



Dear Readers,

Welcome to the third edition of the DFI Insider; undeniably, the global economy has suffered adverse effects owing to the COVID-19 pandemic. There have been job losses due to business closures and unprecedented disruption to supply chains; furthermore according to the World Bank, economic activity in Sub-Saharan Africa is on course to contract by 2.8% in 2020.

What then is the importance of digital financial inclusion in the region's response to COVID-19? The Digital Financial Inclusion project kicked off a series of validation meetings for the business case for a digital common payment policy for MSMEs. In this issue, we'll update you on the developments from these meetings and what we have planned in the upcoming months.

Sandra Uwera, CEO, CBC

DEVELOPMENT OF THE BUSINESS CASE REPORT

Following the completion of the field missions earlier on in the year, a second draft of the Business Case report has been developed; it serves as a foundation for the establishment of the business model, governance and operational aspects of a regional digital common payment scheme for MSMEs. Its focus is on the following key aspects:

- Recommendations by finance and ICT regulators on the proposed regional integrated digital common payment scheme for MSMEs.
- Major findings on interoperability, digital economy, network infrastructure and regulatory frameworks.
- Policy interventions to be considered.
- Landscape of overall COMESA payment ecosystem.
- Feedback from financial services providers: Mobile Network Operators (MNOs), commercial banks and microfinance institutions.
- Feedback from manufacturers and agro-dealers.
- MSME major findings in terms of limitations and demographics.
- Impact of the Digital Financial Inclusion plan on MSMEs, particularly women.
- Proposed designed model of the regional digital integrated common payment system.

Key recommendations put forward:

- Acceleration in implementation of digital policies within the region.
- Adoption of the digital common payment policy guidelines to support a payment scheme for MSMEs.
- Development of a dedicated program to support MSMEs access to digital financial services.

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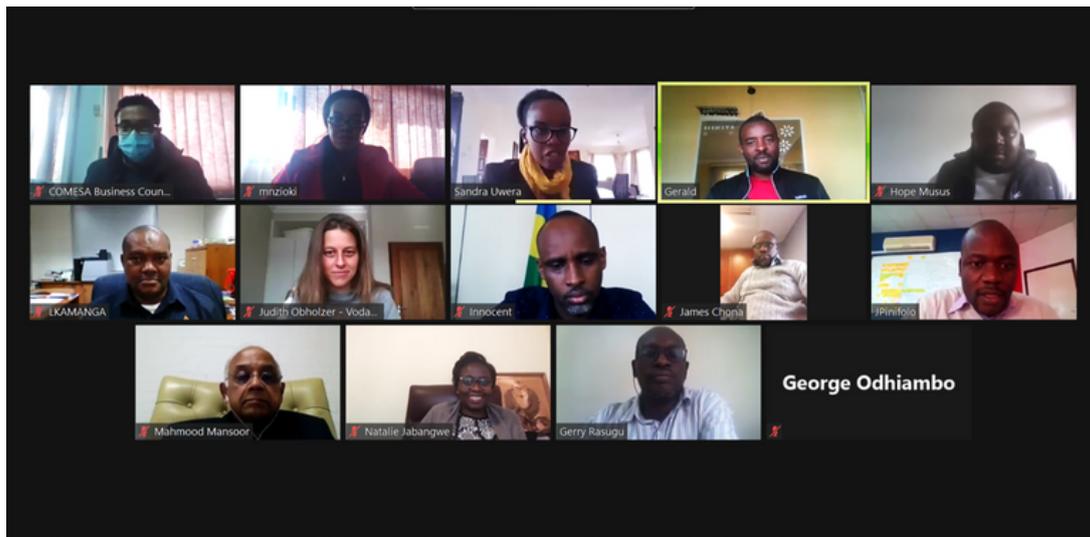
Marianne Nzioki
mznioki@comesabusinesscouncil.org

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E-VALIDATION MEETINGS

An influential Advisory Committee comprising 11 members has been set up; charged with the role of driving the project's advocacy interests and lending technical expertise in key project development areas, the members represent the mobile industry, the banking sector, financial and ICT regulatory bodies, manufacturing industry and the SME sector. To this end, the first Advisory Committee meeting was convened mid June, as a precursor to the country e-validation meetings.



Digital Financial Inclusion Advisory Committee Meeting

The nine-country e-validation meetings were successfully convened over a three-week period, from 22nd June 2020 to 10th July 2020; the highly interactive sessions yielded invaluable insights and the recommendations put forward have been incorporated into the Business Case report.

