RegTech AFRICA®

Showcasing Excellence In Regulatory Innovations

Magazine

Autumn Edition

Special Feature+
Game Changer Series with Codebase Technologies

SECZIM:

BOOSTING INVESTOR'S CONFIDENCE

Special Interview+

TAFADZWA CHINAMO

(CEO, Securities and Exchange Commission of Zimbabwe

Editor's Note

Hello and welcome to the Autumn Edition of the RegTech Africa Magazine!

With the year gradually winding to an end, we are excited to present you this special edition with a collection of well curated articles exploring topics from The place of regulatory technology in a digital transformation strategy, looking at How Africa is leading the way in mobile money, through to How Cryptocurrency is Driving the Shift to a Digital Identity Centric Future.

Best Wishes,

CYRIL OKOROIGWE

In addition to this, we looked at the top Q3's Biggest Startup Investor, as well as a sneak peak into how United Way South Africa is Accelerating financial inclusion through long term social change.

We also spotlighted how e-Settlement is Unlocking Africa's Financial Inclusion Challenge through Value-Oriented Offerings, with a wrap-up on Digital Health Regulatory and Policy Considerations.

All of this and so much more.
I hope you enjoy the content in this special edition of the RegTech Africa magazine!

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> *I am committed to leading the Commission as we deliver on our mandate to foster growth and investor protection in our capital markets" - Tafadzwa Chinamo (CEO, SECZ)*

Q: Congrats on your tremendous achievements at the helms of the Securities and Exchange Commission in Zimbabwe in the last ten years. What is the core mandate of the Securities and Exchange Commission in Zimbabwe?

The SECZ is Zimbabwe's regulatory authority set up in 2008 and became operational in 2009 to oversee the smooth running and development of the capital and securities market. Its primary functions are to regulate the trading and dealing in securities which involves registering, supervising, and licensing of exchanges and securities market intermediaries to ensure high standards of professionalism and integrity on their part. We also encourage the development of free, fair, and orderly capital and securities markets. We also advise the government on all matters relating to securities.

Q: What are the fiscal incentives and other advantages to list at the SECZ as compared to other stock exchanges in Africa?

We don't have any fiscal invectives that stand out when compared to the tax benefits other African countries offer listed companies. I would however go on to say that at 20% our corporate tax rate is competitive. Our attractiveness is the maturity of our markets. We have had a functional stock exchange since the 1890s, so our economy understands the importance of involving private capital in oiling the wheels that turn our productive sector. With this history we have the benefit of relatively deep knowledge, experience, and expertise in operating exchanges. This depth is demonstrated by the resilience of our market which is enjoying a good run after a near collapse of the economy due to hyperinflation in 2008.

By African standards we also have a broad representation on our exchanges with listings in virtually every sector not to mention over 60,000 active investors. Having peaked at over 300,000 pre-hyper-inflation the figure fell to less than 20,000 in 2009. More recently we have automated most processes which accounts for the growing participation of retail investors using internet connected devices and mobile phones.

Q: What is being done to increase the volume of listings on the alternative securities market in Zimbabwe?

Education. We have taken the deliberate step of bringing financial education to private sector companies in addition to investors. Few SMEs are aware of the vast potential securities platforms like exchanges and ATPs have in affording them means to access capital to grow their businesses. As part of the education campaign, we published a comprehensive handbook, Investment 101, to give investors the full story.

The book which is also available in audio form is downloadable from our website (https://investwise.co.zw/did-you-know/) and social media platforms. We also produced a radio drama, Ayoba Mkoba, and an educational video drama, A Grain of Fortune, chronicling how aspiring entrepreneurs can grow their businesses by accessing funding from capital markets. These are also available on our website and YouTube channel.

Q: Looking back over your ten-year tenure as the CEO of the Commission, how has the market changed and remained relevant? What are your most significant moments?

Investing in the capital markets requires confidence and knowledge on the part of the investor and a sound regulatory environment. Confidence was shattered during hyperinflation

Many investors lost faith in formal investment channels and as a result trading activity on the ZSE, for example, plummeted immediately after hyperinflation due to lost savings. Even with a stable macro-economic environment during the early years of dollarisation many investors who had something to invest became very risk averse and stayed away. Boosting investor confidence and widening investor catchment therefore was my main goal and meant rebuilding the core market infrastructure to modern standards. I was driven by the belief that a well-functioning sector offering relevant products and services builds confidence and provides the foundation for stability and growth.

Automating the market by moving away from paper driven manual systems to automated electronic platforms played a key role in this rebuilding exercise. Part of the loss in confidence was due to the shambolic record keeping by some market players leading to failure to accurately account to their clients in a reasonable time. In many cases dividends were not reaching investors, some trades had to be reversed due to tainted script and so on. As market regulator we directed the market to adopt modern infrastructure. We worked with market players to establish a Central Securities Depository (CSD) which was soon followed by automated trading on the stock exchange.

The CSD also made it easier for us to require that only licensed custodians be allowed to hold investors' assets (cash and securities). Previously only large institutional investors generally used custodians. Small and individual investors generally had their stockbrokers and asset managers do so. The result is literary zero fraud, timely and accurate reporting to investors and much improved record keeping.

Q: In the wake of the COVID-19 pandemic and other recent events, how has the Commission defined or redefined its purpose, mission, and values? And what has it been like leading during the global COVID-19 pandemic?

We remain true to our purpose, mission, and values. However, in the wake of a global catastrophe like Covid one must constantly re-evaluate what it all means in the new normal. In our case we knew early on that how investors interact with markets was going to depend more on their ability to use internet connect devices to access trading platforms. Having moved the market to electronic trading platforms our market experienced little downturn in activity.

However, our efforts to roll out investor education was hampered as we had planned to carry out road shows and fairs locally and abroad. In some cases, it was possible to hold these through webinars but given the abruptness of the change the effect was less that what we envisaged.

One also had to manage fear employees had in contracting the virus by coming to the office. Transitioning to a working from home mode was always going to be a challenge given that our productivity measures and supervisory tools are based on a physical environment. In the end we found a balance between working from home and from the office and I am glad to say productivity has not suffered. Looking back on the experience I quickly learnt that constant communication and adapting to ever changing circumstances are essential.

In 2018, the World Federation of Exchanges (WFE) signed a memorandum of understanding (MOU) with the African Securities Exchanges Association (ASEA), aimed at supporting the development of a wider African capital market. Why was this partnership so important and how can integration between SECs in Africa be achieved?

Capital markets are global, and Africa is punching well below its weight in terms of size, accessibility, breath, and depth. Therefore, any initiative that seeks to improve our standing is most welcome.

As for the integration between SECs in Africa we have discussed this as regulators and the interest is certainly there. Realistically speaking I think it's smarter to do this at a regional level first before attempting to bring the entire continent together. Speaking for Southern Africa, we have a body under the Southern Africa Development Community (SADC) called CISNA (Committee for Insurance, Securities and Non-Banking Authorities) which was established in 1998 to bring together the region's non-banking financial regulators. It's made up of 15 states and in the case of securities works to harmonise laws and regulations so that players and investors can seamlessly traverse all markets in the region.

I chaired CISNA for six years until early this year. Similar bodies exist in other African regional blocks notably East Africa with whom we have strong bilateral relations. From my interaction with other parts of the Africa on this matter our goals are similar particularly in harmonising regulations where we all seek to align with the international standards setting body IOSCO (International Organisation of Securities Commission). Certainly, if at a regional level we can all achieve uniformity under the IOSCO principles bringing the entire continent becomes a much easier task.

Q: What steps are being taken to increase the volume of foreign portfolio investment (FPI) in Zimbabwe and what would you tell potential investors who are looking to invest?

The Victoria Falls Sock Exchange (VFEX) will certainly interest any foreign investor. This is a US dollar exchange unencumbered by any exchange controls. The government also scrapped capital gains withholding tax making trading costs much lower than on the Zimbabwe Stock Exchange (ZSE). It currently has two listings, and we expect the number to reach five by the end of the year.

Further, I would say the Zimbabwe capital markets have a strong local institutional base (pension funds, insurance companies and asset managers). The ZSE remains the best performing market in Sub-Saharan Africa with a YTD return of 155% as at the end of August 2021 having led for all quarters this year. Last year's performance was equally impressive. I would also add that we have a tried and tested market having existed since 1893. Our listed companies represent the best of our thriving private sector with many large mature companies representing all key sectors.

Q: What does the future hold for sustainable investment in Africa?

As a resource rich continent, we need to guard against exploitation of our resources in a way that leaves nothing for future generations. Most of our resources are minerals therefore non-renewable making it imperative to only encourage investments which provide long-term social and financial gains.

> *As market regulator we directed the market to adopt modern infrastructure. We worked with market players to establish a Central Securities Depository (CSD) which was soon followed by automated trading on the stock exchange.*

Generally, the onus is on the investor to set the bar and reward through contributing money and resources to companies that strongly consider environmental, social, and corporate governance factors. Here in Zimbabwe as SECZ through the Investor Protection Fund (a fund that investments its excess funds in capital markets) we got the ball rolling by becoming a member of the UN PRI (Principles of Responsible Investing).

So far, we are the only member from Zimbabwe but several notable institutional investors from other African countries are members. More need to join to exert enough pressure on our issuers to consider sustainability issues.

As regulators we can also further the cause by having legislation that promotes sustainable investing. Overall, I am encouraged that the topic is gaining traction and from workshops we have sponsored listed companies are beginning to value its importance and making it part of their mandatory reporting.

The ZSE remains the best performing market in Sub-Saharan Africa with a YTD return of 155% as at the end of August 2021 having led for all quarters this year.

Q: What is the one thing that you would like to be remembered for at SECZ long after your retirement in January 2022.

Bringing back investor confidence through sound regulation, public awareness, modern trading systems and infrastructure to the Zimbabwean capital markets post 2008/9 hyper-inflation stand out for me.

Q: Will you consider taking up any political appointment after retirement? Any final thoughts or words you'd like to share?

The past 10 years have broadened my perception of the investments industry. I see things in a way I could not have imagined had I remained an asset manager. My involvement with SADC regulators through CISNA further widened my horizon.

I have developed interest in financial education, regional integration and capital markets development, financial analysis, ecommerce, corporate finance, and many more. It is my intention to pursue all these or a combination in one form or other. As for political appointment I am not actively seeking one, but should the opportunity arise to contribute to the development of capital markets in Zimbabwe and Africa in general I would certainly welcome it.

