot of opportunities for knowledge sharing, networking and partnership at the highest level.

I would like to take this opportunity to express our profound gratitude to all our amazing speakers, sponsors and partners.
Distinguished Ladies and gentlemen, I once again welcome you to the RegTech Africa Conference!

Elevating National Policy on Financial Inclusion, Consumer Protection and Cybersecurity

By Kashifu Inuwa Abdullahi, DG, National Information Technology Development Agency (NITDA) represented by Dr Usman Abdullahi

Key Highlights:

- NITDA is pushing for the protection of consumers while using Technology services.
- The agency is partnering with operators on data privacy and consumer protection which involves local and international storage of consumer data.
- The agency is pushing for a secure and resilient economic environment.
- Played a key role in the drafting of cybercrime act in 2015.
- Has a computer emergency response centre for cases of cybercrime.
- The agency also provides advisory services.

Emerging trends in ESG governance for 2023

MAUREEN BUJNO AND KRISTEN SULLIVAN, DELOITTE & TOUCHE LLP

There's no one-size-fits-all solution to overseeing environmental, social, and governance (ESG) matters—and for good reason. Each company must navigate its own uniqueness related to its organizational structure, global reach, environmental impact, business circumstances, and industry requirements.

Further, the broad constellation of topics comprising ESG often doesn't fit neatly into any one board committee's charge. As a result, companies increasingly are opting for ESG governance frameworks that allocate responsibilities to various combinations of board committees and the full board.

Amid this variability, many are focused on the regulatory landscape. Given the proposed SEC rule on climate risk disclosure, reporting could transition quickly from voluntary to required. In anticipation, companies should get prepared to formally disclose, and ultimately obtain assurance on, their impact on climate as part of their 10-K financial filings..

While the proposed rule focuses on the "E" in ESG, companies should be thinking about the governance framework for their overall ESG strategy, as well as for each defined component, amid increasing political, regulatory, and stakeholder expectations.

And given the major impact the proposed rule likely will have on financial reporting, audit committees should understand trends that are rapidly emerging in climate reporting and the broader ESG governance landscape.

2022 proxy trends in ESG and climate risk.

ESG nondisclosure nears extinction-

Based on Deloitte's proxy research of S&P 500 companies, only 3% of companies did not disclose information about their overall ESG board governance approach in 2022, down sharply from 14% in 2021 and 28% in 2020 (figure 1).

This likely is due to the continued maturation of ESG frameworks and capabilities, coupled with the anticipation of pending SEC rulemaking.

Trends in primary committee oversight of ESG

The nominating and governance committee remained the most common choice for sole or primary oversight of ESG (figure 1) at 63% of reporting companies, up from 53% last year.

Fifteen percent of companies placed primary responsibility for ESG on a dedicated ESG/ sustainability committee, similar to the 13% in 2021.

Multicommittee/board ESG frameworks on the rise

In prior years, Deloitte's proxy research focused on the primary committee overseeing ESG.

This past year has been marked by significant enhancements in the depth and detail around ESG proxy disclosures and related governance frameworks. Based on our research of S&P 500 proxies, 51% of companies reported that either 1. the full board combined with a committee(s) or 2. multiple committees have responsibility for overseeing aspects of ESG activities.

This multicommittee approach reflects a growing recognition that the complexities of ESG often overlap with numerous committees and that their responsibilities may best be addressed accordingly.

As an example, the proposed SEC rule on climate risk disclosure is of significant importance to audit committees given the direct connection to financial reporting, but the considerations encompass a broader range of topics.

Measures such as decarbonization targets can have an impact enterprise-wide across strategy, finance, talent, governance, operations, risk, and compliance. Similarly, when defining the "S"—Social—in ESG, many companies note their goals regarding diversity, equity, and inclusion (DEI) initiatives.

While DEI could be framed as a talent or culture matter, for many companies, it is a strategic objective—the talent pool needed to achieve a long-term strategic goal—and it also could be framed as a key imperative of human capital disclosures, or even considered a governance matter with regard to board diversity.

This reinforces the importance of management and the board transparently articulating how the elements of ESG are defined for the organization from a strategic and value creation perspective.

Figure 1. Primary committee responsible for ESG governance*

Source: 2021-2022 and 2020-2021 Deloitte proxy research. Includes proxy statements filed between October 1, 2021, and September 30, 2022, and between October 1, 2020, and September 30, 2021, respectively.

Nominating and governance | Not disclosed | ESG/sustainability | Full board | Multiple | Other (including audit at 1%)

ESG reporting disclosure is evolving rapidly; as such, our methodology has been updated slightly since last year to most effectively capture ESG oversight delegation. If the 2021 data were recast for the updated methodology used in 2022, the Nom/gov category would have decreased by 1% and the Multiple category would have increased by 2%.

** Includes primary committee noted from companies with a multicommittee/board ESG framework (see figure 2)*

Our 2022 proxy research found that for companies disclosing a multicommittee governance framework, the nominating and governance committee was the committee with primary responsibility 59% of the time, and an ESG/sustainability committee was indicated as the primary committee 18% of the time (figure 2).

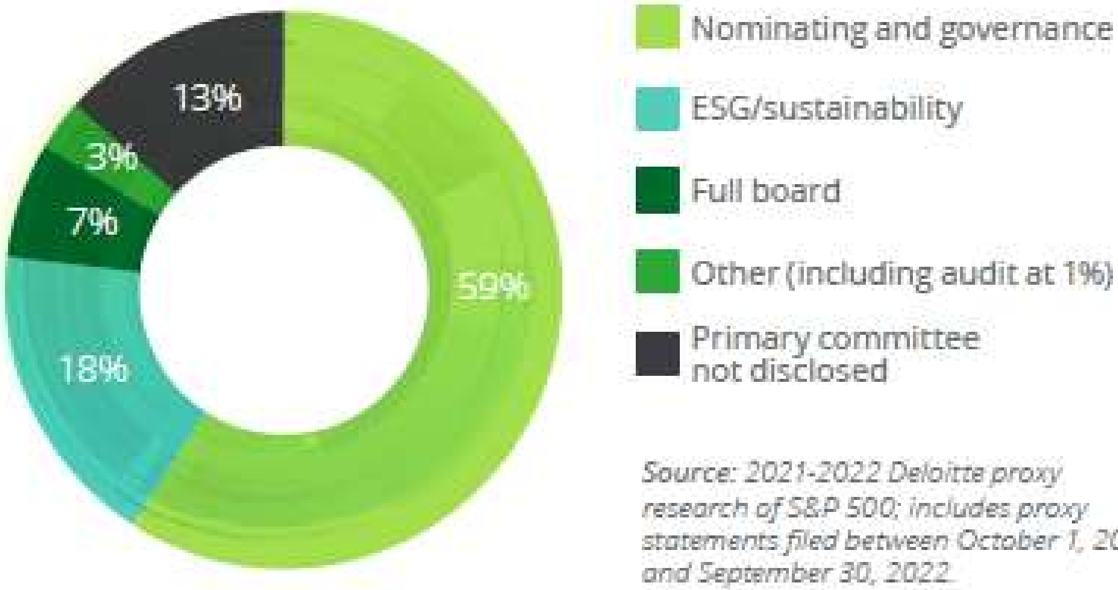
Our research also indicated that some boards created one or more new committees with hybrid responsibilities such as environmental, health, safety, and technology; innovation and sustainability; corporate responsibility and sustainability; and public policy and sustainability.

Some companies have combined aspects of these committees with their nominating and governance committees.

Among those companies reporting the involvement of multiple committees in their ESG governance, the audit committee was included as part of that framework 52% of the time, though only 1% of those companies indicated that the audit committee had primary, ESG oversight responsibility.

Areas that audit committees often were tasked with overseeing included climate and sustainability disclosures, reporting, and assurance (where applicable); related financial reporting matters; ESG processes and controls; enterprise risk management; cybersecurity; environmental and safety matters; and corporate ethics and standards.

Figure 2. Primary committee (or full board) responsible for ESG oversight among the 252 S&P 500 companies with multicommittee/board ESG frameworks



Source: 2021-2022 Deloitte proxy research of S&P 500; includes proxy statements filed between October 1, 2021, and September 30, 2022.

Within the categories of "nominating and corporate governance" and "ESG/sustainability," there is considerable variation among companies in these committees' names and areas of focus.

The following are examples of committee names disclosed by S&P 500 companies in their most recent proxies. To the extent the nominating/governance committee added other responsibilities, they were still considered in the category of nominating/governance for research purposes.

Sample nominating and corporate governance committee names incorporating various ESG elements

- Nominating and environmental, social, and governance committee
- Nominating, governance, and social responsibility committee
- Corporate governance and responsibility committee
- Governance and public policy committee
- Corporate governance, public responsibility, and safety committee
- Governance, sustainability, and public responsibility committee
- Corporate governance and business ethics committee
- Governance and sustainability committee
- Governance, corporate sustainability, and nominating committee

Sample ESG/sustainability committee names

- Sustainability, innovation, and policy committee
- Environmental and social responsibility committee
- Safety, environmental, technology, and operations committee
- Sustainability and corporate social responsibility committee
- Sustainability, diversity, and public policy committee
- Public responsibilities committee
- Corporate responsibility, sustainability, and safety committee
- Social impact committee
- Science, technology, and sustainability committee
- Environmental, health, and safety committee
- Environmental sustainability and community committee

Examples of multicommittee ESG governance approaches from proxy statements

The structure of ESG governance varies significantly from company to company, particularly when combinations of multiple committees are involved.

