Dear Readers,

Expanding intra-African trade has generally been esteemed as the key to fast-tracking economic growth on the continent. Digital transformation has been clearly aligned to this COMESA, and AfCFTA agenda - especially now with industries seeking to BRING BACK BETTER, through innovative COVID-19 economic recovery solutions.

With the implementation of the AfCFTA, the World Bank estimates US$292 billion in income gains from stronger trade facilitation across the continent. The high cost of moving capital across Africa remains a notable barrier to the realisation of this success however. It is more expensive to send money to Sub-Saharan Africa (SSA) than any region in the world; according to the World Bank, sending money to SSA costs 8.9%, higher than the global average of 6.8%. Digital Financial inclusion through, enabling policies, and innovative mechanisms for participants in the informal economy is key to reduction of cross-border transaction costs.

In this issue we’re pleased to share with you snapshots of the latest happenings in the digital and financial services industry across the region, and highlights from the CBC Digital Financial Inclusion for MSMEs Program.

Sandra Uwera, CEO, CBC

---

**TABLE OF CONTENTS**

- Business Case for a regional Digital Payments Policy for Micro, Small, and Medium-sized Enterprises in COMESA.
- The CBC-AFRICA NENDA Digital Financial Inclusion Public-Private Dialogue - Key recommendations - The way forward
- Road to the Africa Fintech Festival, October 2021
- Cisco Global Problem Solver Challenge 2021
- Wapi Pay raises $2.2m pre-seed for cross-border payments between Africa and Asia
- Quick facts

For more of our Knowledge Products, visit our website: www.comesabusinesscouncil.org
We are pleased to share our recently published *Business Case for a regional Digital Payments Policy for Micro, Small, and Medium-sized Enterprises in COMESA*. This report is based on data that was collected and captured in 2019 and early 2020, which identified the digital payment systems as a focus area for improving the efficiency and performance of MSMEs in the region.

The overall aim of the project is to define the prerequisite requirements for developing a digital integrated regional common payment scheme that can facilitate bottom of the pyramid informal traders (cross border and domestic) to carry out digital transactions that are transparent, affordable, secured, and provide access to formal working capital.

The Business Case summarizes the digital payment systems in the nine countries within the COMESA region, and some selected countries outside the region which have strong cross-border trade partnerships. It also mapped out the suitability of the available payment solutions across MSMEs’ requirements within the individual countries as well as the region. The report also bridges the gaps that exist in the current digital payments solution regarding MSMEs, as well as business case and policy considerations towards a more harmonized digital payment solution for the region. To download the report, [click here](#).

COMESA Business Council (CBC) in partnership with Africa Nenda and the Bankers Association of Zambia (BAZ), convened a Public-Private Dialogue in Lusaka, Zambia, on 27th July 2021 under the theme, “Towards the COMESA Digital Integrated Common Payment Policy for Micro Small and Medium sized Enterprises (MSMEs)”.

The hybrid event brought together participants from the nine pilot-study countries of the CBC Digital Financial Inclusion Program, to validate and adopt the draft model policy and Rulebook for digital retail payments platform.
The stakeholder groups represented comprised Central Banks; Ministries of Finance; ICT Regulators; manufacturers; Mobile Network Operators; commercial banks; FinTechs; Microfinance Institutions; and MSMEs.

Opening the ceremony were distinguished industry leaders: Dr. Amany Asfour, interim Chairperson of the Africa Business Council, and also a CBC Board Director; Mr. Akinwale Goodluck, Deputy CEO, Africa Nenda; Mr. Herman Kasekende, Chairman of the Bankers Association of Zambia; Amb. Kipyego Cheluget, Asstistant Secretary General-Programmes, COMESA; Ms. Sandra Uwera, CBC’s CEO; Mr. Marday Venkatasamy, CBC’s Chairman; and Hon. Christopher Mvunga, Governor of the Bank of Zambia, who was also the guest of honour.

Ms. Uwera, in alignment stated, “the deliberations here today will help give concrete content to this objective, and challenge us to give added impetus to our efforts in ensuring that the underserved communities, particularly women and the youth, have access to affordable financial services, and more importantly that they are included in the formal economic activities of our respective countries.”