The Advance of AML SupTech and RegTech in Africa

BY AML ANALYTICS

The Financial Stability Board, an international body that monitors and makes recommendations about the global financial system and reports regularly to the G20, acknowledged the benefits of SupTech and RegTech in their report of October 2020:

"For authorities, the use of SupTech could improve oversight, surveillance and analytical capabilities, and generate real time indicators of risk (. . .). For regulated institutions, the use of RegTech could improve compliance outcomes, enhance risk management capabilities and generate new insights."

SupTech is short for Supervisory Technology. It refers to technologies that are specifically intended for use by Regulators to add value to their activities, for example during a Thematic Review, whereas RegTech (or Regulatory Technology) is designed for use by financial institutions (FIs).

The innovation of the Thematic Review was born in Africa in 2014 when the idea of using established anti-money laundering (AML) technology for supervisory and regulatory inspection purposes came about.

From this moment, the use of RegTech repurposed as SupTech became an integral component of an AML Thematic Review. AML Analytics were the pioneering drive behind this, using their existing sanction screening system testing technology as SupTech.

SupTech is all about the use of technologies to improve efficiency through automation. It is about streamlining workflows and introducing new capabilities to simplify complex processes. By digitising data and leveraging the power of computer algorithms to run checks, SupTech can greatly enrich a Regulator's core AML processes.

Imagine a Regulator being able to view live sanction screening system data on high-level dashboards for all unearthed confidential and proprietary information. On which side should the scale tilt?

Data protection, ensuring privacy, is a sacred right that ought to be upheld, but it should not be an excuse for crime or fraud. Guiding principles can assist us arrive at a neutral decision when faced with such concerns.

Data protection and privacy, poison or cure? This feature holds that this depends on circumstances. Privacy concerns have existed since ancient times, where the penalty was death, but today with well laid principles, a fine balance can be found.
its regulated entities. This revolutionises the way

that Regulators and FIs interact allowing for continuous, real-time monitoring and reporting of system efficiency and effectiveness for on-the-spot risk assessment.

SupTech developed by AML Analytics has been used in multiple Thematic Reviews around the globe. It enables a Regulator to see the sanction screening system results of an entire market on a single screen, allowing target performance benchmarks for regulated entities to be set.

The most valuable SupTech solutions are agile and flexible, intuitive and simple in their functionality. SupTech brings with it the new challenges and infrastructures of cloud computing and Application Programming Interfaces (APIs) which allow for the easy collection, storage and analysis of large data sets, such as during a Thematic Review.

SupTech and RegTech have been seen from the outset as essential for the fight against financial crime. With the global AML solutions market set to reach $5.5 billion by 2027 according to work carried out by Research and Markets, innovative AML technologies do indeed have a vital role to play as the pace of SupTech development gathers momentum.

Ultimately, this will drive an increase in AML performance and reduce risk as Regulators will be able to identify emerging and prevalent risks in their market more easily.

The future of SupTech is certain amid a rapid global uptake and will surely become a strategic priority for all Regulators in Africa to assist with their supervisory AML activities, thus securing the stability and financial integrity of countries in Africa.

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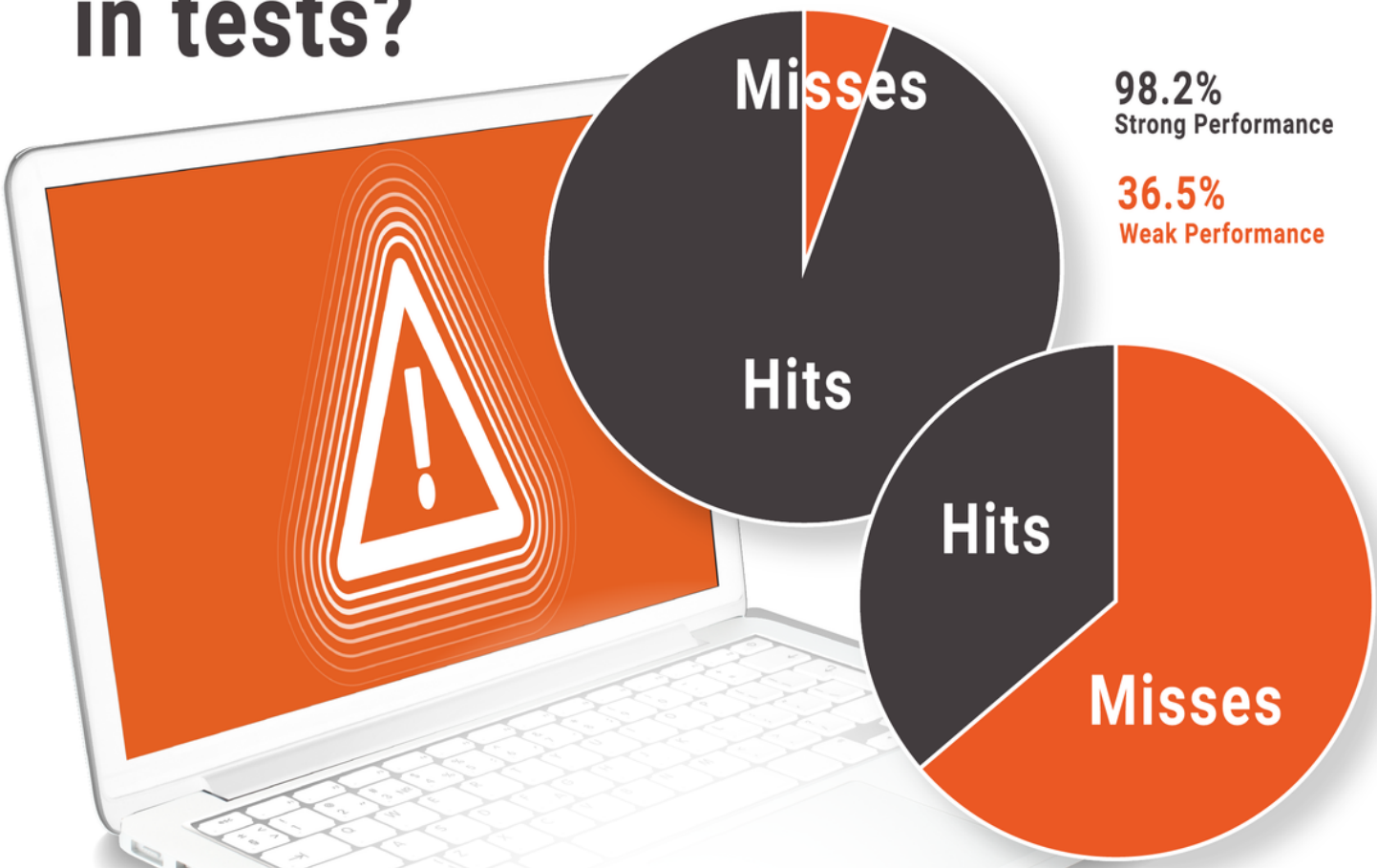
AML ANALYTICS

Global leaders in the testing and analysis of sanction screening systems

Used by Regulators and banks around the world

How would your sanction screening system perform in tests?



98.2%
Strong Performance

36.5%
Weak Performance

A weak performance could mean that your system is missing important sanctioned names. This puts your bank at risk of receiving fines for breach of AML regulations

AML fines in 2020 were more than US$10 billion

Visit our website to find out more about testing.

www.aml-analytics.com

How Cryptocurrency is Driving the Shift to a Digital Identity Centric Future

MANDEEP BIRDI // BUSINESS DEVELOPMENT & STRATEGY, EMEA ACUANT.

Cryptocurrencies must establish trust through strong user security.

The rise in popularity of cryptocurrencies can be attributed to its easy accessibility, convenient usage and its rapid acceleration, but it also brings along concerns of security as rates of digital payment fraud have increased. These increased rates of digital payment fraud have pushed users away from cryptocurrencies, as their concerns have damaged the trust between crypto platforms and its users.

Crypto platforms must work to combat these security concerns by utilizing technology such as blockchain and AI-powered identity verification to keep user information secure and establish a trusted transaction.

Blockchain technology works to protect data by storing encrypted information across a network of computer systems, allowing the user to securely store information through identifiable encryption keys. These keys give the user

People should hold the keys to their identity and have the assurance that it is secure. Controlling what, how and where their data is shared is a necessity for people, as we shift into an identity-centric future.

to securely store information through identifiable encryption keys. These keys give the user assurance that their information is secure by utilizing digital identity technology that tells blockchain platforms that the person looking to access their information is exactly who they say they are. Automated, AI-powered digital identity solutions like KYC, document verification, biometrics and social network analysis technologies are being utilized by blockchain platforms, like Cardano, to protect users from digital payment fraud. As more blockchain platforms invest in identity verification technology to keep customer information secure, cryptocurrencies will become more accessible, convenient and appealing for all users.

Digital identity is the key to building trust between cryptocurrencies and its users.

People should hold the keys to their identity and have the assurance that it is secure. Controlling what, how and where their data is shared is a necessity for people, as we shift into an identity-centric future. Companies that emphasize this by utilizing digital identity technology are actively working to combat crypto-centric fraud, make crypto accessible to all - building trust between cryptocurrencies and their communities of users. Recently, Input-Output and Atala PRISM announced that they would be integrating fraud prevention and anti-money laundering technology powered by Acuant to eliminate bad actors and keep user information secure.

Acuant, a leading identity verification and compliance solutions provider, empowers companies to evaluate and assess whether individuals and businesses can be trusted or not. As regulators want blockchain platforms to be able to verify a user's identity and ensure that bad actors are kept out of the system, companies are looking toward digital identity solutions providers, like Acuant, to integrate these types of technologies.

Fraudsters work hard to infiltrate organizations and steal user information through various methods, like social engineering. A singular point solution can't effectively address the many use cases that are required to assess trust and evaluate identities. Blockchain platforms must integrate multiple solutions into their systems to create the best form of defense against crypto-centric fraud. Investing in well-established user security helps establish trust between the public and cryptocurrency. And choosing a platform that has the breadth and depth to cover these solutions while maintaining a focus on the user experience is key.

As the world looks to make cryptocurrencies more ubiquitous and accessible in the future, digital identity technologies will be vital to protect personal data and build trust.

About

Mandeep Birdi
Business Development & Strategy,
EMEA Acuant.