The following examples are not intended to be prescriptive but rather to illustrate the breadth of possibilities when it comes to allocating responsibility to appropriate committees based on industry, regulatory, and company-specific considerations.

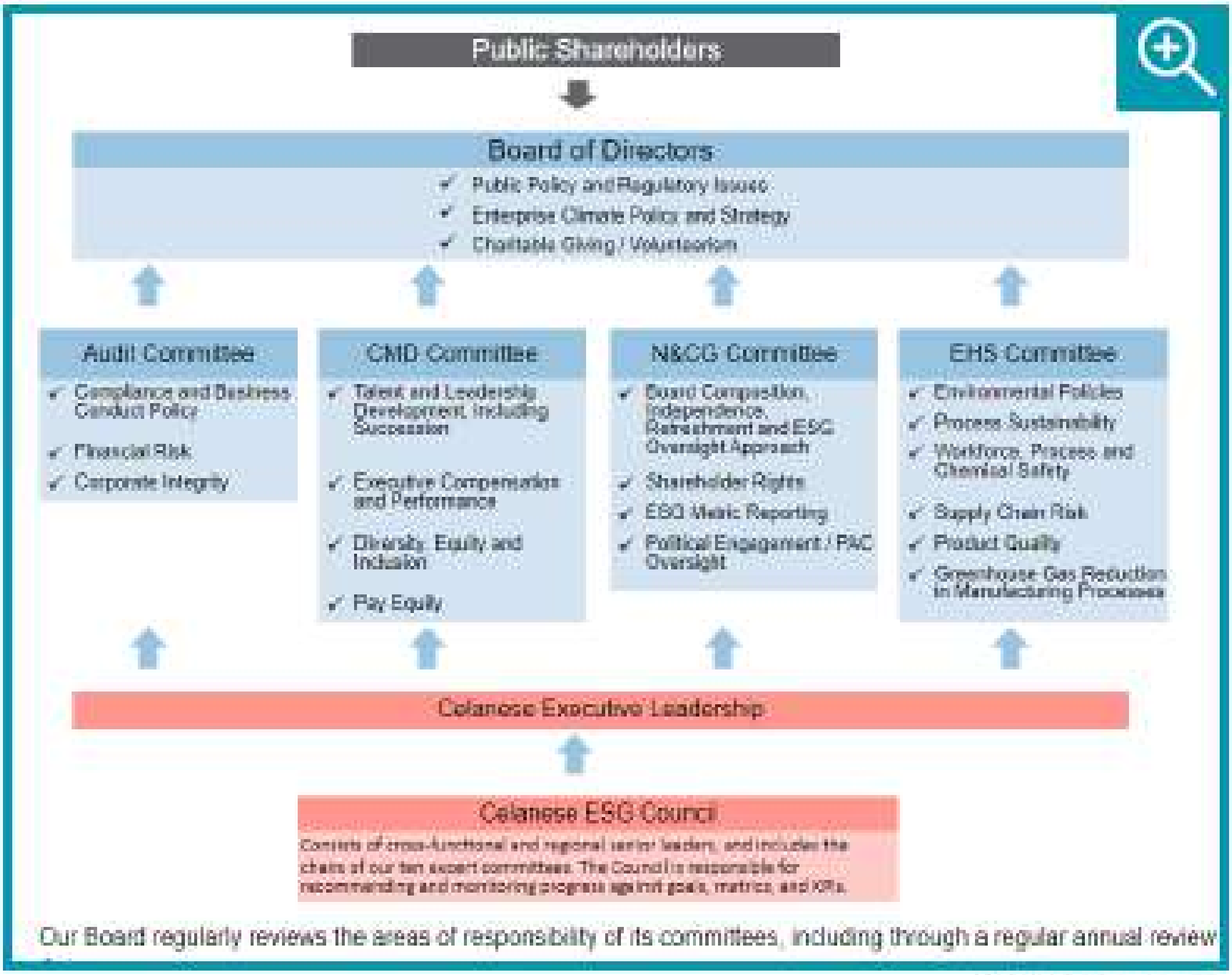
Boards and management should be deliberate in building out a framework that is responsive to the wide-ranging facets of "E," "S," and "G," particularly given the increasing prospects of required disclosure.

Celanese Corporation

Celanese uses a model (figure 3) that divides responsibilities among the audit committee; compensation and management development committee; nominating and corporate governance committee; and environmental, health, safety, quality, and public policy committee, and also involves the overall board and the Celanese ESG Council, a management council that includes cross functional and regional leaders.

The involvement of senior leaders within the company across geographies as part of the ESG Council provides further input to inform the board's governance and track key performance indicators.

Figure 3. Celanese ESG oversight structure



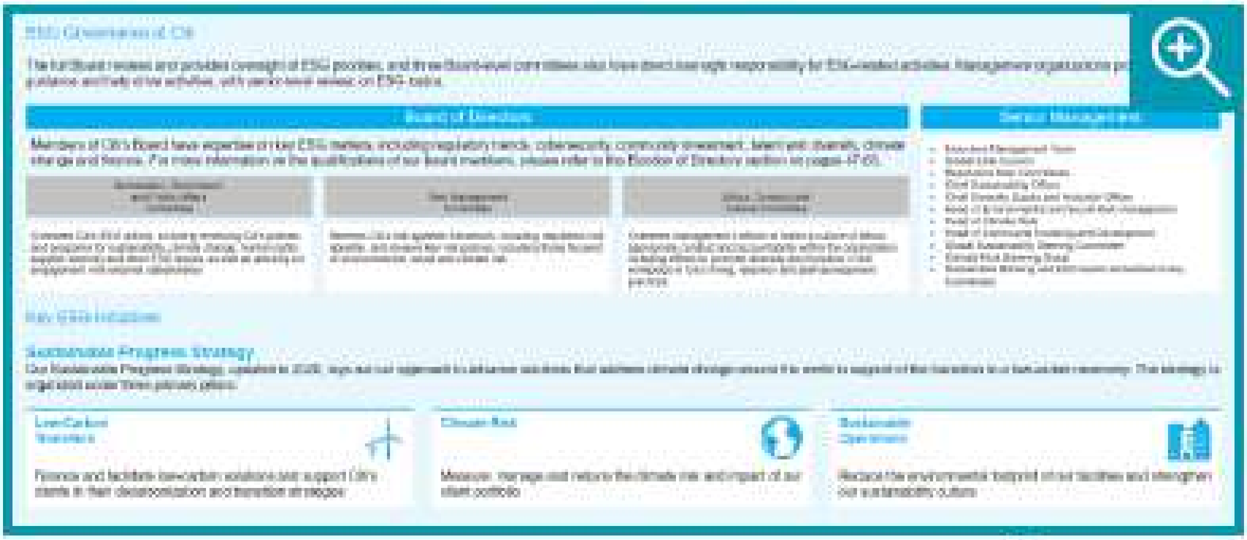
Source: sec.gov

Citi

As detailed in figure 4, Citi's nomination, governance, and public affairs committee oversees many of the policies and activities associated with climate, sustainability, human rights, and other areas; the risk management committee focuses on the review of ESG risk policies; and the ethics, conduct, and culture committee oversees management's diversity and inclusion efforts and other talent matters.

The full board monitors ESG priorities, and management provides strategic guidance through several teams and leadership groups. The areas of ESG expertise resident on the board also are highlighted in the disclosure.

Figure 4. Citi ESG oversight structure*



**The names and responsibilities of some Citi committees have changed since the 2022 proxy was issued, and a new chart with the updated committee structure will be published in 2023.*

MetLife

As shown in MetLife's 2022 proxy, primary responsibility for sustainability/ESG strategy is held by the governance and corporate responsibility committee, with the finance and risk committee responsible for environmental risk and the audit committee handling disclosures and ethics and compliance matters (figure 5).

MetLife also has a sustainability function that is led by a chief sustainability officer; its responsibilities include sustainability reporting, strategy, and target-setting and the establishment of key performance indicators.

Additionally, the company has launched a global Climate Advisory Council chaired by the chief risk officer. The council focuses on climate risk governance across topics such as climate regulation and climate risk modeling and analysis.

Figure 5. MetLife ESG oversight structure

Source: sec.gov

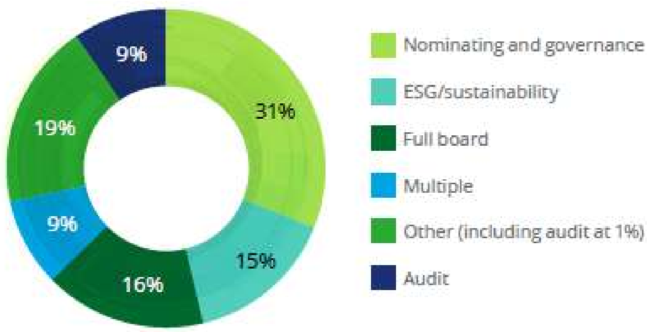
Climate risk disclosures lag behind

In contrast to the near universality of disclosing the overall ESG oversight structure, 62% of companies did not specify the oversight structure for climate risk.

The proposed SEC rule would require disclosure of the specific board member(s) or board committee(s) responsible for overseeing climate-related risks, so there could be a rapid shift in this reporting paradigm within the next couple of years if the rule is adopted. Of the 190 S&P 500 companies disclosing their climate risk governance approach, 18 (9%) reported that its governance was the responsibility of the audit committee (figure 6).

This is in contrast to only 1% of companies putting all their overall ESG governance "eggs" in the audit committee's basket.