In the same vein, Honourable Chris Mvunga, in his statement attached great importance to collaboration amongst industry players, stating "the event today is a clear indication of the good will of our political leaders and private sector towards a common vision for our region. The two sectors complement each other and are expected to support the development and implementation of a sound policy framework that will provide a strong foundation for digital retail payment platform.”

“Due to the adverse effects that COVID-19 has had in all aspects of our lives, we recognise more than ever, the critical importance of digital financial inclusion to empowering and transforming the lives of all people; its role in improving national and regional financial stability and integrity; and its essential contribution to strong and inclusive growth in COMESA, and more broadly in Africa,” said Mr. Venkatasamy emphasizing importance of the Dialogue’s agenda.
The meeting also noted the importance of supporting women and other particularly vulnerable and marginalized market segments. This was underscored by Mr. Akinwale Goodluck, Deputy CEO of Africa Nenda, who went on to add, “we are committed to the pursuit of universal participation of every African in the digital economy. It is our sincere hope that together we will be able to foster more innovation and accelerate access to financial services to the bottom of the pyramid.”

Stressing this point, Dr. Amany Asfour, Chair of the Africa Business Council, and CBC Board Director added, “for women across the region, digital savings, credit, and payments services can provide them with a critical link to the formal economy and a gateway to greater economic security and personal empowerment.”

Significant importance was equally placed on the need to enhance financial literacy levels across the region. “Improvement of financial education has become an essential next step to enabling the scaling of inclusive cash-lite financial services, towards the economic empowerment of MSMEs in the region,” said Mr. Herman Kasekende, Chairman of the Bankers Association of Zambia, and CEO of Standard Chartered Zambia.
The recommendations from the deliberations on the Draft Model Policy for the Digital Payments Platform for MSMEs in COMESA, and the Draft Guidelines/Rulebook on the Operation of the Digital Payments’ Platform were to:

i) Adopt the proposed policy measures in the draft policy framework and the Rulebook to guide operation of the digital payment subject to the proposed changes.

ii) Strengthen collaboration between Public and Private sector players.

iii) Empower women and youth to benefit from digital payment initiative for MSMEs in COMESA region.

iv) Address the pricing of digital payment aspects related to taxation because it is a critical component in determining access and usage of the Digital Financial Services.

v) Propose measure for the reduction of the cost of devices especially end user devices like Smartphones etc. There is a need to work with Suppliers in the region to ensure that devices are affordable especially for the bottom of the financial pyramid.

vi) Include Chambers of Commerce as one of the key stakeholders in the capacity building program for MSMEs on Digital Financial Literacy.

vii) Develop tailored made solutions like bundles for MSMEs to facilitate access to Digital Financial Services.

The meeting agreed the following:

i) CBC to embark on the assignment of business modelling on a Regional Digital retail payment platform for MSMEs in COMESA region.

ii) Thereafter, to undertake the digital skills capacity building project for MSMEs, to address some of the key challenges affecting digitisation of industries in COMESA-with a keen focus on payments and e-commerce. This will be done in collaboration with Africa Nenda.
The Africa Fintech Festival (AFF) is a concept launched by the Africa Fintech Network (AFN) in 2018. After two successful editions in Nigeria and Uganda, this 3rd edition is happening this year in Mauritius, as a hybrid event in October!

CBC is pleased to have had the honour of participating in the precursor virtual panel sessions, where topics of discussion explored:

- i) The pathways to catalysing investment in the FinTech space towards enhancement of financial inclusion for MSMEs in the region.
- ii) Digital IDs and how they are being integrated by financial institutions.
- iii) Concerns around data privacy, and much more!

The Mauritius Africa Fintech Hub (MAFH) was awarded the hosting rights of this strategic initiative to drive and support the growth of a Pan-African FinTech ecosystem, and to facilitate open collaboration for the purposes of driving innovation and financial inclusion in Africa. The second, and closing edition of the event will be held from the 13th to 15th October 2021, during which valuable insights will be shared on topics including:

- Innovation and incubation
- Regulations
- Investment and deal flow
- Skills and capacity building

The agenda will also include workshops on block chain, and angel investor training.

“The idea is to showcase African innovation to the rest of the world and how we can work for the benefit of people on the ground using technology in the financial services space,” said Michal Szymanski, CEO of the Mauritius Africa FinTech Hub.