Mandeep Birdi is a passionate and entrepreneurial leader with over 25 years of experience in Information Technology, Mobile Telecommunications and the emerging FinTech space whose career has spanned across the US, UK, Europe, Africa, the Caribbean and Central America region. Having graduated with an accounting degree, he has a strong financial background, an extensive technical background.

Mandeep co-founded an IT consulting company at a very early stage and has a proven track record in international business development and establishing successful alliances working with companies in emerging FinTech, mobile payments, mobile commerce, digital identities, cross border remittances and blockchain technologies. He shares Acuant's mission of financial inclusion to power trust for all transactions globally.

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RegTech Africa Conference is the definitive forum for regulators, regulated and key industry stakeholders to engage, collaborate and share knowledge around new technologies and practices that support better regulations.

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The place of regulatory technology in a digital transformation strategy

BY TOCHUKWU IWUORA // PRE-SALES SOLUTIONS LEAD, ENTERSEKT.

According to Wikipedia, a news article discusses current or recent news of either general interest (i.e. daily newspapers) or of a specific topic (i.e. political or trade news magazines, club newsletters, or technology news websites).

As the number of regulations and the cost of compliance spirals, financial institutions are turning to regulatory technology (regtech) for help. Leveraging technologies such as cloud computing, blockchain, big data, artificial intelligence (AI), biometrics, machine learning and APIs , regtech's innovative and agile solutions help banks meet regulatory requirements more efficiently by automating many of the repetitive tasks necessitated by compliance requirements. Thus, it can reduce the cost of compliance significantly.

Regtech has application beyond compliance. Deloitte says regtech solutions fall into five broad categories:

- **Compliance** – enabling real-time monitoring and tracking of current and upcoming regulatory requirements
- **Risk management** – identifying compliance and regulatory risks, assessing risk exposure and predicting future threats
- **Identity management and control** – facilitating counterparty due diligence and know your customer (KYC) procedures, whilst augmenting anti-money laundering, anti-fraud screening and detection capabilities
- **Regulatory reporting** – enabling more automation and real-time reporting to regulators
- **Transaction monitoring** – monitoring transactions in real-time and providing auditing capabilities

Regtech, Deloitte notes, delivers multiple benefits, including speed, agility, integration, and analytics capabilities. The overarching aim is to increase the effectiveness and efficiency of compliance. Effective regtech solutions can dramatically reduce the financial burden of compliance, thereby increasing revenue. An additional advantage is that, the solutions are easily integrated into existing legacy systems.

REGTECH AS PART OF A DIGITAL STRATEGY

Frameworks like open banking are gaining traction worldwide, in many cases making it easier for consumers to access a range of financial services and to allow cross-institutional access and control.
These frameworks often come with additional regulatory burdens for financial institutions which regtech partners can help them navigate. Regtech not only digitizes manual processes for better compliance, but also enables a full customer view by integrating data, applications, and business units.
It can improve customer service – especially through faster customer onboarding, e.g. by automating labor-intensive processes associated with documentation, contract signature management, KYC etc. Juniper estimates that onboarding using AI systems will result in "significant cost savings of over $460 million while providing a significantly improved user experience. "

Regtech can bring clarity and efficiency into the interpretation of regulation, compliance management, and automated reporting. Its use of cognitive technologies and enhanced analytics is helping the financial industry to quickly understand not only a regulation's explicit meaning, but also its subtler implications. Moreover, these solutions can scale and adjust as new regulations emerge.

Regtech adopters will have a competitive edge over their peers and banks are catching on to this: their spending on regtech is expected to reach $130 billion by 2025, Juniper predicts, up from $33 billion in 2020. Regtech solutions will result in a far more transparent financial system, which benefits the industry overall.

The key to making regtech part of a winning digital transformation strategy is partnering with a provider that understands the challenges but focuses on potential benefits. With the right partner, compliance can be turned into a business success – a catalyst for innovation and change.

About

Tochukwu Iwuora
Pre-sales solutions lead at Entersekt.

Tochukwu Iwuora is a technology expert with more than 10 years' experience in the design, sales, implementation, management and support of ICT solutions and services for Financial Institutions, Fast Moving Consumer Goods companies and Mobile Network Operators . His career has spanned across IT infrastructure, service integration management, IT security, digital identity, multi-factor authentication and payment enablement. He has unrivalled technical expertise and an appetite for continuous improvement.
He is currently the Pre-sales solutions lead at Entersekt.

Data Protection & Privacy: Poison or Cure?

BY PERPETUA MWANGI // PARTNER AT SIMBA & SIMBA ADVOCATES

Communication is a vital aspect of every person's life, because it enables us convey thoughts, express feelings and foster relationships.

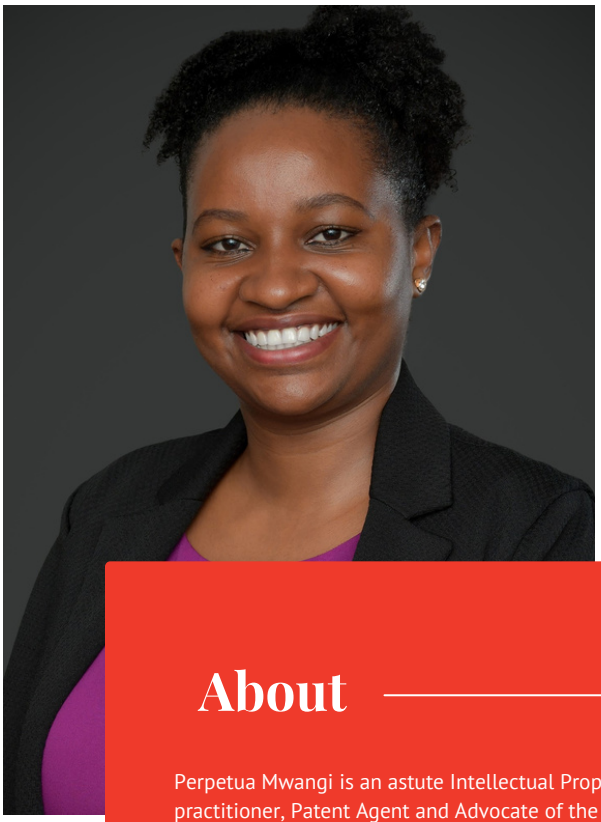
In ancient times, sending oral messages was prevalent, and at least one other person was privy to the message. A sender had to seriously consider the implications of conveying sensitive information through proxy. Messengers were required to be trustworthy considering the sensitive nature information they carried. If a messenger broke the trust, they could be jailed or killed.

Modern technology has caused a paradigm shift in communication, characterised by instant messaging through high-tech platforms. The sender can communicate directly as there is no need of a human proxy. Messages can be password protected and documents encrypted, ensuring arguably, a level of privacy.

Recent legislative interventions in most African Countries have focused on this right, with continuing discussions on data protection and privacy. Regulations world over, require individuals and companies to comply with principles on data protection and privacy. Platforms are now designed with tools to ensure users have control over their privacy. It is now mandatory to have tools or policies in place to manage how data is collected, stored, used and shared.

In both Medieval times and this internet age, when information or data that ought to be private got or gets in the wrong hands, there is risk of financial loss, threat of war, social disputes or even death. Seldom does violation of privacy lead to positive outcomes.

A recent dispute between *Gulf Energy* and *Rubis Energy,* puts into perspective data protection and privacy, being a constitutional matter. While the Court is yet to address aspects of data protection and privacy, the dispute awakened serious discussions on the topic.
For context, Rubis purchased specific portions of Gulf's business through a commercial agreement. Gulf supplied Rubis with data relevant to the Specific Business Assets. The data was presented through relevant hardware including a reformatted laptop. Through data mining specialists, Rubis allegedly



About

Perpetua Mwangi is an astute Intellectual Property Laws practitioner, Patent Agent and Advocate of the High Court of Kenya. She has successfully advised Clients on compliance with Kenya's Data Protection Act and Regulations, and on Tech and Digital Policies for organizations. She plays a key role in IP dispute resolution and commercial & corporate brand intellectual property valuation and watch.

Perpetua is a partner at Simba & Simba Advocates, Heading the Firm's Practice on Intellectual Property and Technology, Privacy and Data Protection.

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recovered information relating to the entire business, from the servers and reformatted laptops. From the recovered data, Rubis alleged

that Gulf had overstated the value of the Shares and hence Rubis claimed about USD 41 Million being the overstated value.

Gulf's defence was that the recovered data formed part of confidential information hence a violation of its right to privacy.

There are two sides to this debacle: Rubis engaged data recovery specialists to obtain information that had been concealed by Gulf. Is this commercial fraud on the part of Gulf? On the other hand, Gulf's position is that the information is confidential and the action of Rubis is a violation of its constitutional right to privacy.

Principally, there is an apparent need to carefully balance competing rights: privacy and commercial interests. 'Privacy by design' is a recurring theme and companies agree that it is a practical way moving forward. Gulf chose to protect its data but Rubis unearthed confidential and proprietary information. On which side should the scale tilt? Data protection, ensuring privacy, is a sacred right that ought to be upheld, but it should not be an excuse for crime or fraud. Guiding principles can assist us arrive at a neutral decision when faced with such concerns.

Data protection and privacy, poison or cure? This feature holds that this depends on circumstances. Privacy concerns have existed since ancient times, where the penalty was death, but today with well laid principles, a fine balance can be found.

Game Changers

Special Interview with: Paul Nilsen, Commercial Director / Managing Director Africa, Codebase Technologies

Who is Codebase Technologies?

We're a global open API banking solutions provider disrupting the way people bank. Our vision is to "utilize technology for a greater purpose" and to do so we engineer impactful digital financial experiences for conventional and Islamic banks, fintechs, neobanks, lenders, and start-ups.

We do this through our award-winning Digibanc™ Suite, a cloud-enabled, API-driven, and highly adaptable digital banking solution allowing institutions to deliver inclusive digital financial services. Digibanc™ Suite can be configured for a variety of cutting-edge propositions; end-to-end neobanking, digital onboarding, eKYC, credit-decisioning, core banking, Islamic banking, and of course regulatory and compliance reporting.

With a deep culture of innovation and excellence, we are helping bring forward the next generation of digital transformation and banking across Asia-Pacific, the Middle East, Africa, APAC, MENA, CIS and Europe.