Figure 6. Oversight responsibility for climate risk among companies disclosing governance structure



Source: 2021-2022 Deloitte S&P 500 proxy research

Note: Due to rounding, percentages may not total to 100%

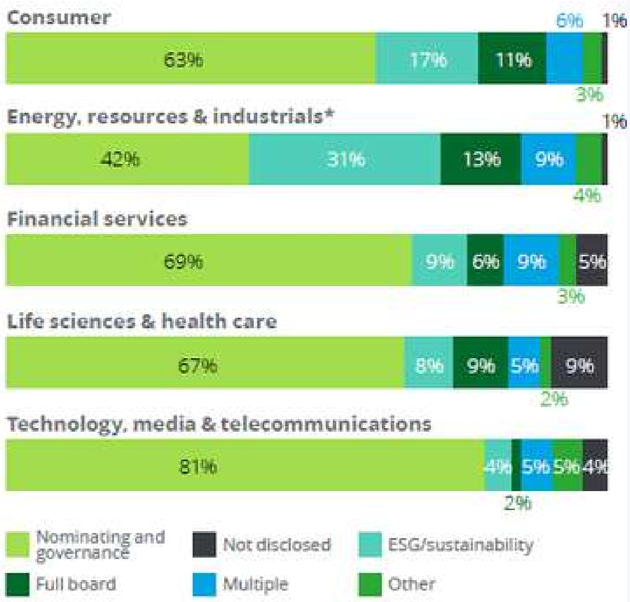
Industry Trend

The overall trends in ESG oversight were largely mirrored across industries (figure 7). Energy, resources, and industrials (ER&I) companies had the highest frequency of the full board or an ESG/sustainability committee being the primary committee.

Only 1% of ER&I companies did not disclose their ESG governance structure. These results likely are a function of ER&I's longstanding focus on environmental, climate, and other ESG matters and recognition of increasing complexities in the industry context. Conversely, technology, media, and telecommunications (TMT) companies were the most likely to have the nominating and governance committee serve as the primary committee.

most likely to have the nominating and governance committee serve as the primary committee.

Figure 7. ESG primary committee oversight by industry



Source: 2021-2022 Deloitte S&P 500 proxy research

**Constellation Energy Corp was new to the S&P 500 this year but did not have a proxy.*

Note: Due to rounding, percentages may not total to 100%

Conclusion

While the expectations around ESG reporting continue to rapidly evolve, the overall trend toward defined structure, disclosure, and increasing involvement on the part of multiple committees and company functions is clear.

Companies may need to adapt quickly to advance their climate data measurement and reporting and to drive decision-making regarding the allocation of resources. Whether or not the audit committee has direct oversight responsibility for climate risk or other ESG disclosures, the committee will play an important role.

As disclosures move from voluntary to required and become further aligned with annual financial reporting, the audit committee should have an understanding of the related data and measurement controls in place and the oversight structure across the "E," "S," and "G" to monitor and address related risks.

Questions for audit committees to consider

1. Have management and the board agreed on what ESG means for the organization?
2. How is ESG defined and how is the board's governance structure aligned around ESG from a strategic perspective?
3. Is there a clear division of responsibilities among the board and its committees regarding the various components of ESG?
4. What framework is in place for coordinating ESG activities across geographies and business units and avoiding the siloing of potential topics?
5. If a single committee currently is charged with overseeing ESG, will it be able to handle the wide-reaching complexities of ESG components and disclosures as reporting transitions from voluntary to mandatory?
6. How often are ESG topics on the agenda of the appropriate board committee(s), and what level of information is being presented?
7. Is the company prepared to disclose the oversight structure for climate risks?
8. Who on the board has experience in climate risk matters? Is the audit committee equipped to review climate risk and other ESG disclosures effectively?
9. Does management's presentation and reporting of ESG-related information meet the board's and audit committee's requirements to understand the company's related risks and opportunities?
10. To what extent is the finance organization involved in building and strengthening the control environment for climate disclosures?
11. What adjustments, if any, will be needed to align greenhouse gas emissions reporting and other reporting with the 10-K?

Maureen Bujno is a Managing Director, and Kristen Sullivan is a Partner and leads Sustainability and ESG at Deloitte & Touche LLP. This post is based on their Deloitte memorandum.

Keynote Addreess:

The Impact of Blockchain implementation and regulation on the financial system across Africa

By Lorien Gamaroof, CEO, Centbee

Key Highlights:

- Payment regulation is vital for financial stability, minimising risks, preventing disruptions, protecting consumer interests, fraud and unauthorised transactions.
- Global payment regulation— cross border payment regulation is essential.
- Highlighted that payment regulation is about enabling people and crucial technologies.
- Big data analytics unlocks valuable insights from large volume data.
- Touched on the importance of biometrics for securing identification for credit transactions.
- The use of Artificial intelligence (AI) for simplified information. Spotting that AI will be a great tool in detecting data that will help in curbing money laundering and other frauds.
- Reiterating that regulators are not just the police, they are the enablers also.

Blockchain

- The need for blockchain to properly fit into the regulatory paradigm of its country of operation.
- Blockchain is a transparent ledger. You can write once and read many times.
- He encouraged regulators to leverage the characteristics of blockchain which includes: integrity, robustness, decentralisation, low-cost, regulatory oversight and multipurpose (currencies can be issued on the system).

Keynote Address

Elevating National Policy on Financial Inclusion, Consumer Protection and Cybersecurity

by Folashodun Shonubi, CBN's acting governor

Key Highlights:

- RegTech is moving towards fragmentation rather than specialisation. Fragmentation involves focusing on an area to understand its nitigrities.
- All of the things discussed in RegTech falls under one or all of the three combinations— helping to receive, helping to process and helping to present.
- It is the quality of data we are receiving that is more important. In the past we were receiving information which is processed data rather than data. However, we are moving to collecting data in real time to apply it in making decisions.
- The biggest regulator is the government.
- The problems associated with the previous regulation creates the opportunity of thinking beyond the immediate solution solved to push for something bigger. We need to begin talking about this knowing that it is an opportunity to standardise. One way is by encouraging all the magistrate courts across the country to have a standard format for collecting information they use for their affidavit. A standard way of exchanging. Sometimes, in a bid to show that we are efficient, we over centralise without understanding the peculiarities of what is going on. Here, the court has become a regulator in specifying what an affidavit was. What or how you will get it. They had implemented something which is worth commending. But we had again limited ourselves because it's just that solution we were looking at. For us to be able to make the most. We must always be willing to think like them. Understand and therefore be able to provide a bigger solution than the immediate.
- An example of the solution is the social intervention program that the Vice President drew at the beginning of the government about 8 years ago. The home-grown school feeding program. To kickstart this program, they had to go about collecting the data of these children. This is where they encountered problem. The problem of locating who has the information and where it is held. There was a problem with how data was kept, protected and accessed.

Keynote Address

Elevating National Policy on Financial Inclusion, Consumer Protection and Cybersecurity

by Folashodun Shonubi, CBN's acting governor

Key Highlights cont'd

- Knowledge and understanding is key. We tend to assume most of these things. So when we build some solutions to integrate the financially excluded or those who are not as knowledgeable, we do not bring that into place. When you create a solution that has two-factor authentication and requires that a pin is sent. You need to put users who live in an area where there is no signal into consideration. A problem is already built. We need to understand the people, the problem and the context of what we are building.
- There has always been a clamour for the people, infrastructure and technology. I believe it's the people that count. You can always get technology. You cannot add value if you do not understand or appreciate why things are being done.
- You cannot have financial Inclusion without economic inclusion. Financial inclusion is not access. It is the ability to use. Too often,we hear people talk about access. Economic inclusion has to be in place before we begin to talk about financial inclusion.
- Consumer protection: Every interaction between humans to humans and humans to machines is a potential flaw. It's more of a state of mind than just the rules and processes that you put in place.
- Cyber security: Some of the biggest organisations with the most technology have failed when it comes to cyber security. There is only one common factor; the people. When we start talking about frameworks and policies. We need to step back a bit and look at the bigger picture and risks that technology helps to mitigate. For this to work, we have to tone it down to the language of the consumer/people.
- We need to bear in mind that the majority of what regulators do is based on their perspective of the risks involved. It largely comes in conflict with the private sector's motive which tends to be more profit driven. We need to understand where each and everyone of us is coming from and find a balance that takes care of the risk and opportunity.
- Collaboration and communication is what would help to ensure that there is a field that people understand the game that is being played. And the regulator acts as the referee who does not have to distort the game all the time.

Mobile money taxation could hamper financial inclusion gains in Africa

Mobile money services have transformed the lives of many people across the African continent but taxation policies pose a significant challenge to the financial inclusion gains made by these innovations

In an increasingly digital economy, accelerated by the Covid-19 pandemic, there has been greater collaboration between the private sector and governments in Africa to further the continent's digital and financial inclusion agenda. Financial inclusion, in particular, is both a pre-condition and a key enabler for meeting many of the UN's Sustainable Development Goals (SDGs), including reducing poverty, boosting economic growth and promoting market access.

Download document here: https://apo-opa.info/42XVCWU

To this end various governments, including Kenya and Tanzania, have not only embraced digital transformation but also provided sound and enabling policy frameworks over the years to allow for innovative solutions that empower citizens.

For instance, mobile money platforms such as M-PESA have been vital drivers of financial inclusion on the continent.

However, government tax policies pose a significant challenge to the sustainability of mobile money services and financial inclusion gains made by these innovations. Vodacom Group's policy paper on Mobile Money Taxation unpacks some of the impact that changes in mobile money taxation has on financial inclusion on the continent.