PROJECT'S STRATEGIC HIGHLIGHTS

9 countries benefited from digital skills training (online product/business promotion & digital financial literacy)

+140 SMEs benefited from digital skills training

9 country e-validation meetings held

Advisory Committee established & 1st meeting convened

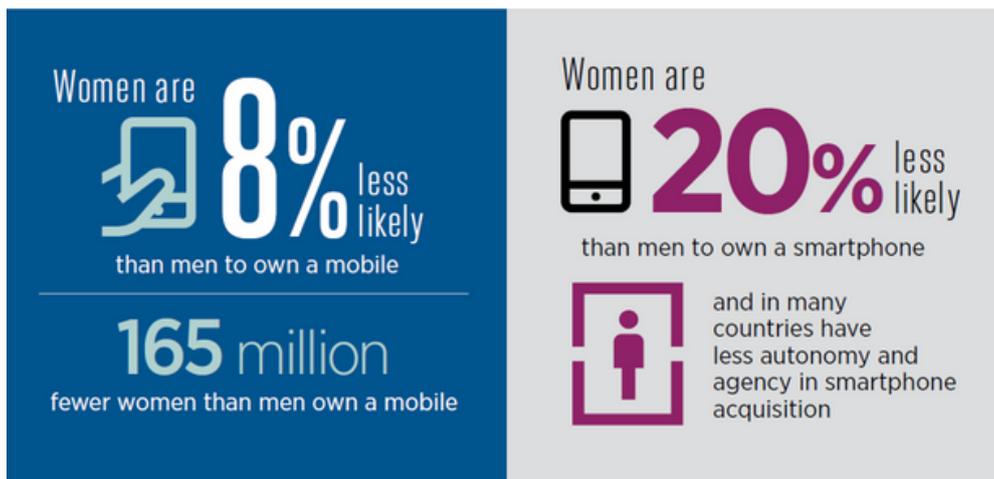
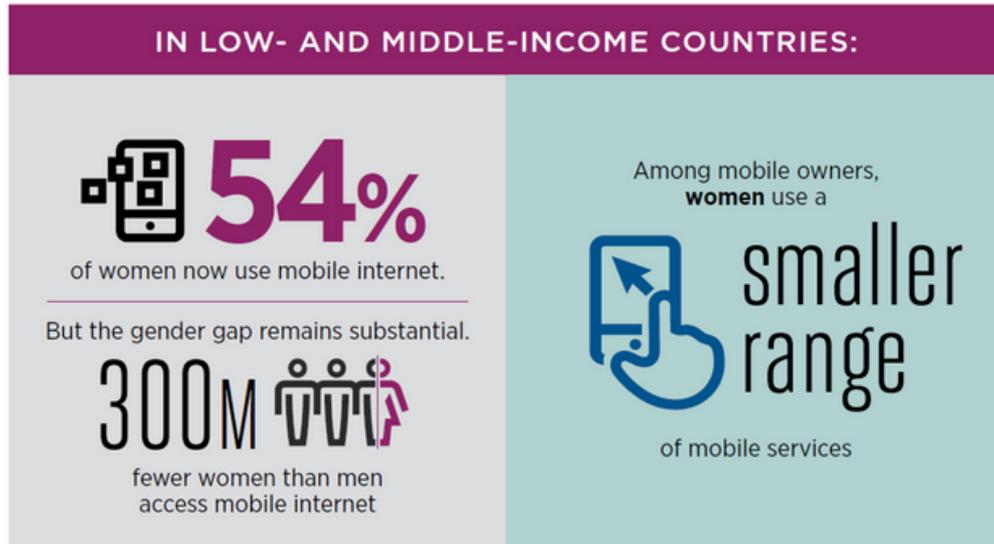


THE WAY FORWARD

Key activities coming up over the next few months:

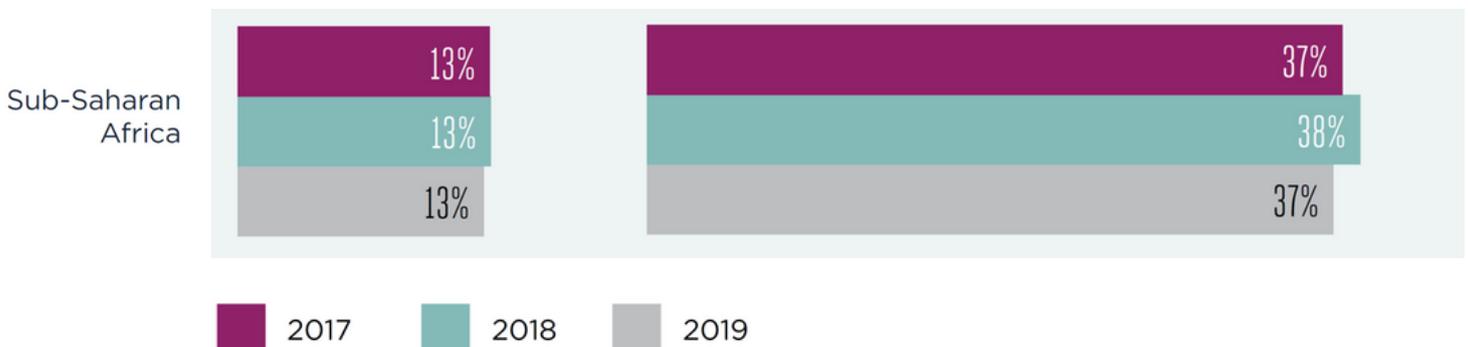
ACTIVITY:	DATE:
MSMEs, Industry Associations, Chambers & Manufacturers' Sub-Regional Stakeholder Meeting	4th Sept 2020
Telecommunication Operators' Sub-Regional Stakeholder Meeting	7th Sept 2020
Commercial Banks' Sub-Regional Stakeholder Meeting	14th Sept 2020
ICT Regulators' Sub-Regional Stakeholder Meeting	18th Sept 2020
Non-banks' Sub-Regional Stakeholder Meeting	22nd Sept 2020
Financial Services Regulators' Sub-Regional Stakeholder Meeting	24th Sept 2020
Regional Public-Private Sector Dialogue	29th Sept 2020
Meeting of the Central Bank Governors	19th Oct 2020
Meetings of the Policy Organs- Ministers of Finance, Ministers of Trade and Industry	27th Nov 2020

QUICK FACTS



REGIONAL GENDER GAPS IN MOBILE OWNERSHIP 2017-2019

REGIONAL GENDER GAPS IN MOBILE INTERNET USE 2017-2019



Source: GSMA - The Mobile Gender Gap Report 2020

NEWS HIGHLIGHTS FROM THE INDUSTRY

Digital Platforms Provide The Infrastructure Africa's Businesses Need To Survive And Thrive

Digital formalization is in the best interest of African governments. Over time, it will reduce the size of the “gray economy,” in which it’s hard to track the number of businesses operating and the transactions they are making, by providing more favorable infrastructure. Investors should now be looking for firms that are leveraging technology to create the mobile-first “Uber for X” platforms Africa needs. Read the full article here: <https://bit.ly/3l8lWId>

**Mobile Money Agents Abolished in Zimbabwe**

The Government of Zimbabwe has with immediate effect abolished mobile money wallet agents as they are no longer serving any legitimate purpose and further tightened regulations to tackle illegal foreign currency dealings among other financial malpractices that have been blamed for sabotaging the economy.

This has prompted the monetary authority to craft comprehensive interventions to close the gaps, which include directing all mobile money operators to immediately close all multiple wallets, and allow just one wallet per individual. Read the full article here: <https://bit.ly/3glpGCl>

Airtel Partners Standard Chartered to Expand Mobile Money Service

Standard Chartered Bank has joined forces with telco giant Airtel Africa to drive financial inclusion across the continent through mobile services. Under the deal, Airtel Money’s customers will be able to make real-time online deposits and withdrawals from Standard Chartered bank accounts, receive international money transfers directly to their wallets, and access savings products. Meanwhile, Standard Chartered’s corporate clients will be able to make rapid and secure bulk disbursements, such as payroll payments, directly into the Airtel Money customers wallet, reducing the risks associated with travelling long distances for cash payments. Read the full article here: <https://bit.ly/34oanGR>



ABOUT CBC:

CBC is a Business Member Organisation, and a private sector institution of COMESA. We represent the interests of the private sector at a regional level. The services we offer go beyond advocacy to actively promote business participation in regional integration, investment and global trade. This is done by facilitating the growth of strong business synergies, the development of business opportunities, and also through legislative and strategic advocacy. Our services are custom tailored and driven by both industry, and enterprise interests.

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For further information, contact Marianne Nzioki, Marketing and External Relations Officer
E-mail: mnzioki@comesabusinesscouncil.org

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COMESA Business Council
Ben Bella Road, P.O. Box 30051, Lusaka, Zambia
Email: info@comesabusinesscouncil.org
Tel: +260 211 229725/32