Tell us more about the RegTech capabilities of Digibanc™

Digibanc™ includes comprehensive digital compliance features encompassing customer eKYC, government-tier identity management, customer account statements and precise financial regulatory reporting. Our solution is compatible with all core banking systems so it can be implemented by any legacy financial institution. Digibanc™ facilitates the digitization of crucial pillars required for comprehensive compliance and reporting; eKYC, Regulatory Reporting and Customer Statements.

eKYC and Identity Management

Digibanc™ provides best-in-breed KYC, AML, and compliance management through the use of AI and machine learning, MRZ scanning, multi-biometric verifications, integrations with fraud monitoring applications, and access to global sanctions and blacklists. Powerful, efficient eKYC promises a better way to protect financial services, government entities, and modernized institutions through one seamless solution.

Smart Document Analysis
Enable customers to upload their documents for analysis in real-time using our forensic document scanning and data capture features.

Multi-Biometric Validation
Validate your customers through multiple biometric options such as facial recognition, retina scan, fingerprints, voice and more.

In-App Communications
Guarantee your customer's proof-of-life with in-app communications that exponentially reduce operational costs and complexity.

Frictionless Authentication
Let go of physical signatures and the time that goes into processing them. Authenticate using a variety of protocols and let your customers enjoy secured banking services.

Seamless Customer Onboarding
Our proprietary framework seamlessly onboards customers within minutes with an intuitive, world-class user experience.

Intelligent Analytics & Reports
Gain critical insight into your customer's demographics, spending, and interests in real-time using our analytics and reporting tool engines.

Regulatory Reporting

Fully configurable Regulatory Reporting features with pre-designed Central Bank regulatory reports and seamless integration with multiple data sources. Our Digibanc™ platform autonomously delivers reports in standardized Central Bank formats, and comprehensively meets stringent Central Bank and Regulatory Audit requirements.

Legacy System Integrations
Our solution integrates with any legacy system or infrastructure to give your organization a cost-effective solution without business interruption.

Regulatory Compliant Templates
Leverage ready-made report templates that are compliant with industry regulation as per your needs and requirements.

Intelligent Automation
Reduce countless hours of manual processing and operational costs with, accurate, compliant, and automated report generation.

Intuitive User Experiences
Designed to be simple and engaging, the platform ensures that reporting customizations, generation, management, and operations are effortless.

Plug-and-Play Models & Processes
Our robust engine utilizes ready-available processes and data models in real-time across industry reporting requirements.

Data-Driven Operability
Avoid computationally expensive steady-state simulations by replacing them with our dynamic data models, developed through rigorous statistical analysis of industry regulatory requirements.

Customer Statements

In today's competitive financial and banking environment, Digibanc™ makes your customer's day-to-day life easier by providing them added value and convenience. Our cost-effective statements solution is designed to provide banks, financial institutions, and fintechs with a rapid, frictionless, user-friendly method of deploying statements to account holders.

Multiple Export Formats
Generate statements for customers in a format that's most convenient for them – our export file types cover PDF, Excel, and more.

Intelligent Client Management
Manage the entire system's operations through a one-stop-shop portal. Create validations, conditions, and edit templates. Your customization options are endless.

Legacy System Integration
Built using best-in-breed technologies, the solution is capable of integrating with legacy core systems and infrastructures without affecting daily operations.

Multi-Spectrum Operations
Create custom queries, filter account holders based on various criteria, generate mass emails, or mail hard-copy statements via post.

About

Paul Nilsen has been in the Fintech space for 25 years and during that time has delivered large infrastructure projects across the Continent – IEC Zip-Zip Voter registration scanners in South Africa, Umoja Switch in Tanzania, National Identification solution Tanzania as well as many solutions for Financial and Non-Financial Institutions to drive both growth and Financial Inclusion across Conventional and Islamic markets.

Code Base Technologies

Codebase Technologies is a leading Global Open API Banking solution provider, at the forefront of enabling banks and financial institutions (both Conventional and Islamic), as well as, the emerging Fintech ecosystem to Demystify Digital Financial Services.
We help organizations create and deliver innovative and intuitive experiences across the customer lifecycle. With a presence across 4 continents, Codebase Technologies with its award-winning suite of products, including the innovative Digibanc™, a comprehensive one-stop 'Bank-in-a-box', helps its customers unlock the true potential of the next generation of digital banking.

Codebase Technologies has launched several digital banks and financial propositions across the UAE, Malaysia, Bahrain, UK, and Africa Regions with a proven success rate and unparalleled speed to market. Growing at an exponential rate, Codebase Technologies has established itself as the digital banking technology pioneer in the global banking industry.
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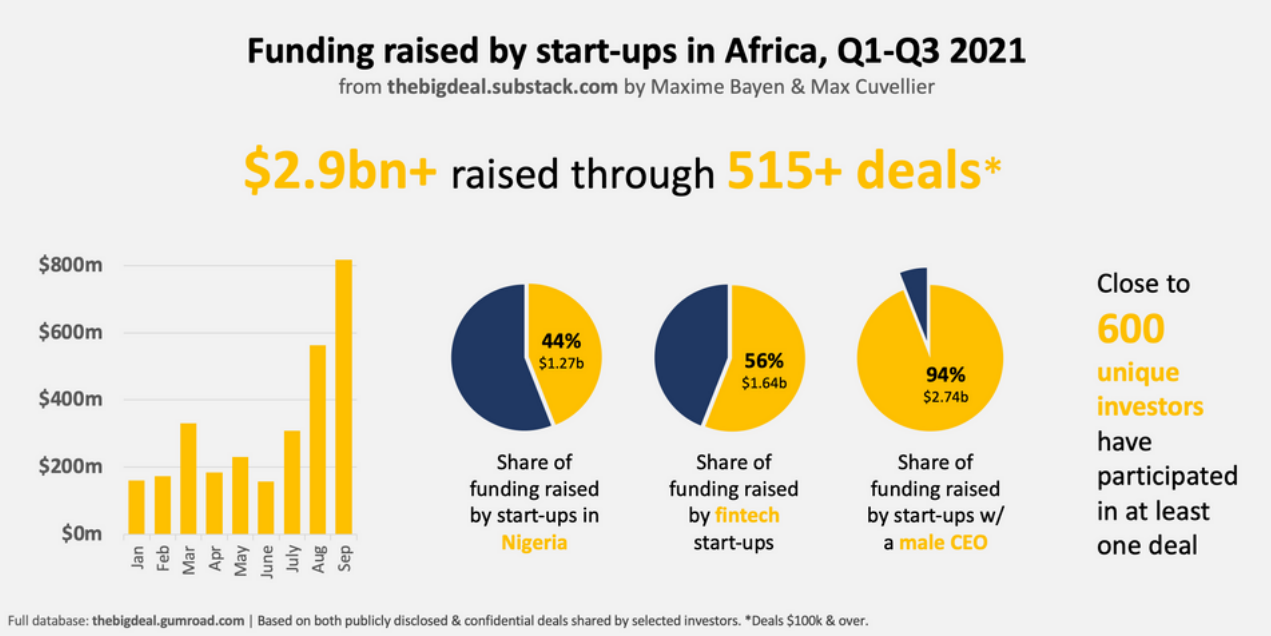
CODEBASE TECHNOLOGIES | Demystifying Digital Financial Services

Africa Startup Deals:

(Q3 2021 = Q1 + Q2 +Q3 + Q4 2020)

With $817m+ raised in September alone, start-ups in Africa keep setting the bar higher and higher

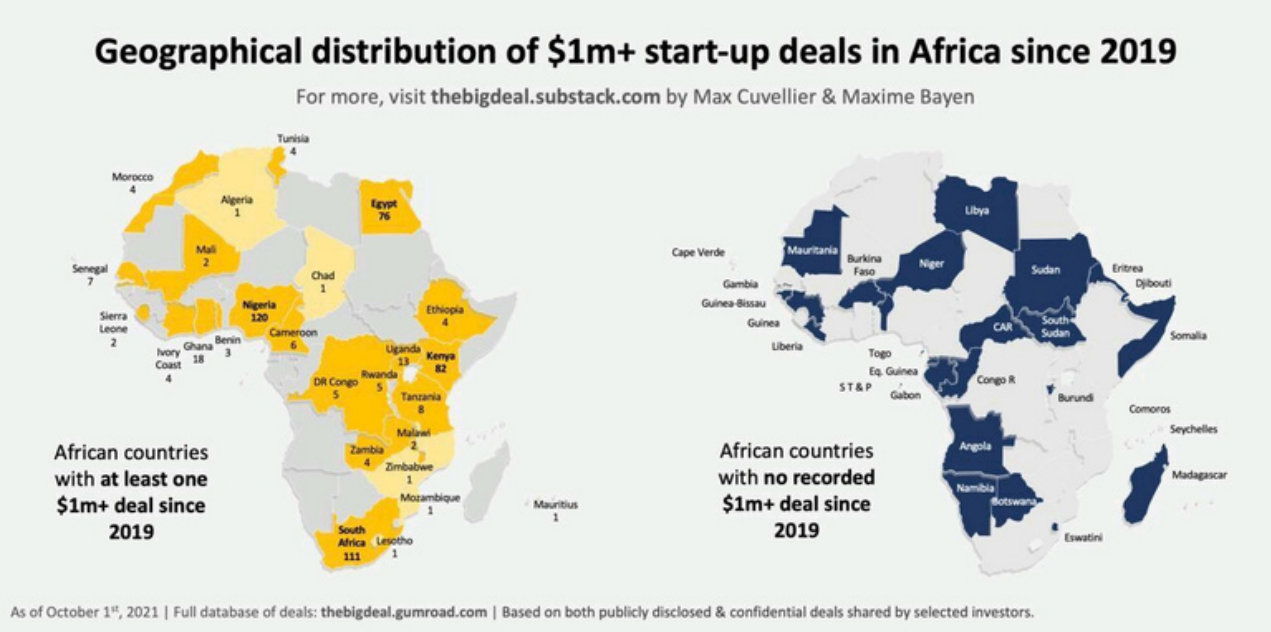


How much?
Since the beginning of the year, start-ups in Africa have raised more than $2.9bn through 515+ deals $100k & over (about 200 of these deals were $1m & over). If we take into account deals flying under the radar, and the Swvl transaction which will only be effective in November, we can consider that the $3bn milestone has now virtually been reached.

When?
The past two months (August & September) have seen extraordinary levels of activity, and represent almost half of the funding raised in Africa this year so far (47%, $1.4bn). More has been raised in those two months than in the whole of 2019. The amount raised in Q3 2021 is equivalent to the full amount raised in 2020.