In the paper, Vodacom Group outlines that accessibility and affordability are two of the major draw cards of mobile money on the continent, giving people access to the most basic financial services. M-PESA, the first and most successful mobile money payment service on the continent with 52million subscribers, is currently available in Kenya, Tanzania, Lesotho, the DRC, Ghana, and Mozambique with plans to make it available in Ethiopia.

"While many countries have embraced mobile money services, mobile money taxation can have unintended consequences for the people who stand to benefit significantly from these platforms", says Stephen Chege, Group Chief Officer for Regulatory & External Affairs at Vodacom Group. "We need to remember that many of the people who use mobile money are highly sensitive to transaction costs, a therefore even a marginal increase in the fees associated with using these services could make them unaffordable. Higher transaction taxes may even compel some users to return to cash-based transactions", notes Chege.

While taxation plays a critical role in helping governments across the continent meet their revenue targets and make up for the economic losses experienced during the pandemic, the policy paper outlines that this could potentially come at the expense of society's most vulnerable if not appropriately implemented.

Emphasising the importance of considering how taxation could also affect service providers, the paper also suggests that increased taxes could hamper mobile money providers' ability to make the investments necessary to provide services to the underserved.

"While these taxes are targeting mobile transactions because of their high volume, it is important to remember that the value per transaction is typically quite low. This means that taxation on mobile money transactions is unlikely to significantly expand the tax base and could instead, result in the reduction of tax revenue in the future", adds Chege.

Where the tax burden is too high, there is a chance that providers will limit their investments, reducing mobile money penetration, leading to lower customer usage on the continent and consequently, the socio-economic benefits derived from these platforms.

Given these realities, the policy paper on Mobile Money Taxation makes the following recommendations:

- Mobile money taxation strategies can be developed in line with long-standing tax principles based on equity. This is essential to ensure that taxation does not exacerbate social divides and that the financial inclusion gains made on the continent are not lost.
- Tax policies can be structured in such a way that they are proportionate and broad-based in their application, rather than sector-specific.
- Governments and regulators can engage more robustly with mobile money operators and telcos on the unintended consequences of mobile money taxation to find a middle ground that is favourable for customers.

"It is common knowledge that the pandemic, the war in Ukraine, and climate change have all hampered Africa's progress towards meeting the Sustainable Development Goals (SDGs).

Mobile money plays a critical role in meeting some of these goals by driving financial inclusion and reducing poverty among the unbanked by empowering them to access credit, loans, savings and other essential financial services. Without sound and carefully implemented policies around mobile money taxation, we risk reversing the many financial inclusion gains already made on the continent", concludes Chege.

Source: ITNA

Payment modernization & emerging technologies: How can new technology enable innovation that leads to better outcomes for consumers, banks, and regulators?

Panelists:
Obi Emetarom, Co-founder/CEO, Zone, Dr Yele Okeremi, CEO, Precise Financial Services, Mark Bysteriansky, CEO, Emeldi Group, Abeneazar Wondwossen (Ethswitch Sc), Mubanga Kondolo Jr. (Head, Financial Inclusion, securities and exchange commission, Zambia), Juliet Ongwae, PhD, Senior Suptech Specialist, Cambridge Centre for Alternative Finance

Panel Moderator: Juliet Ongwae, PhD (Senior suptech specialist, Cambridge Centre for Alternative Finance)

Key Findings of the Cambridge suptech Lab: The state of SUPTECH REPORT 2022.

- 71% of financial authorities have adopted it.
- Data was collected from 134 financial authorities.
- Suptech is still in the nascent state with room for growth.
- Suptech focuses on machine executable regulation and competition monitoring.
- The challenges include: budget, data skills, legacy IT, etc.

How regulators can leverage modern technologies

- Regulators were encouraged to be on top of their game. Have a list that can be updated from time to time.
- Transparency and immutability. The regulator is a filter for what goes in. They were encouraged to carry out code audits to audit digital products as they go into blockchain. Full transparency about how they operate.
- Overseeing in an effective and automated way rather than just sitting at the top.
- Partnership between industries and regulators

Highlights of Panel Submission

- There are numerous benefits in adopting blockchain payment services, and virtual assets can be regulated and used for greater good.
- The need for regulators to partner with financial institutions to provide advisory services.
- The need for regulators to collaborate with innovators to ensure laws are adhered to whilst also involved in building trust with the consumers without, stifling innovation.
- Regulators can draw perspective from trends to offer advisory services to operators for a safer clime and earn customer trust.
- The big tech companies have facilitated payment partnerships and have become very strong because of the information they have about consumers. Regulatory bodies need to work together with big tech in order to enhance payment in Africa.
- Considering that big tech stands on technical, social and legislation advantage, Africa needs to have enabling regulation to help them function.
- The need for regulators to continue investing in order to understand the need of the ever dynamic big tech system.

Consumer Protection and Competition- Access to Finance: Promises and pitfalls of digital lending in emerging markets

Panelists:
Paul Adams, Director, Consumer Protection Research Initiative Innovations for Poverty Action, Sheila Senfuma Nakanyike, Head of programme-Digital Finance-Consumers International, Mary Gichuki, Advocacy Manager Mobile Money GSMA Sarah Corley, CEO Alliance of Digital Finance Association, Jenny Radziwolek, CEO, Regxelerator, Dr Mark Yama Tampuri Jnr, Faculty Member, Academic City University College and President, Ghana FinTech Academic Network.

Panel Submissions:

Key significance of mobile money in Africa is – To drive financial inclusion.

- Digital credit can be promoted through different partnerships and models, leveraging different mechanics and marketing channels.
- The use of conventional approaches in digital lending would require effective regulatory and supervisory oversight through an ecosystem approach
- The need for digital lending platforms to be licensed to ensure adequate legislation, was equally highlighted.
- The use of data and information collected from customers positively was highlighted.
- It was noted that data grants access into consumer behaviour and insights can be drawn from these data to create new products.

Issues raised

- How to deal with unauthorised access to data from financial services.
- Apps have unauthorised access to customer data.
- They are also able to sell this data to competing firms.

Competition

Oftentimes, competition can force down price but won't force up quality. Competition can not solve all the problems, but can bring about new innovations (products & services).

How competition can be an enabler

- Protecting the customers and helping them make better decisions.
- Business design
- Consistent feedback from consumer reps
- Introduce checks to maximise consumer exposure to information.

Support for Consumers

- Give information in the language they understand.
- Financial literacy: communicate what the product means. Operators should come together to educate the consumer— knowledge & awareness.
- Consumer support: let them know how they can get redress. Who to communicate with.

Digital Credit

The following are the issues raised under digital credit:

- Customer support
- Transparency of the model
- Creating an inclusive digital credit app through the use of data and AI
- Ensuring that there is a human channel customers can reach out to if the virtual fails.

Problems

- Data breaches in digital credit
- Intentional defaulters

Solution

Attaching sim cards to ID cards, such that it blocks intentional defaulters.

Operational Changes to the Foreign Exchange Market in Nigeria: Implications for businesses

The Central Bank of Nigeria (CBN) has just announced the unification of all segments of the forex market collapsing all windows into one.

This was part of a series of immediate changes to operations in the Nigerian Foreign Exchange (FX) Market, in a bid to improve liquidity and stability.

What are the implications to businesses in our Ecosystem?
The floating of a currency refers to when a government allows its currency's exchange rate to be determined by the foreign exchange market rather than fixing it at a specific value. The impact of floating the Nigerian Naira (NGN) on businesses and entrepreneurs can be significant and may have both positive and negative effects.
Here are some potential impacts:

Exchange rate volatility: Floating the Naira can lead to increased exchange rate volatility. The value of the Naira can fluctuate in response to market forces such as supply and demand. This volatility can make it challenging for businesses and entrepreneurs to plan and budget effectively, especially if they rely on imports or exports.

Import costs: If the Naira depreciates against other currencies, the cost of importing goods and raw materials can increase. This can directly affect businesses that rely on imported inputs, leading to higher production costs and potentially reduced profit margins.

Export competitiveness: On the other hand, a depreciated Naira can make Nigerian exports more competitive in international markets. Export-oriented businesses and entrepreneurs may benefit from lower prices in foreign currencies, potentially boosting their earnings and export volumes.

Inflationary pressure: A significant depreciation of the Naira can contribute to inflationary pressures within the economy. As the cost of imported goods rises, businesses may pass on these increased costs to consumers, leading to higher prices for goods and services.

Economic diversification: Floating the Naira can also encourage economic diversification by stimulating domestic production. As imported goods become relatively more expensive, there may be an increased incentive for entrepreneurs to invest in local production and reduce dependence on imports. This can promote the growth of domestic industries and create new business opportunities

Access to capital: The floating of the Naira can affect access to capital for businesses. If the currency becomes more volatile, it may discourage foreign investors from investing in Nigerian businesses. However, it could also lead to increased foreign investment if investors see potential opportunities in a more flexible exchange rate environment.

Hedging and risk management: Businesses and entrepreneurs may need to employ hedging strategies to manage exchange rate risk effectively.

It's important to note that the actual impact of floating the Naira will depend on various factors, including the state of the Nigerian economy. Businesses and entrepreneurs should carefully analyze the potential implications and adapt their strategies accordingly to navigate the changing currency environment.

By:
Biodun Adegoke.
Executive Director, GCOO, TechPrenuer, Growth Hacker, Executive Director, TechPrenuer, Growth Hacker

ARE YOU LOOKING FOR A PLATFORM TO STREAMLINE YOUR CUSTOMER'S DIGITAL NEEDS?

Look no further than EMG SuperApp!