To pre-register for the 3-day hybrid conference, [click here](#).

Event ticket price, US$ 50.
Leaf Global Fintech, a digital financial services provider to the stateless and excluded on mobile devices, and a member of the COMESA Business Council, emerged as one of the proud winners in the Cisco Global Problem Solver Challenge 2021!

The Challenge is an online competition that awards cash prizes to early-stage tech entrepreneurs solving the world’s most challenging problems. It was launched in 2016 to jumpstart innovative ideas that benefit society, catalyze economic growth, and create jobs. Over the past four years, the industry has had the privilege to see tremendous innovation from every corner of the globe, with Cisco awarding a total of $1.25 million USD to 43 start-ups in 15 countries.

Leaf emerged the third runner-up winner, out of 1,745 teams from 126 countries who made submissions this year! Its technology-based solution addresses one of the biggest challenges faced by refugees, migrants, and cross-border traders, by providing a safe and affordable way to send and receive money.

Leaf Global Fintech, a digital financial services provider to the stateless and excluded on mobile devices, and a member of the COMESA Business Council, emerged as one of the proud winners in the Cisco Global Problem Solver Challenge 2021!

The Challenge is an online competition that awards cash prizes to early-stage tech entrepreneurs solving the world’s most challenging problems. It was launched in 2016 to jumpstart innovative ideas that benefit society, catalyze economic growth, and create jobs. Over the past four years, the industry has had the privilege to see tremendous innovation from every corner of the globe, with Cisco awarding a total of $1.25 million USD to 43 start-ups in 15 countries.

Leaf emerged the third runner-up winner, out of 1,745 teams from 126 countries who made submissions this year! Its technology-based solution addresses one of the biggest challenges faced by refugees, migrants, and cross-border traders, by providing a safe and affordable way to send and receive money.

Leaf emerged the third runner-up winner, out of 1,745 teams from 126 countries who made submissions this year! Its technology-based solution addresses one of the biggest challenges faced by refugees, migrants, and cross-border traders, by providing a safe and affordable way to send and receive money.

Leaf emerged the third runner-up winner, out of 1,745 teams from 126 countries who made submissions this year! Its technology-based solution addresses one of the biggest challenges faced by refugees, migrants, and cross-border traders, by providing a safe and affordable way to send and receive money.

Leaf emerged the third runner-up winner, out of 1,745 teams from 126 countries who made submissions this year! Its technology-based solution addresses one of the biggest challenges faced by refugees, migrants, and cross-border traders, by providing a safe and affordable way to send and receive money.

Leaf emerged the third runner-up winner, out of 1,745 teams from 126 countries who made submissions this year! Its technology-based solution addresses one of the biggest challenges faced by refugees, migrants, and cross-border traders, by providing a safe and affordable way to send and receive money.
Findexable, a global research, and analytics firm, recently published their *Findexable Global Fintech Rankings Report 2021*, titled *Bridging the Gap*.

The country and city rankings were calculated from a total score comprised of a combination of three metrics: quantity, quality, and environment. In the quantity metrics, the size of the fintech ecosystem and supporting structures – number of fintechs, fintech hubs, co-working spaces, accelerators, global influencers, and population were value taken into account. Also considered was ease of doing business, critical mass, regulatory environment, incentives for start-ups, internet censorship, payment portals, fintech courses as parameters making up the environment measurement.
ABOUT CBC:

The COMESA Business Council (CBC) is a business member organization bringing together a diverse group of businesses and associations in the region from 34 sectors in 21 countries of COMESA. CBC is the recognized regional apex body of the private sector in the region. CBC as the key advocacy driver for business, provides a link between the private sector and organs of the Common market. We seek to improve the competitiveness and deepen the participation of the private sector in regional and global trade, through advocacy, business facilitation and enterprise development. This includes prioritizing and taking specific advocacy strategies to address key business impediments and measures that affect our industries and have a direct bearing on the participation of our businesses in trading in the COMESA region.

Follow us on social media:

For further information, contact Marianne Nzioki
E-mail: mnzioki@comesabusinesscouncil.org

Disclaimer:

Whilst we have taken measures to ensure credibility of the news items in this bulletin, kindly note that the opinions expressed are solely of the authors, and do not in any way represent the views of the COMESA Business Council Secretariat.