Where?
Nigeria represents 44% of the total funding raised in 2021 to date ($1.27b), followed by South Africa ($481m, 16%) and Egypt ($434m, 15%). The remaining 25% ($733m) is shared between the other 23 countries where at least one $100k+ deal has occurred this year. It also means 28 countries have registered no significant public VC activity this year so far.

What?
Unsurprisingly, fintech is the sector attracting the largest amount of funding (57%, $1.6bn+, half of which was raised in Nigeria), followed - much much behind - by energy (~$300m) and education/jobs (~$250m, driven by Andela's recent $200m Series E).



By Whom?
94% of the funding has been raised by start-ups with a male CEO. Male single founders and all-male founding teams represent 78% of the funding raised (down from 84% a few days earlier, thanks to the Andela deal - For more, see our recent post on the topic). Their female single founder and all-female founding team counterparts however only attracted 0.6% of the total funding raised.

From Whom?
Almost 600 investors have already been involved in at least one $100k+ deal in Africa this year so far. The majority of them (72%) have participated in only one deal; some however have been extremely active (For more, see our recent post on the Top5 investors of 2021)

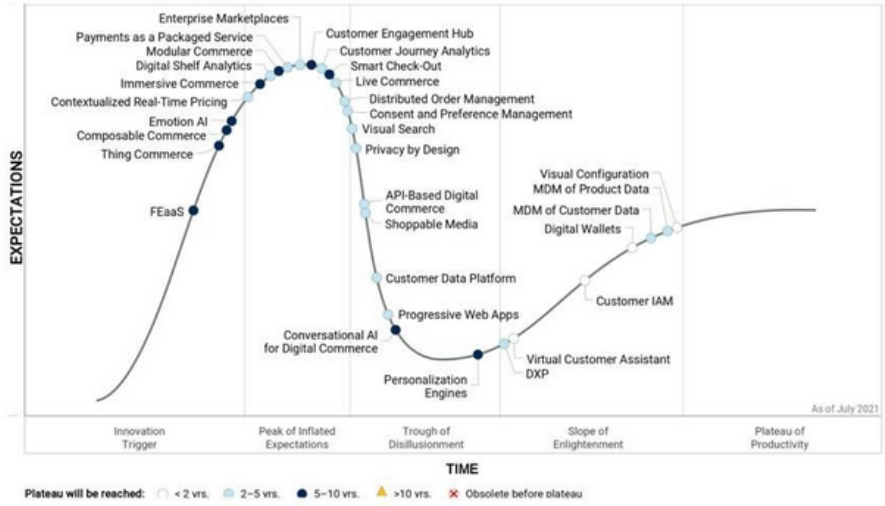
Four technologies that will have high impact on digital commerce

2021 GARTNER, INC. HYPE CYCLE FOR DIGITAL COMMERCE REPORT

According to the 2021 Gartner, Hype Cycle for Digital Commerce, over the next two years, visual configuration, digital wallets, customer identity and access management (CIAM) and virtual customer assistants (VCAs) will have high impact on digital commerce as mainstream adoption of these technologies increases.

Sandy Shen, research vice president at Gartner said: "Digital commerce is a fast-changing market where competitive pressures and the need to innovate means new technologies emerge frequently. Application leaders can use the hype cycle to differentiate between technologies that are fads that will disappear over time, and those that are expected to have a significant business impact. By understanding the capabilities and challenges of each technology, they can make informed decisions regarding resources at hand."

CIAM, digital wallets, visual configuration and VCAs entered the slope of enlightenment in the Hype Cycle in 2021, says Gartner. In this phase, examples of how the technology can benefit the enterprise start to crystallise and become more widely understood.



Visual Configuration
Visual configuration enables sales representatives and end customers to see a visual representation of products they want to order with the options and features they have selected. It is more relevant for B2B transactions where it can enable customers to purchase complex manufactured goods via digital commerce with no training. Organisations that are among the first to adopt it in their industries see substantial competitive advantage and cost savings.
Recent improvements in technology, such as improved photorealism, are leading to rapid growth and wider adoption of visual configuration among digital commerce businesses.

CIAM tools manage identity, authentication and authorisation for external identity use cases. Privacy regulations and increased dependence on remote interactions have intensified the importance of CIAM to businesses and their customers.

"CIAM also leads to improved user experience (UX) within B2C and B2B commerce, gig economy and government to citizen (G2C) interactions," said Shen. "By the end of 2021, 86% of organisations will compete based on UX. In industries with very little competitive differentiation between products and services, the online experience becomes the differentiation."

Digital Wallets

Digital wallets establish credentials to enable users to make remote or face-to-face transactions from connected devices. This technology has demonstrated wide benefits, such as reduced customer effort and increased revenues, as has been demonstrated successfully in industries, such as parking, transportation, retail and digital commerce. Lack of digital wallet support could impact conversion rates and be viewed as a competitive disadvantage.

'VCAs

A VCA is an application that engages, delivers information and/or acts on behalf of an organisation's customer. The COVID-19 pandemic has accelerated adoption of VCAs, pushing some use cases into the mainstream adoption phase, but new use cases in healthcare or brand marketing are also emerging.

As VCAs are now the first point of contact to support multiple customer interactions via digital engagement channels, they can be used to deliver proactive advice and engagement to build loyalty and customer satisfaction.

The "Hype Cycle for Digital Commerce, 2021" is just one of over 90 Gartner Hype Cycles covering a wide range of innovations, technologies, business trends and key vertical industries, noted Gartner. The 2021 Gartner Hype Cycles help organizations to make innovation a core competency and shape and prioritize their approach to innovation.

By the end of 2021, 86% of organisations will compete based on UX. In industries with very little competitive differentiation between products and services, the online experience becomes the differentiation.

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Regulatory Intelligence: rewriting the rule book for compliance

JENNIFER CLARKE // SENIOR EDITORIAL MANAGER, CUBE

Welcome to present day. Here we stand on the precipice of 2022, wondering what the future holds. For the more compliance-minded of us, asking what the future of regulation and innovation holds. The volume and velocity of financial regulation is faster than ever before, and firms are struggling to keep up. One thing we do know, regulatory intelligence is about to become mainstream. In fact, more than that, it's going to transform the way we manage compliance.

What is regulatory intelligence?

Regulatory intelligence in its most simple form is a combination of financial regulation and artificial intelligence.

This hasn't always been the case. Historically, regulatory intelligence would be the term used to reference a person, or a team of people, who understood the regulatory landscape and could make predictions about what was likely to come around the corner. But humans, as much as it might pain me to admit, have limitations.

And so, regulatory intelligence has taken on a technical rebranding of sorts. It now uses sophisticated technology such as machine learning (ML) and natural language processing (NLP) to take on the role of the traditional 'regulatory intelligence' team through innovation and artificial intelligence.
Regulatory Intelligence isn't simply automating

manual processes this is taking existing processes, tearing up the rule book, and implementing something completely new and revolutionary - regulatory technology that takes generic regulatory content and knows and understands it.

Regulatory Intelligence for managing change

Regulatory Intelligence takes machine reading to a whole new level for managing regulatory change. It elevates it to machine understanding. So the technology not only knows every financial regulation and the topic that it pertains to. but will also know how that topic is evolving across jurisdictions.

Regulatory intelligence picks up regulatory semantics (which aren't always in the text) and understands how different regulations link to each other. It also knows which regulations are getting the most attention from regulators and allows predictions to be made about regulatory change.

So financial institutions are not only able to stay on top of current change but can anticipate regulatory change before it even arrives.

What happens to the humans?

'So what happens to the humans?' I hear you ask. Those people – who are usually highly skilled compliance officers – move up the value chain. Instead of conducting manual and laborious tasks to monitor regulatory change in the metaphorical engine room of compliance, they are now at the helm, steering the future of their financial organisation. Navigating the impending tides of regulatory change and avoiding the icebergs of emerging regulatory topics such as ESG.

We come full circle

The compliance team is a relatively new concept, emerging as recently as the 80s.

Just as financial organisations were once convinced to appoint a team of compliance officers. Just as they were then convinced to implement technological systems, and then RegTech solutions. Financial organisations must now be convinced to implement regulatory intelligence.

Regulatory intelligence will rewrite the rule book for how we manage compliance. But, when we look back, we'll see that this is all part of the natural evolution of things. We'll wonder how we ever managed without it.

> *Regulatory Intelligence isn't simply automating manual processes this is taking existing processes, tearing up the rule book, and implementing something completely new and revolutionary*

About

Jennifer Clarke is Senior Editorial Manager at CUBE. CUBE is a global RegTech boasting the world's most comprehensive source of classified, meaningful regulatory intelligence. Born of the 2008 financial crisis, CUBE combines industry-leading technology and automation with expert-validated insights to enable global financial institutions to streamline their complex regulatory change management processes.

The connected continent: Africa is leading the way in mobile money, and it will change banking as we know it

Mobile transacting is fast becoming the golden egg of financial services – and nowhere more so than in Africa.

Mark Dankworth
President International,
Ukheshe Technologies

Ukheshe Technologies is a market leading fintech enablement partner. With a legacy in enterprise platform delivery in banking and telco sectors, Ukheshe has created an extensive range of micro services that enable rapid digital transaction propositions for clients. Striving for transformation and innovation in the payment industry, Ukheshe adapts and creates components that are scalable, secure and ready to deploy in market leading digital-first propositions. https://www.ukheshe.com/

According to the Global System for Mobile Communications' (GSMA) 2021 State of the Industry Report on Mobile Money, the number of registered mobile money accounts grew by 12.7% globally in 2021 to 1.21 billion accounts – double the forecasted growth rate.

Sub-Saharan Africa makes up the biggest slice of this pie on all fronts – number of accounts (548 million of the 1.2 billion accounts), transaction volume (27.4 billion of the 41.4 billion transactions) and transaction value ($490 billion of the $767 billion worldwide).

Clearly, the continent is leading the charge when it comes to transacting via mobile phones.

Why

Bank branch coverage in Africa is by far the lowest in the world according to a McKinsey Global Banking report from 2018. There are just five branches per 100,000 adults compared to 13 for every 100,000 in emerging Asia, and 17 in Latin America or the Middle East.
Though some countries have a relatively high number of banked individuals, cash continues to rule.