As the real-world adoption and binding of digital assets and payments can be a cumbersome process, EMG, a Web3 company within the Emeldi Group, has created a decentralized, omnichannel solution powered by blockchain technology. Using the EMG Coin utility token as its native currency, EMG SuperApp provides a convenient way to transact in day-to-day life. You can quickly and easily pay online, send money to friends and family, order and pay for a ride home, and much more all through a single app.

The user experience is elevated to new heights, as messaging, marketplaces, taxi providers and even travel-related apps are combined within the EMG SuperApp. While enhancing the user experience in developed countries, we're also targeting unconnected and bankless populations in Africa and beyond. By offering valuable services to people in low-income countries, where inflation remains an issue and digital assets act as a replacement for local fiat currencies, the EMG SuperApp has become the go-to place to communicate, transact and engage in day-to-day activities.

In addition to fulfilling real-world applications, the EMG SuperApp is also ideal for investments in the digital asset space. The ability to interact with DApps and NFT marketplaces caters to the needs of crypto adepts, making the EMG SuperApp the ultimate solution for all things digital.

If you're a crypto enthusiast looking for a one-stop destination for all your digital needs, look no further than EMG SuperApp. With our cutting-edge blockchain and Web3 solutions, we're the perfect choice for anyone who wants to stay on the cutting edge of digital innovation.

GET the EMG SuperApp

GET IT ON Google Play

Download on the App Store

Take Control with an AGRC Certification: *Expertise in Governance, Risk and Compliance Await You!*

Certification in governance, risk, and compliance is becoming increasingly important in today's business world. It enhances a professional's knowledge and skills, demonstrates their commitment to best practices, and opens doors to better career opportunities. As the demand for GRC professionals continues to grow, obtaining a GRC certification can be an excellent investment in a professional's career.

Governance, risk and compliance (GRC) are three critical components that organizations must manage effectively to ensure their long-term success. To achieve this, many companies are turning to professionals who hold GRC certifications. These certifications validate a professional's knowledge and expertise in GRC and indicate their commitment to best practices. Certification in GRC can benefit professionals in various ways.

Firstly, it enhances their knowledge and understanding of the fundamental principles of GRC. A GRC certification program covers the key concepts, policies, and standards that guide GRC practices.

By obtaining this knowledge, professionals can better identify and mitigate risks, ensure compliance with legal and regulatory requirements, and establish effective governance frameworks.

Secondly, certification in GRC helps professionals develop a comprehensive set of skills that are highly sought after in the job market. Employers are increasingly seeking professionals with GRC certifications to fill critical roles in their organizations. These roles include risk managers, compliance officers, auditors, and corporate governance specialists. Having a GRC certification can give professionals a competitive edge when seeking employment opportunities.

Thirdly, a GRC certification demonstrates a professional's commitment to continuing education and professional development. GRC practices and standards evolve rapidly

and keeping up with the latest developments is essential. A GRC certification requires ongoing education and training, ensuring that professionals stay up-to-date with the latest trends and best practices.

Finally, obtaining a GRC certification can help professionals earn higher salaries. Professionals with GRC certifications are in high demand, and organizations are willing to pay top dollar for their expertise. A GRC certification can significantly boost a professional's earning potential and enhance their career opportunities.

Here are some reasons why you should consider pursuing a GRC certification:

- Develop expertise
- Enhance career prospects
- Increase earning potential
- Stay up-to-date with the latest trends
- Boost professional credibility

Certification in governance, risk, and compliance (GRC) can help you achieve several personal and professional goals, including:

- Develop expertise in GRC: GRC certification helps you develop expertise in governance, risk management, and compliance.
- Advance your career: GRC certification boosts your career prospects in roles such as risk managers, compliance officers, auditors, and governance specialists.
- Increase earning potential: Certified professionals in GRC typically command higher salaries than non-certified individuals, which can increase your earning potential.
- Demonstrate credibility and commitment: GRC certification boosts your professional credibility, demonstrating your excellence in governance, risk, and compliance, and instilling confidence in clients or employers regarding your ability to manage risks and ensure compliance.
- Enhance your ability to manage risks: GRC certification can equip you with the knowledge and skills necessary to identify potential risks and develop effective strategies to mitigate them, which can enhance your ability to manage risks effectively.
- Ensure compliance with legal and regulatory requirements: GRC certification can help you navigate complex regulatory frameworks and ensure compliance with legal and regulatory requirements.
- Join a community of GRC professionals: GRC certification can help you connect with other professionals in the field and join a community of GRC professionals who share your interests and goals

Why should you pursue Level-3 AGRC Certifications?

AGRC Level-3 certification demonstrates that you have the necessary competencies to support an organization in creating and protecting value.

In addition, it shows that you are able to assist organizations in establishing a risk strategy, achieving strategic objectives, and making informed decisions.

Why should you pursue Level-3 AGRC Certifications?

- Distinguish yourself from other GRC professionals
- Demonstrate awareness of governance, risk and compliance principles and other underlying concepts.
- Demonstrate the competencies to establish a GRC framework that is tailored to the needs and context of an organization
- Show awareness of the importance of integrating GRC principles into significant activities and functions of an organization
- Have a more successful career in GRC

About **AGRC**

The Association of Governance, Risk and Compliance (AGRC) is a global, non-profit, professional accreditation & certification organisation, as well as a networking platform; facilitating the exchange of knowledge and sharing of experiences among governance, risk and compliance (GRC) professionals.

About **LGCA**

The London Governance and Compliance Academy (LGCA) is a multi-accredited, UK-based executive education training and certification provider that focuses on the areas of Governance, Risk, Compliance for organisations operating in the financial and professional services sectors.

Keynote Address:

Elevating National Policy on Financial Inclusion, Consumer Protection and Cybersecurity: Telecommunications Regulator Perspectives"

by Prof. Umar Garba Danbatta, CEO, NCC, *represented by* Mrs Freda Bruce-Bennett - Deputy Director, Digital Economy Department, Nigerian Communications Commission (NCC).

With a brief introduction of what NCC (Nigerian Communications Commission) is all about, such as the fact that the NCC is the Independent National Regulatory Authority for Communications sector in Nigeria, which was established under the Nigerian Communications Acts 2003, charged with the responsibility of developing the communications sector, Protection of the rights and interests of service providers, as well as consumers, she went on to talk about the importance of the NCC to financial inclusion in Nigeria.

In her speech, Mrs. Bruce-Bunnett noted that the NCC plays a crucial role in expanding the frontiers of financial inclusion in Nigeria. She mentioned that Communication Technology remains the best enabler for expanding financial inclusion in Nigeria and in recognition of this role, the NCC supports government drive and initiative towards promoting a digital economy that will support national development and economic diversification.

She stated that the NCC plays a key role in the development and success of financial inclusion and digital services, which rides on Communications, infrastructure and technology.

The Central Bank of Nigeria in view of this, has issued Mobile Money payment service licenses to some Mobile network operators to enable them to take mobile financial transaction services. The commission is therefore saddled with the responsibility of ensuring the protection and promoting the means of continuance through safe and secured networks services.

She noted that the NCC is guided by National Financial Regulations Strategy 2022, 3.0, under the policy developed by the CBN, which shows the three key roles expected of NCC.

The key roles are; to expand coverage of mobile and data networks in underserved areas, ensure adequate continual protection and responsible digital financial practices, ensure security and protection of network service and customers. She noted that the NCC, through the implementation of initiatives, projects and effective stakeholder collaboration and policies led broadband penetrations from 6% in 2015 to 48.29% in March, 2023.

This has enhanced the growth in telecom sector, especially in contribution to the nation's gross domestic products. She noted that the sector's contribution to GDP increased from 8.5% in 2015 to 13.55% by the end of the fourth quarter of 2022.

For the same period, Active Voice subscription also increased from about 151 million to 226.2 million, while Internet subscription increased from about 95 million to approximately 158 million in March, 2023. Tele-density has also grown significantly from 107.87% in 2015 to 118.48% in March, 2023.

She also noted that the Commission has reduced clusters of Telecommunications access gaps for people living in rural underserved areas of the county, from 36.8 million to 27.9 million Nigerians and the NCC continues to reduce these cluster gaps. Furthermore, the cluster gaps have been reduced from 207 clusters in 2013 to 97 by 2022, thereby encouraging adoption and deepening of financial inclusion in the country.

She mentioned the importance of fiber development to the volume of transactions in the financial services sector, and how NCC has licensed seven infrastructure companies to cascade fibre from London ports to the 774 local government areas of Nigeria. Also, NCC has recently awarded the spectrum licence for 5G services to improve communications for organisations like MTN and AIRTEL, to drive connectivity across Nigeria by facilitating accessible, affordable, and available broadband connectivity and infrastructure, which will further deepen financial inclusion. All of these have further helped to encourage the setup of fintech companies that provide financial services.

The NCC provides FinTech companies with value added service licenses and shortwave to promote the use of Mobile Money services in Nigeria. Similarly, is the provision of short codes for Unstructured Supplementary Service Data (USSD), for banking services that enables customers access banking services through their mobile phones without the need for Internet connection. This has made banking services more accessible to people living in rural areas and underserved communities.

Further impacts of the NCC towards financial inclusion were mentioned with the aim to further increase their impacts positively to encourage financial literacy across the country.

Key highlights

- The need to understand the people and context of whatever we are building. We cannot add value if we do not understand the people that count.
- We cannot have financial inclusion without economic inclusion.
- Every conversation between a consumer and a machine is a potential flaw for consumer satisfaction.