In 2015, the same year that South Africa saw a jump in its banked population to 77% (up from 63% in 2011), cash transactions still accounted for more than 50% of the total value of all consumer transactions, according to a Mastercard study, driven in large part by the informal economy.

But the pandemic started changing the way people prefer to transact. And in Africa, it makes sense that this shift is mobile-driven payments.
Access to traditional financial services and computers might be low in many populations, but mobile penetration is high – over 90% of South Africans had a smartphone in 2020. On top of that, mobile transactions face less regulation and associated costs than traditional banking.
With less red tape and more convenience, speed, and safety, it's easy to see why the continent is transacting via mobile like never before.

The How

Small to medium businesses make up around 90% of all businesses in sub-Saharan Africa and a large chunk of them traditionally operate on a cash-only basis. It is, therefore, not a surprise that they're fast adopters of digital payments.

Small businesses don't necessarily have access to the IT expertise needed to set up digital point of sale (POS) solutions, never mind the cost, and barriers to entry. However mobile POS solutions using USSD (messaging payment solutions), QR code payments, and PWAs (progressive web apps) allow feature phones to have similar functionality to apps on smart phones. This is changing the way merchants conclude transactions. Those who haven't participated in formal banking are finally able to build up a financial track record, giving them access to loans and other financial services. Importantly, it's also much safer than keeping cash on hand.

For the consumer, quick, convenient, contactless payment options are fast becoming the preferred method of payment.
In the world of mobile money, there are no branches and no infrastructure, while new functionality allows them to pay without even leaving their favourite app. Even internet banking has more functionality on mobile than on its desktop counterpart.

The GSMA report also highlights that international diaspora are adopting mobile payment methods in their droves. International remittances processed via mobile money had increased by 65% in 2020 to over $1 billion in value.

The Future

The next big wave will be in the form of chat banking services, allowing users to bank and transact on their favourite chat platforms. By saving their banks contact number on platforms like WhatsApp, they can 'chat' with the bank to view balances, pay recipients, top-up accounts and so much more – all in the form of a conversation, but with the functionality of internet banking.
Banks are already partnering with fintech enablers such as Ukheshe to bring this service to market and become players in the mobile network operator space. Ukheshe's Eclipse platform runs open-loop payment systems, compared to mobile network operators' closed-loop payment systems. This functionality allows banks to diversify their offering to clients, while for fintechs, it helps them get to market faster than ever before.

Ultimately though, for consumers, it means more choice and accessibility. Most importantly, these technologies demonstrate that true financial inclusion is not a pipe dream but a reality, that's already improving livelihoods in emerging markets.

Accelerating financial inclusion through long term social change

By: Chuma Qwalela // Executive Director, United Way South Africa

Financial inclusion means fair and timely access to a diverse range of fair and affordable financial products and services, to all people.
Chuma Qwalela's journey to the forecourt of financial inclusion started as a young girl on a remote farm in Limpopo, South Africa. Growing up in the 1980's Apartheid era, Chuma witnessed vast inequalities and injustice all around her. This experience shaped her passion for addressing past historical imbalances by improving access to finance for low-income people.

An Unexpected Detour

It was during her studies at Harvard Business School (HBS) that Chuma developed a deeper vision to accelerate financial inclusion through long term social change. Before going to Harvard, Chuma had a successful corporate career, working at the South African Reserve Bank, at the center of driving financial inclusion policy. However, she had the conviction that more needed to be done.
After leaving HBS, Chuma joined a nonprofit, United Way South Africa (UWSA). With her policy experience and UWSA's deep community engagement, Chuma was then able to connect financial inclusion policy makers to pertinent community issues.

Creating long term social change

Financial inclusion is a necessary tool to eliminate poverty, inequality and unfair access to opportunities in disadvantaged communities. However, policy makers and corporates have struggled and failed to bring relevant sustainable solutions in excluded communities. One of the reasons for this is the mostly "top-down" approach where problems are misdiagnosed, and solutions are prescribed and pushed down to communities, without a deeper understanding of what the real problems are. UWSA works in the communities, hand-in-hand with communities, to jointly identify problems and cocreate solutions, including codeveloping policy recommendations together with the communities. Through this meaningful and deep community engagement, UWSA is able to fast-track understanding and adoption financial regulation and innovation, and ensure long term application of these.

One of the interventions undertaken by UWSA is provision of resources for appropriate use of financial services and products by marginalized societies. This is critical, especially for small, medium and microsized enterprises (SMME's), as it improves their prospects, and positively impacts on the economic environment of the societies in which they operate. Through its various partners, UWSA provides quality financial education to SMME's in disadvantaged communities, aimed at capacitating and graduating these into sustainable businesses. These businesses are further supported with financial management mentorship that goes beyond accessing cash, to savings and investment management.

Financial inclusion is a necessary tool to eliminate poverty, inequality and unfair access to opportunities in disadvantaged communities. However, policy makers and corporates have struggled and failed to bring relevant sustainable solutions in excluded communities.

Financial inclusion also very much about exposure to financial concepts. UWSA works with schools, colleges and Universities to provide financial education and job shadowing opportunities to disadvantaged youth. During the recent International Day of the Girl, UWSA partnered with the CFA Society to introduce girls in townships to careers in the investment industry.

A lot more still needs to be done, however these are exciting times. Policy makers and corporates are more open to working with community based organisations, such as UWSA, to deliver long term collective impact. With stronger collaborations and cocreation of solutions, a lot more stands to be achieved.

Chuma Qwalela is an Executive Director and Board Member with over (20) years' experience leading truly impactful programs within public, private and non-profit sectors. She has held various senior and advisory positions across these sectors, from strategy consulting to execution of complex, large scale organizational turnarounds.

She is currently an Executive Director at United Way South Africa, with a focus on Education, Financial Stability and Health impact programs. She further serves as a Non-Executive Director on a number of boards and committees within financial services.

In her career, Chuma has led the implementation of the Prudential Authority program at the South African Reserve Bank as part of the Twin Peaks model of financial regulation. She later got involved with the Johannesburg Stock Exchange (JSE) as Head of Strategy and Change, responsible for formulating and delivering on a new multi-asset class clearing and settlement platform in South Africa.
Her life mantra is 5 Million Freed - to be achieved through a 30% reduction in poverty. Her passion and current focus is on developing innovative solutions to address financial inclusion for women entrepreneurs in Africa.

DIGITAL HEALTH REGULATORY AND POLICY CONSIDERATIONS

BY BLESSING NWACHUKWU AKUCHIE
// REGULATORY SCIENTISTS AND STRATEGIST

Health regulatory affairs is a profession developed from the desire of governments to protect public health by controlling the safety and efficacy of products in areas including pharmaceuticals, veterinary medicines, medical devices, pesticides, agrochemicals, cosmetics and complementary medicines, and by the companies responsible for the discovery, testing, manufacture and marketing of these products wanting to ensure that they supply products that are safe and make a worthwhile contribution to public health and welfare.

This task is overseen by the health Authorities like Food and drugs Administration (FDA), World health Organization (WHO), International Council for Harmonization (ICH) and many other being created in different countries example in Nigeria we have National Agency for Food and Drug Administration and Control (NAFDAC) Pharmacy society of Nigeria (PSN) and others.

In 70's Health regulatory affairs depended more on Analog process, health authorities were limited to certain information, during these time there was no fast means of communications to the public. This brought a lot of fake products and unhealthy system; the good news began when the use of digital health regulatory came into existence.

In the world today, the opportunities and challenges in technology are driving explosive breakthroughs for digital health solutions in our technologically focused society. The accessibility, convenience and mobility of digital health have created a cultural shift in the way we use, process and provide healthcare solutions. This transformational shift also has modified how one uses and obtains information from products and users in a real-world scenario, driving interest from many industries.
Due to the rising demands and pressing needs of global health, the healthcare industry has gone through constant flux and transformed over the time. By reforming and modernizing the healthcare services, delivery, as well as systems in the recent decade, digital health has become part and parcel of the current healthcare practices and is considered as the cornerstone of the participatory / personalized health.

Digital health regulatory considerations has also made it possible for public to easily access quality health systems such as use of mobile phone to communicate health Authorities especially when there is adverse reaction of product like drugs, and also use of internet services.

Digital Health regulatory considerations has gone so far that companies no longer send applications to health authority through analog system like paper applications which in some cases file documents get burnt or misplaced by the officers in charge, which leads to poor services and delay to company's request. The help of digital heath regulatory companies can easily apply to health Authorities through the websites and receive approval within short interval.

There would be more leverage of Digital health regulatory in feature this could be through Medical devices to diagnosis disease, Manufacturing of vaccines, processing of clinical trials, Pharmacovigilance and fast analyzing of products efficacy before use.

Blessing Nwachukwu Akuchie is a well experienced regulatory scientists and strategist, with deep knowledge of Pharmaceuticals, Medical Devices, Cosmetics and Food Regulatory Affairs within Nigeria and parts of West Africa regions (Ghana and Kenya). She has worked with different pharmaceutical companies and currently working with International Consulting Company (Freyr Global Regulatory Solution) as Regulatory Affairs Manager Nigeria and Ghana.

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AML/CFT: Shift towards a risk-based approach to regulatory compliance

BY FATIME TRAORÉ // SALES DIRECTOR, CORLYTICS

In terms of regulatory affairs and regulatory change management in financial institutions, the stakes are high with regulators proactively investigating potential breaches of regulation around anti-money laundering (AML) and Counter financing of Terrorism (CFT) and then pursuing enforcement action. The imposition of sanctions or, in many cases, substantial fines can cause substantial reputational damage especially with the new accountability regimes making not just firms, but individuals accountable.

Up to relatively recently, the solution to the problem of managing regulatory affairs, change and compliance was to increase the number of people working in the regulatory affairs or compliance department and to support them with manual tracking tools and technologies including spreadsheets, intranets and email. However, this type of process, with significant manual data entry into non compliance-specific solutions and no automation, carries its own risk of human error and technology glitches such as corrupted spreadsheets and inappropriately routed emails. It lacks any clear audit trail for use either in-house or as proof to the regulators of correct and actionable oversight of regulatory compliance and support of operational resilience.

Corlytics has always looked at regulation as a new class of risk and that to manage this risk there must be clarity, and that this clarity comes from collating global regulatory intelligence, categorizing it in a structured taxonomy and then carrying out a risk assessment. It is this strategy, to risk rate regulation, that is a key difference between Corlytics and others offering regulatory data.

"The explosion in regulations and regulatory initiatives from sources across the globe necessitates a change in how firms manage their regulatory compliance obligations if they have any hope of keeping compliance costs under control – Corlytics can help with this huge task," says Fatime Traore, Sales Director, Corlytics

Corlytics provides solutions to both regulators and global financial services firms across all regulatory classes.

It tracks and manages all types of regulations including those that are future-based, and regulations updates and changes with workflow auto-routing providing automation and end user visibility through a range of dashboards, heatmaps with drill-down granularity into each regulatory notification.

Recent demand for digitally available regulations that are categorized and risk ranked has exploded due to the pandemic. For instance, in 2020, over 50% of financial regulations were amended significantly due to the pandemic.

Corlytics risk rates the regulatory landscape using proprietary regulatory risk models. By risk rating regulations, jurisdictions, regulatory topics, business lines, products, and controls, Corlytics puts those managing AML/CFT and other areas of regulatory compliance back in control of how best to plan and invest their resource allocations. Data-driven decisions lead to better regulatory outcomes for regulatory firms, regulators, and ultimately the consumers.

Recent demand for digitally available regulations that are categorized and risk ranked has exploded due to the pandemic. For instance, in 2020, over 50% of financial regulations were amended significantly due to the pandemic.

Dublin based Corlytics Ltd., the leading global regtech provider with a range of solutions and trackers including payments, crypto and ESG, recognises the importance of being focused on successful adoption. The company, which works with banks and regulators across the globe to examine regulation as a risk, believes this is when customers will be able to experience the full power of advanced new technologies.

Fatime Traoré as Sales Director with Corlytics, with responsibility for business development through EMEA, is engaged in the company's ongoing expansion into these markets. She is based in London.

In her previous roles she has brought solutions for governance, risk and compliance (GRC) to the market working with Cybersecurity teams (IT forensics), Legal teams (eDiscovery) and Compliance teams (GDPR Compliance).

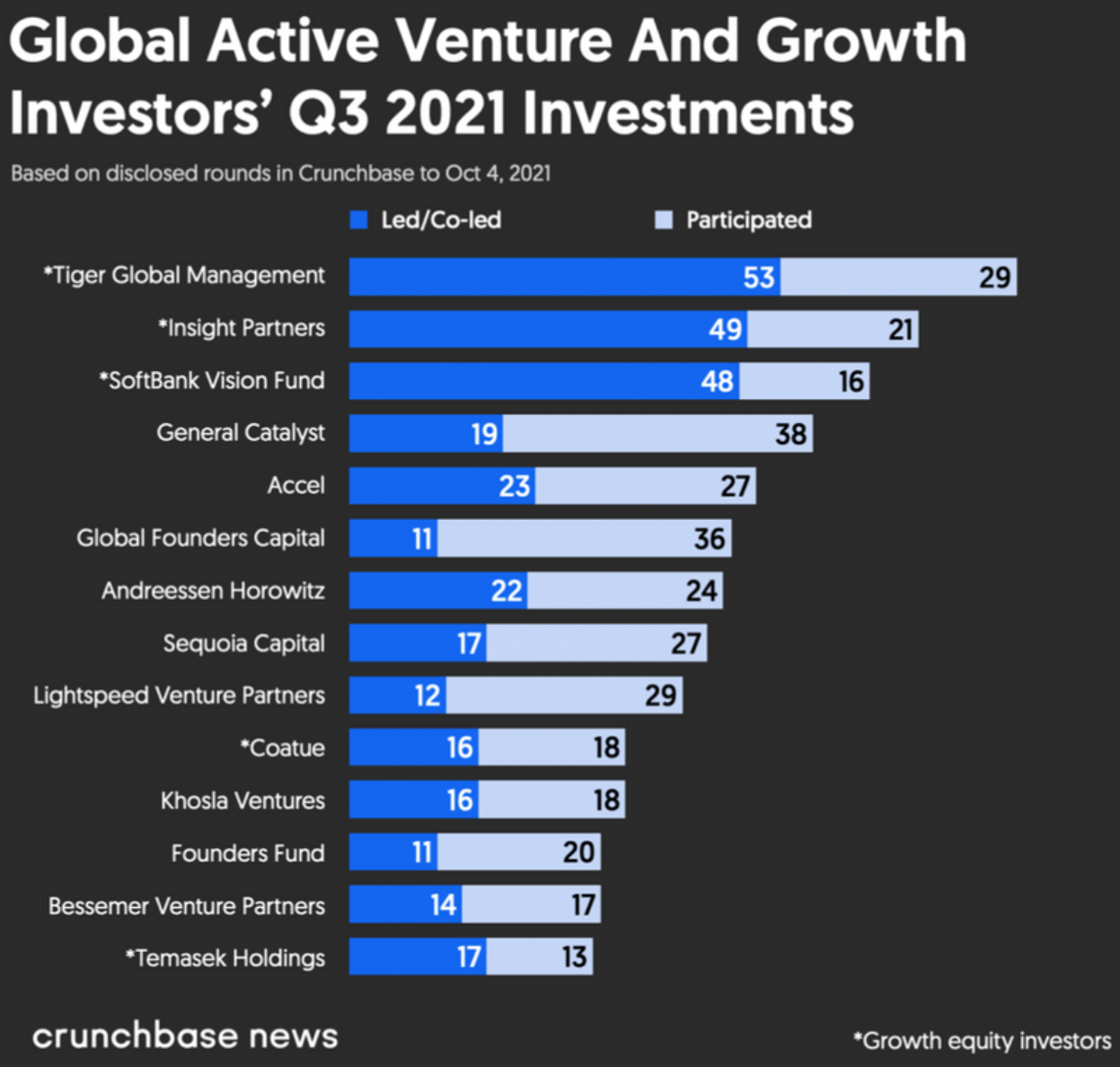
Fatime is a native of Côte d'Ivoire where she studied economics at Université Félix Houphouët-Boigny, she is also part CIMA qualified. She is bi-lingual English and French.

Global: Biggest Startup Investors

(TOP SLOT FOR Q3)

The heaviest spenders in the venture capital world are showing no signs of paring down. If anything, the two most famously deep-pocketed investors–Tiger Global Management and the SoftBank Vision Fund–appear to be putting more capital to work.

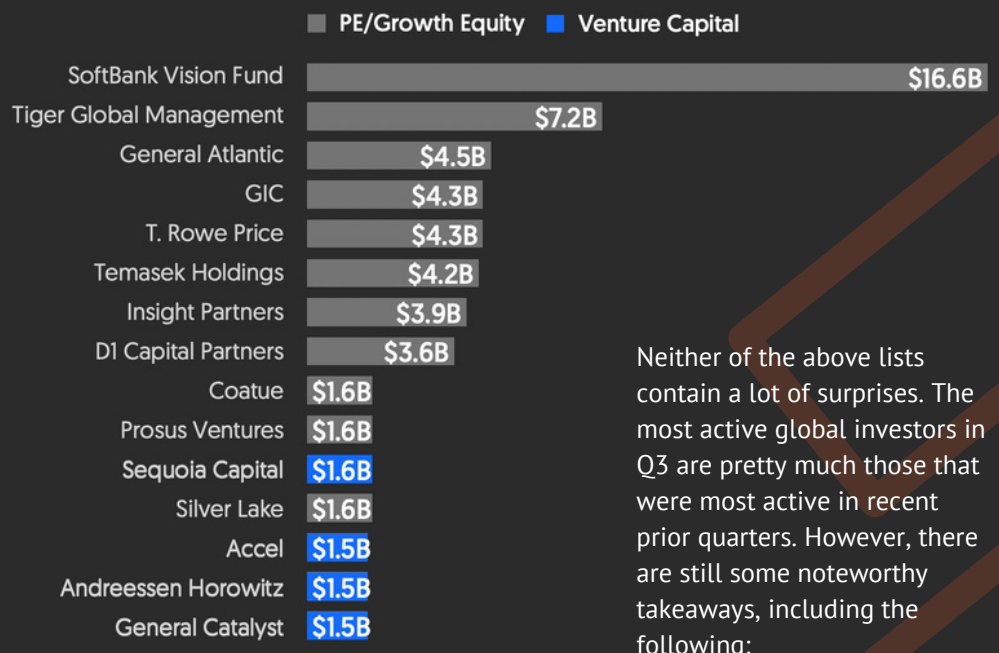
According to the latest quarterly tally of the most active global startup investors, 14 most active investors participated in a total of 661 funding rounds in Q3 2021.
Below are the top names based on deals they participated in as well as rounds they led:



Based on a separate ranking for lead investors, below are the most active lead investors:

Investors That Led Or Co-Led Funding Rounds By Total Amounts Q3 2021

Data as of Oct 4, 2021. Represents total amounts for fundings the firm had led or co-led with 5 or more investments.



crunchbase news

Neither of the above lists contain a lot of surprises. The most active global investors in Q3 are pretty much those that were most active in recent prior quarters. However, there are still some noteworthy takeaways, including the following:

SoftBank

SoftBank revved up in Q3: SoftBank led or co-led 48 rounds in Q3 of 2021, at a collective value of $16.6 billion. That's a big jump from Q2, when the firm led or co-led 33 rounds totaling $10.25 billion. What led the surge? The largest co-led deal was a $3.6 billion round for Indian e-commerce giant Flipkart, while the biggest solo financing was a $1.7 billion investment in South Korean travel platform Yanolja. Other large rounds included Turkish e-commerce provider Trendyol, Indian food delivery platform Swiggy, and British fintech Revolut. Additionally, SoftBank participated in 16 rounds for which it was not listed as lead investor, up from 11 in Q2.

Tiger led higher-valued rounds:

Tiger Global led 53 rounds in each of the past two quarters. But rounds it led in Q3 were more valuable overall, totaling $7.2 billion, compared to $6.1 billion in Q2. For the just-ended quarter, the companies for which Tiger led or co-led the largest rounds include Revolut (co-led with SoftBank), Boston-based cloud security provider Snyk, and São Paulo-based e-commerce tools provider Nuvemshop.

Tiger led higher-valued rounds:

Insight Partners has been regularly topping our lists as one of the prolific unicorn investors, and this past quarter was no exception. The venture and growth equity-focused firm led or co-led 49 rounds in Q3, valued at $3.9 billion, headlined by Nuvemshop (co-led with Tiger) and trading technology provider DriveWealth. The firm also took a nonlead role in another 21 deals. Overall, it looks like Insight is sharing more of its deal flow with co-investors. In Q2 the firm led or co-led 46 of the 53 rounds it backed.