The Future of Central Bank Digital Currency

As 2023 unfolds, the future of digital currencies backed by central banks is accelerating. According to a new report from Juniper Research, the global value of central bank digital currencies (CBDCs) will grow dramatically from $100 million today to $213 billion by 2030. Why is this high growth in CBDC adoption and use expected? Quite simply because CBDCs offer reliable sources of digital currency backed by central banks for consumers, businesses and governments.

Although there are ongoing debates around digital currency privacy and fear of government overreach, the regulation and adoption of CBDCs and stablecoins continues to accelerate.

Since the COVID-19 pandemic, the world is increasingly digital. The past 18 months have seen many citizens using mobile phones and digital wallets to carry out financial transactions. Blockchain-based CBDC solutions allow for integration with mobile apps, enabling greater financial inclusion for citizens, while simultaneously eliminating third-party banking fees.

Current developments demonstrate that many of the world's largest central banks are moving forward with plans to pilot and launch their own digital currencies to complement existing fiat currencies.

Examples of Key Central Banks Planning CBDC Initiatives:

- In Brazil the Central Bank is readying plans to launch a CBDC in 2024.
- The Central Bank of Montenegro recently announced a pilot project for a CBDC with Ripple.
- The Bank of England seems to be moving forward with work on a Digital Pound as evidenced by job postings with CBDC related titles posted on the bank's website. In a recent speech by Sir Jon Cunliffe, he noted that "The Bank of England is well advanced in the build and implementation of a new central bank real time payment system (RTGS), the central rail of the current UK payments infrastructure."
- The Digital Currency Monetary Authority has announced the Universal Monetary Unit (UMU)—a digital coin—designed to accelerate cross-border transactions.
- The EU Parliament recently endorsed the first EU rules to trace crypto-asset transfers, prevent money laundering, as well as common rules on supervision and consumer protection. The new rules provide a uniform legal framework for crypto-assets markets in the EU.

The Future of Money is Digital

These facts demonstrate that the time is now for the advent of digital currencies backed by central banks. Because CBDCs can be managed, monitored, controlled and redeemed as needed by central banks, the implementation of these digital assets merits pilots and testing to establish trust and reliability.

Ripple's CBDC solutions offer a comprehensive platform for minting, managing, transacting, and redeeming CBDCs that meets the high security standards of central banks. Ripple is currently engaged in CBDC and stablecoin pilots with the Republic of Palau, the Central Bank of Montenegro and the Royal Monetary Authority of Bhutan.

With strong technology in place for central banks to launch their own CBDC it's expected that in 2023 there will be greater adoption of digital currencies. The transformation from fiat to digital currencies offers the promise of lower costs for basic financial services, increased security, accelerated payments and reduced energy consumption. When you consider these factors, as well as the audit trail that blockchain provides for tracking and tracing transactions, it's easy to see why CBDCs are moving from vision to reality.

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DEADLINE
24 July, 2023

Industry Titans to Share Insights and Strategies at Traders Fair & Awards in South Africa

Johannesburg, 28 June 2023 – Traders Fair, the highly anticipated global event series that has enraptured audiences worldwide, is set to make an impactful debut in South Africa. This extraordinary gathering offers a unique opportunity for finance enthusiasts to broaden their knowledge, explore lucrative business prospects, and immerse themselves in a world of information and entertainment.

In the ever-changing landscape of financial regulations, staying abreast of the latest developments can be daunting. However, at Traders Fair South Africa, attendees will have the privilege of hearing from a distinguished lineup of finance experts and business leaders - and here's the best part: admission is entirely free. Our primary objective is to equip attendees with the knowledge to make informed, pragmatic decisions that propel their trading and investing endeavours to new heights. Seizing this invaluable opportunity is paramount.

We are thrilled to unveil our esteemed lineup of speakers for this event. Taking centre stage is Ref Wayne, the trailblazing CEO of ForexAMG and a self-made millionaire.

Renowned for his groundbreaking contributions to forex trading and cryptocurrency in Africa, Wayne has enchanted audiences of over 80,000 individuals annually with his enlightening speeches and seminars. A highly sought-after keynote speaker and seminar leader, he has shared his wealth of expertise through best-selling books like "The Art of Trading" and "Top Down Analysis on the Financial Markets."

Completing this stellar lineup is Shodipo Ayomide, a seasoned engineering and developer relations leader with an impeccable 11-year track record in the technology industry. Ayomide's expertise in Developer Relations, Blockchain applications, and global cross-team leadership has garnered widespread recognition. As the former Global Head of Developer Advocacy at Polygon, he has demonstrated exceptional skills in web and mobile engineering, community management, and fostering robust relationships with developers worldwide.

Stay tuned for further updates on the fascinating topics that our esteemed speakers will cover during the event and more speakers lineup, as we are also actively seeking prominent speakers to enrich the lineup and offer diverse knowledge.

Join us at Traders Fair South Africa 2023 this 16th September 2023 at Protea Hotel, Johannesburg Wanderers, from 9:30 – 18:00.

The well-being and safety of our attendees are our utmost priority. Stringent safety protocols have been implemented, and attendance numbers will be strictly regulated to ensure a secure and healthy environment.

For comprehensive event details and to register your interest, please visit **tradersfair.com**.

For media inquiries and partnership requests, please contact FINEXPO at info@finexpo.org.

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FinTechs & Ecosystem - Financial regulation in the age of the platform economy

Panelists:
Nafisa Usman, Financial Technology & Business Innovation University of Salford, Tunji Odumuboni, Executive Director- Africa at EmTech, Bukola Ajayi, Business and Technology Expert, Isa Aliyu, MD Unlimint, Martin Kwame Awagah, President Ghana FinTech and Payments Association, Nick Cook, Chief Innovation officer, AIR- the Alliance for Innovative Regulation

Panel Submissions:

- There is a relationship between fintech and money laundering.
- How does regulatory agencies impact this relationship?

Key challenges of financial authorities in financial technology

- Classification and definition
- No traditional business model
- Data management
- Consumer protection
- Data protection
- Financial crime

The need to protect customers and operators through effective data collection and analysis by regulators.

Solutions

- Rather than catching up with the game, regulators need to be proactive.
- Supervision becomes easier when it is automated.
- Fintech companies operate within a broader ecosystem. Regulators need to collaborate with the consumers and the operators. Early engagement with the innovator and the digital ecosystem.
- Balance innovation with the risks.
- Strong relations that do not stifle innovation.
- Security of the consumer is priority.

There's approximately 70% of Nigerians in the informal sector which is largely based on the exchange of cash.

Financial inclusion is about impacting people's lives through different financial products. A lot of factors have to be put into consideration to give customers this rich experience and further deepen financial inclusion.

How has the introduction of regulatory sandboxes influenced the regulatory system?

The same way technology is enabling financial services, technology is also supposed to enable regulation.

- Collaborate with the market.
- Leverage via engaging relationships, experiments, regulatory sandboxes.
- Manage associated risks without stiffening innovation.

Challenges with regulatory sandboxes

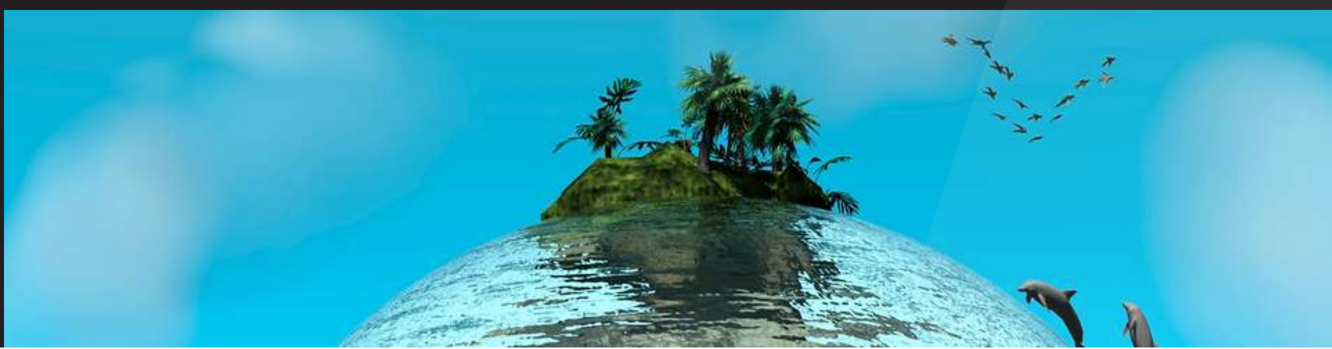
- Expensive
- Underestimating the overcomplexity
- Existing in isolation

ESG & Regulatory reporting - Building a culture of change towards more responsible behaviour with regard to investment and regulatory reporting.

Panelists:
Mona Zoet, CEO, RegPac Revolution, Alfred Mthimkhulu P.hD, Executive Director, Bard Santner Markets Investors, Enobong Shittu, ESG & Regulatory Compliance Lead, DLA Piper Africa, Noel Mahombera, The Programme Manager, Regulation & Supervision of Financial Institutions, Macroeconomic and Financial Management Institute (MEFMI), Eugene Tawiah, CEO, SecondSTAX, Ghana

Panel Submissions:

- Environmental, Social and Governance (ESG) reporting has become an increasingly important part of the investment process. Investors are starting to incorporate ESG data into the investment process to gain a fuller understanding of the companies in which they invest.
- Consequently, it is important for financial institutions and other organizations in Africa to consider reporting frameworks, disclosure practices, and the developing regulatory landscape around ESG policy.
- The need for the incorporation of ESG data into the investment process so that investors can be more informed about the decisions they are making.
- Many jurisdictions—either through regulation or listing standards—require a certain level of ESG reporting and disclosure from companies to provide investors with material ESG-related information.
- As more companies engage with ESG initiatives and participate in the reporting process, consistency and normalization of disclosures will improve.
- Sustainable action plans and regulatory reporting will generate more data to assist all parties with assessing companies' performance and drive regulatory reporting.
- Investors will also benefit from more information on how well their sustainable preferences and requirements align with their investment portfolios.
- A key challenge is the discrepancy in the timing of disclosure requirements.

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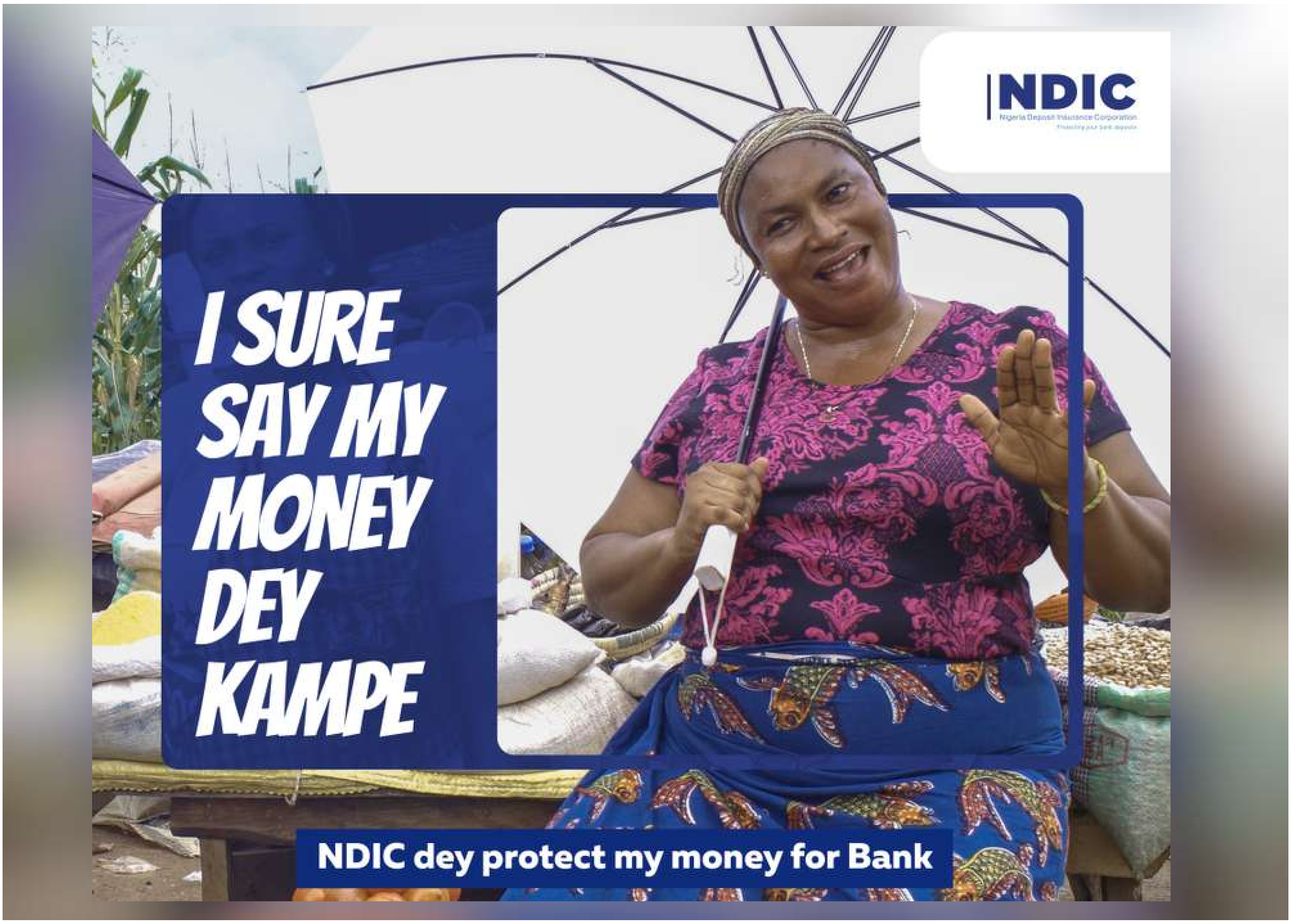
NDIC
Nigeria Deposit Insurance Corporation
I SURE SAY MY MONEY DEY KAMPE
NDIC dey protect my money for Bank

AML & Financial Crimes - Public partnerships in the fight against money laundering and countering financing of terrorism in emerging countries of Africa

Panelists:
Nneka Nwaka, Chief Compliance Officer, Interswitch Group, Prosper Simbarashe Maguchu, Founder, African Anti Money Laundering Institute (AAMLI), Alex Ogbole, CCI, ACE, Chief Superintendent of EFCC (CSE) Cybercrime/Forensic section, Rachel Woolley, Head of Financial Crime Regulation Palantir and Sarah Sinclair, Co-founder + CEO Change Gap.

Presentation by:
Mr. Abdulrasheed Bawa, Chairman Economic and Financial Crimes Commission (EFCC)

Highlights of presentation:

How does everyone work together to ensure an environment free of crime?

- Public private partnership is important

How do they collaborate? How does everyone advance their agenda and succeed?

- culture— trust: private and public partnerships establishing and enabling trust.
- look forward.
- longer term adoptions
- adaptability
- data: capacity in terms of data

Solutions proffered

- The need to be global and local in our approach. This approach will help arm the regulator with the right technology and tools.

What do Africans need to put in place in dealing with Financial Crimes

The need for increased awareness and education. This is in a bid to enable the ability to use technology in the appropriate way.

The level of education determines how enabled they will be.
It was noted that Financial criminals tend to explore the loopholes that they find in Financial systems.

The need for regulators to take advantage of collaboration and strategic alliances in combating financial crimes.

What regulators need to put in place:

- Bring the campaign to the people
- Help them understand that it is a holistic process.

Applying technological capabilities leveraging data analytics for quicker decisions.

Key Money Laundering Techniques to be mindful of as operators:

- The trends cannot be particularly pinned down but there's the need to stay abreast.
- Regulators need to step into the operator's shoes, this will help them understand their products better and be able to determine the risks.
- Mitigating money laundering is an individual as well as a collective call to action. Criminals will always be ahead, the action is to work to reduce the gap.

How can we ensure collaboration moves the country forward?

- Build trust.
- Hire more people.
- Create a space where ideas can be tested.

Mobile Money & Agency Banking – From policy to impact: Unlocking the Potential of a $1 Trillion Mobile Money Market in Africa

Panelists:
Winnie Wambugu, Mobile Money Regulatory Specialist GSMA, Hugo Pacheco, Chief Product & Growth officer at Papersoft, Juliet Wangui Maina, Senior Manager, Regulatory and Public Policy M-PESA Africa, Branka Mracajac, CEO/Managing Director, 9PSB.

Panel Submissions:

Unlocking the Potential of Mobile Money Market in Africa would require a multi-level approach.

Policies to impact mobile money usage

- Providing channels that suit the consumer.
- Access points: Having agents across the nation.
- Infrastructure from a national point of view.

The missing point

- Access to electricity
- Internet
- Smart devices
- Financial education/Literacy: education should start from elementary schools

How has agent banking helped in digitising cash

Agent banking has been able to promote mobile banking because of the trust of the people that they hold.

Key drivers for digital financial economic growth in Nigeria

Nigeria has moved beyond mobile money. Growth is tilting towards digital payment services.

Collaboration is Key – 9PSB Use Case

9PSB is working in partnership with other stakeholders to provide support for the underserved. They are also working towards spreading their agents across board and not having too many licensed agents concentrated in one location, there by driving the need to bring products and services to the doorstep of users that need them.

Presentation on GSMA Financial Literacy Toolkit

By Mary Gichuki (Advocacy Manager, GSMA Mobile Money Programme)

Mary Gichuki, Advocacy Manager, GSMA Mobile Money Programme presented on "GSMA Mobile Money Financial Literacy Toolkit", where she stated that Africa has the most illiterates when global financial literacy is concerned, with the highest country (Botswana) at 52%, while the lowest at 15%, and Nigeria, Kenya and South Africa at 26, 28, and 42 percent respectively.

She further stated that most adults do not understand topics on interest rates, loan requirements, savings and loan risks. She noted that the GSMA being an industry association decided to come up with financial toolkits that will help to drive financial literacy and its development, as well as highlight the importance of financial literacy and awareness of Mobile Money, which is a correlation between financial interests in Mobile Money usage and income.

In addition, she noted a checklist for Mobile Money agents and consumers which was also being developed as a means to help know whether or not the needs of consumers are being met and whether the consumer challenges are also being met.

She stated that certain parties like financial service providers, Mobile Money agents, government agency and development, as well as regulators and policymakers with critical stakeholders within the ecosystem have key roles to play in this regard.

She emphasized on the need for the stakeholders and the agents themselves as well as supporting operators to provide end-user training to consumers.

She noted that it's necessary for agents to do an assessment of income percentage of consumers. She, however, stated that certain key elements must be considered when designing the financial literacy training which are; language, gender, age, as well as the tool to use when designing, with the most important keys being monitoring and evaluation.

She noted that regulators, government agency and policymakers need to do more in the area of collaboration. And that they need to involve operators in developing digital financial service forecasts, financial interest trainings, and to ensure that these are in line with what is currently in the digital financial market. She also stated that there is a need to adopt multifaceted strategy that supports the development of digital financial education, plans and programme.

In her statement, *financial literacy is important in helping to contribute to financial inclusion, which helps drive informed uptake and usage of digital financial services*. She noted that financial literacy will help to build consumer confidence and trust, making a reference to a consumer survey conducted in 2022, where it was discovered that some of the main structural barriers to account registration included lack of trust.

She recommended the development of financial literacy programme and initiative programmes that bridges financial literacy gaps in the market, which can come in forms of conducting market assessment by providers to inform training focus areas, supporting financial training manuals and content. She further mentioned that there should also be an aspect of consulting and invoking financial service provided during financial education policy formation and development. And also that monitoring and evaluation of financial literacy initiatives should be conducted for impact assessments and data sharing with stakeholders.

Key Highlight:

Financial Literacy is the ability to make sound financial decisions.

The Current state of mobile money in Africa

West Africa is leading in Agency banking

Approaches for addressing Financial Literacy

- Provide end-user training.
- Create products that factor in the language, gender and age of its customers.
- Distribution of customer survey

Advantages of financial literacy

- Helps drive Financial inclusion
- Informed uptake and usage of digital financial services.
- Help build consumers' confidence and trust.

Recommendation

- Develop programs to address the financial literacy gaps in the market.
- Collaboration in delivering training.
- Coordinate monitoring and evaluation.

Cybersecurity and Privacy - How should banks grapple with regulation when crafting their cloud strategy?

Panelists:
Femi Jaiyeola, Group Chief conduct & Compliance Officer Access Bank, Adedoyin Odunfa, MD/CEO Digital Jewels Africa LTD, Samuel Asiyanbola, Associate Director in the Cyber and Privacy Practice of KPMG Nigeria, Ehiz Uwague, Chief Risk Officer, Tangerine General and Group Head ESG - Tangerine Africa, Gbenga Haastrup, GRC Leader; Ex-General counsel, Chief Compliance Officer and Chief Risk Officer, Interswitch Group.

Panel Submissions

Why organisations need a cloud strategy

- Risk Management
- Data Management
- Compliance

Key Considerations

- Alignment with the business strategy
- Market or operational efficiency
- Evaluation of the current workload intended to be moved to the cloud
- Futuristic consideration of things you would later want to move to the cloud.
- Regulatory compliance: security and regulatory compliance needed to be fulfilled before moving to the cloud.

How widespread is the use of cloud computing

Banks have come to the realisation that cloud computing is the way forward.

Risks

- Third party involvement

Struggles

Cybersecurity is severely affected by the 'japa syndrome' as talents in this space have migrated. Banks are now trying to outsource their cloud computing needs.

What specific ways do local and global regulations address cyber risks

- It's not about the number of regulations, it's about the compliance.
- The rights of data subjects— knowing what rights they hold and how to enforce them.
- Even incidence: Operators should be able to report in the case of data breach.
- Compliance with CBN Cybersecurity framework and regulations are important but they are not securities. However, sticking to them has its benefits.

Governance framework for Cybersecurity

- Live the value and continually train staff members.
- Go beyond putting it on paper and doing the actual work.

How do I balance the need for compliance and business exigencies

- Culture in the organisation
- Build credibility

Conclusion

Regulations are not meant to impede progress. It is meant to enable it.

The Cybersecurity war is a battle that has been fought over and over. Regulators need to have a proactive disposition towards it.

Perhaps, there is a need to change the approach in the way regulators receive reports from operators. Regulators may choose to go to these organisations themselves to conduct Q&As from time to time.

Therefore, they can proffer solutions with such outcomes.

Remittance and Cross-border regulations - Financial Inclusion: Impacts of Digital remittances and Cross-border payments in emerging countries

Panelists:
Tunji Odumuboni, Executive Director EmTech, Osita Enwe, FinTech lawyer & partner SRJ, Ehiz Uwague, Chief Risk Officer, Tangerine General & Group Head ESG, Tangerine Africa.

Panel Moderator

Chizor Malize, MD/CEO, FITC

HIGHLIGHTS OF PANEL SUBMISSION

Financial inclusion is not a luxury and hence it should be treated with all seriousness.
The employment of integrated approaches to educating consumers on financial literacy and inherent risks.

Key Challenges militating against Cross Border penetration in Africa

- High costs
- Fragmented payment ecosystems
- FX fluctuation
- Speed of transactions
- Regulatory barriers
- Weak Infrastructure: This includes; Internet, electricity, smart devices, etc.

Pan African Payment and Settlement System (PAPSS) was identified as a Critical Market Infrastructure with lots of promise to unlock the huge Intra-African trade and Cross-border payment potentials within the continent.

The Challenges

The following are some of the challenges that needs to be addressed for effective implementation of PAPSS.

- Data protection
- Infrastructure
- Driving innovation— new products, new designs
- Regulation & Policies: Streamline for more effectiveness
- Standardization: Need for harmonization


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Data and Transaction Monitoring - Data and Policy Decisions: Harnessing the power of RegTechs.

Panelists:
Mark Bystriansky, Managing Director & Co Founder, Emeldi Group, Mrs Freda Bruce-Bennett, Deputy Director, Digital Economy Department Nigerian Communications Commission (NCC), James Gabriel Claude, CEO Global Voice Group, Frederick Asumanu, Director (Policy Regulations), Financial Inclusion Forum Africa and Head, Market Regulation Unit at the National Communications Authority (NCA), Ghana, Patrick Boscher RegTech Pioneer & Ex. Global Head of Compliance Transformation & Innovation for the Allianz Group PABORA.IO

Moderator:

Frederick Asumanu, Director (Policy Regulations), Financial Inclusion Forum Africa and Head, Market Regulation Unit at the National Communications Authority (NCA), Ghana

Panel Submissions

Regulation Technology is a powerful tool and the advent of AI presents a unique opportunity for regulators to shape the future on how to tackle financial crimes.

Recommendation

It is pertinent to educate regulators and authorities on how to use these kinds of technologies

How is NCC harnessing the power of data?

- Through the provision of the right connectivity, making access affordable and accessible across the nation. Registration of sim cards for identification.
- Providing enabling environment by serving licences in order to ensure that data is passing through all the entities.
- Securing data by ensuring that all sim cards and communication service providers are registered.
- Protection of consumer data to enhance usage and build confidence and trust in the overall system.

What is the best practice for the government globally and locally to improve compliance in revenue mobilisation and leakages?

- Data integrity is the most pivotal element in every business – the credibility of data is an issue to be considered with all seriousness.
- The imperative for innovative solutions that properly address your own needs (country of operation). There's a need for the harmonisation of the various databases and standards to achieve interoperability.
- The need to develop a national centralised database where data can easily be pulled from all sectors of the economy.

- The need to develop a national centralised database where data can easily be pulled from all sectors of the economy.
- The need to enhance data integrity and harmonisation through public private partnerships to support data sharing between different institutions.
- The ultimate need to link data to identity to harness full potential.

Global Trends

- Many countries are taking steps in the right direction by linking sim registrations with national identity.
- Data integrity in Europe is good but there's an issue in the area of combining different sources of data to the type that is useful and does not require you to spend a lot of time analysing it.

Addressing the overall emerging challenges to harness the future prospect in the RegTech ecosystem.

- The vision should be clear at the country level.
- Harnessing data should be at the core of the vision of the country at the top level.
- The need to work in unison and not in silos.
- Education of the customer is very important in order to extract clean and credible data.
- The understanding of the critical role data plays in national development must be properly understood to harness the power of data.

Virtual Assets - Do CBDCs Hold the Promise of Digital Trust? The Case for Low-and-Middle Income Economies

Panelists:
DR Maurice, Central Bank Technical Advisor, Dr Raoul Herborg, Managing Director of CBDC unit Giesecke+Devrient, Loretta Joseph, Co-Chair of IDAXA & Chair Australian Digital Finance Standards Council

Moderator

Loretta Joseph, Co-Chair of IDAXA & Chair Australian Digital Finance Standards Council

Panel Submissions

- Virtual asset is a digital representation of value that can be traded, transferred or used as a unit of payment. Anyone facilitating this is called a virtual asset service provider.
- CBDC is a form of cash. In some countries in Africa, there is an efficient distribution than others. The need for an informal sector that could be used to leverage the idea of integrating the CBDC into the system is important.

How do we achieve an open, safe and competitive monetary system that supports innovation?

- There is the Central Bank digital currency trilemma; they are security, privacy and compliance. None of these issues is being solved by any projects available at the moment.
- Payment in the digital world is not a solved problem yet. There are still constraints with connectivity and affordability of smartphones.
- A CBDC could be a platform for innovation and security is the foundation for every innovation and not a dilemma.
- It should also be understood that everyone has different requirements and the CBDC is not meant to replace them but as a complimentary.

CBDC other considerations

- There is need to adapt western bias and concept to the local ecosystems that have been very efficient.
- CBDC is a strong vehicle if it would provide its core infrastructure where you can make sure no money is duplicated.
- CBDC is the birth of a new asset class.
- Digital trust poses a major challenge in low and middle class economies

Is regulation a precursor for success?

- Regulation is going to drive mass adoption. It is also important for growth.
- Regulatory frameworks are fundamental for the success of technology and industry and the things we see around digital assets.
- Regulation will help stop scams, protect consumers and investors.

Self-regulation Vs Prudential

Proper regulation does not stifle innovation. It mitigates the risks to countries and jurisdictions, stops nefarious actors, harnesses the opportunities that technology delivers.

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