A16z, omnipresent in the U.S

is not so active internationally:

For American startups, Andreessen Horowitz is one of the most active and deep-pocketed multistage investors. But outside the U.S., not so much. Out of 46 investments in Q3, 38 were U.S.-based, including recipients of the two largest rounds, cloud data companies Databricks and Fivetran.

Tech investors dominate: A final takeaway from our list is that all the most active players are predominantly tech investors. While several do also have some biotech deals in their portfolios, there are no biotech-focused firms among the most active.

Lastly, the most active and highest spending startup investors seem overall to be committing more deeply to their strategy rather than pulling back. As overall venture investment held steady around record highs this past quarter, it's mostly well-known names that are keeping things up.

Unlocking Africa's' Financial Inclusion Challenge through Value-Oriented Offerings

BY E-SETTLEMENT

Since the advent of the technological age, financial inclusion has proven to be the bane of several, if not most African countries. While some still grapple with the very many limitations of universal inclusion, many have made giant strides in providing innovative solutions by not just focusing on the technology, but also identifying a viable economic business model.

38 million or 35.9%

of the Nigerian adult population remain financially excluded.

The ultimate goal is "embracive access"; a situation where anyone who is financially excluded has undeterred access to financial services and accepts all the terms of its provision to the point of adoption. This is easier envisioned than achieved as most economies in Africa would attest to.

In Nigeria, agency banking operations kicked off fully in 2013 following the release of the Agent Banking Guideline by the CBN. Nigeria had about 236,940 unique agents in 2019 (2018: 83,560 unique agents) across the country, translating to about 228.8 agents per 100,000 adult population. This indicates that agency banking has 53 times more reach than traditional brick-and-mortar bank branches. As of May 2020, the total number of agents in the country stood at 326,444. About 19% of adult Nigerians currently use agency banking for their financial transactions, which is a laudable achievement compared to a meagre 3% recorded two years ago.

With the myriad of challenges faced by financial Inclusion in Africa, quite a handful continue to plague the financial ecosystem and arguably the most recurring is reach; lack of close proximity to service points. This on its own poses a double problem where on the one hand, persons who are financially excluded have little to no way of being included due to their remote and often-times inaccessible locations, and on the other hand, persons who have bank accounts also are unable to make use of financial services for the same reason.

For example, Nigeria's financial inclusion rate at 64.1% as of 2020 is significantly lower than the 80% target for 2020 set by the CBN's National Financial Inclusion Strategy (NFIS). This financial inclusion rate indicates that about 38 million or 35.9% of the Nigerian adult population remain financially excluded. "At our current rate of progress, we will not reach the 2020 financial inclusion target until around 2030," Ashley Immanuel, the CEO of EFInA, stated at a public presentation event to launch the key findings of EFInA's Access to Financial Services in Nigeria 2020 Survey.

Financial literacy is another problem. A very high percentage of persons lack the basic resources and financial knowledge to understand and carry out simple transactions. Therefore, tasks such as registering for an account, activating and using an issued ATM card are all but impossible for even the financially included layman (rural dweller or peri-urban dweller).

Another deterrent is the multitude of documentations required to get financially included. This poses a unique type of problem even in instances where excluded persons have adequate levels of financial literacy. Therefore, interaction with financial services is hampered by exceedingly exhaustive requirements.
A rigid system also adds to the problem, where the several players (banks, payment processors, service providers, switching companies) with several conflicting operating procedures add to the bottleneck of a process that should be otherwise fast and seamless

Players in the financial ecosystem have seemingly lost sight of the goal, which is to provide financial access to the unbanked and underserved which ultimately will benefit the entire economy. Therefore, the value chain for service providers, regulatory bodies, traditional banks and every other player should always be geared towards keeping up with and satisfying the needs of the consumer.

Eradicating the physical, bureaucratic, and financial challenges faced by financial inclusion may sometimes appear like a daunting task.Challenging as it seems, the efforts of mobile money operators, super agents, payment service providers and other financial institutions have somewhat alleviated the burden of these challenges to some degree.

A lot is still left to be done in terms of creating and sustaining an “easy-access” market strategy and business model, sensitizing the public on the benefits of accepting and adopting tech-centric innovations, prioritizing consumer protection especially in respect to data breaches, supporting and promoting collaboration of players in the financial ecosystem, and unreserved support from governments and regulatory bodies – all of these should work together to offer value which benefit the end user and service providers.

At our current rate of progress, we will not reach the 2020 financial inclusion target until around 2030," Ashley Immanuel, CEO of EFInA,

About E-Settlement

E-SL engineers impact through finance and tech. We built the pioneering agent network and e-payment solutions, enabling companies and communities to grow their way. Our robust network of over 70,000 agents is active in Nigeria, Niger, Côte d'Ivoire, Burkina Faso, Niger, and Togo. Intending to grow our agent network to over 10,000 agents by the end of 2021, we are on a mission to bring financial services to every corner and every street.
This is our pledge: to deepen financial inclusion, create jobs and empower people and businesses.

Falak Startups Is On A Mission To Empower & Support Egypt's Most Promising Tech Entrepreneurs

BY NIHAL EL CHAMI // HEAD OF PROGRAM & MARKETING AT FALAK STARTUPS

> *Since 2018, Falak Startups has invested around EGP 30 million in 70+ tech startups and backed more than 200 founders across Egypt.*

Falak Startups is an early-stage Venture Capital that invests in a wide range of tech startups every year and runs the top acceleration program.

Falak Startups started purely as an accelerator investing in early-stage startups and offering a 6-month program to its semi-annual cohort. With aggregating all the learnings of the past four cycles; both within the cycle structure and post acceleration, a gap has been found between Seed stage and Series A investments. That being said, Falak re-imagined its current offering to meet Egyptian startups' needs by creating a hybrid model between VCs and Accelerators.

This new model enabled Falak to give startups the best of both worlds, by increasing their investment size and offering a year-round investment of up to EGP 2 million where they can co-invest and join other investment rounds. While providing startups with constant support and access to a strong and exclusive program that includes mentorship, strategic guidance and networking opportunities.

Based in Downtown, the heart of Cairo, Falak Startups is offering a clear pathway of essential support that makes startups propel to the next level. It funds and mentors a dozen tech startups per year through its tailored growth program that is designed specifically to meet startups' needs. Throughout the program, startups will learn and acquire the necessary skills to navigate the various aspects of today's current challenges.

They will also be granted the opportunity to network with successful entrepreneurs, connect with an array of investors and industry leaders, and share their experiences with other teams.

Since 2018, Falak Startups has invested around EGP 30 million in 70+ tech startups and backed more than 200 founders across Egypt. Falak Startups is completely sector agnostic, and their portfolio covers almost all industries; most of them operate in E-Commerce, Healthtech, SaaS, Fintech, Edtech, and Agritech.

Nihal El Chami, Head of Program & Marketing commented, "we changed our mandate to address the needs of startups and offer a suitable model for them. We now offer the highest ticket

Among the 70+ startups Falak has invested in, several startups have previously announced their rounds, additionally, two more startups are announcing their $1 Million round this month

size for pre-Seed/Seed stage startups. Our support doesn't stop here, we are offering a wide variety of services that help high-growth tech startups build thriving businesses.

Additionally, we invented our own fundraising mechanism that helps startups raise early-stage funding rounds on convertible notes in compliance with local regulations." One of the benefits Falak offers to its portfolio is the Demo Day, but with so many events happening in the region, some investors may have not gotten the chance to attend all Demo Days, so Falak came up with the idea of developing a virtual experience even before Covid-19 expanded its reach.

Unknown that all circumstances would change worldwide and everyone was moving towards a virtual experience.

However, Falak didn't want it to be a virtual copy of Demo Days, but instead they developed The Virtual Stage, a new concept to display their startups growth and give them visibility by moving from a Demo Day experience to an institutional investor roadshow that has the same dynamic energy of a live in-person event without losing the focus of engaging investors for follow-on investments. The Virtual Stage platform has gained huge success, it has been the favourite investments platform for lots of investors and been described by one of Falak's VC partner as "The Netflix for Startups Pitches".

Among the 70+ startups Falak has invested in, several startups have previously announced their rounds, additionally, two more startups are announcing their $1 Million round this month and a couple more by the end of this year.

About

Nihal El Chami – Head of Program & Marketing at Falak Startups

Nihal is leading the Program & Marketing teams at Falak. She is handling the marketing for Falak to position it as a key player in the market, as well as for its startups to promote their businesses' growth and give them more visibility and traction and to make sure they implement the right marketing strategies to grow and excel in today's world. Additionally, she is responsible for the program plan and structure, as she is working directly with the startups to assess their needs, identify their gaps and challenges, and link them with mentors, consultants and industry experts that help them accelerate their growth.

Are OmniChannel Merchants a Real Neccesity?

BY NADINE GHOSN EID

The timeless truths of retail are that consumers will always want better prices, selection and convenience. With the internet having already driven major progress on the first two customer needs, attention is now turning to convenience." - Andrew Lipsman

In order to succeed today in the business world, retailers need to make the first step and establish a consolidated channel strategy from a digital and physical perspective.

Time has changed, and it has changed the customers focus globally. Mobiles and laptops are now the new shops. Clients do not need any more to visit a shop or a market because they now have multiple options to buy their stuff, whether through an online, or an offline channel, or a combination of both. This combination is what we call the "OmniChannel".

The word "Omni" comes from the Latin word "Omnis", meaning all or universal. Used in the world of payments and commerce, it means "multichannel" or "cross channel".

OmniChannel is a term invented by the retail industry for merchants who seek to offer consistency in their products and services, while matching pricing and conditions.

It is a multichannel approach to sales that concentrates on providing customers with consistent experience whether the client is shopping online from a mobile device or a laptop, or face-to-face in a physical store. Yet, in order to assist these merchants in achieving their goals, payment providers must deliver a steady customer service across different distribution channels, because when customers connect with a shop to make purchases or pay bills, they expect to see the same recognizable branding from the beginning and throughout the whole payment process. OmniChannel solutions are now becoming vital. After the COVID-19 pandemic, which rling going forward, compared to their plans before COVID-19.

In OmniChannel strategy consists mainly of:

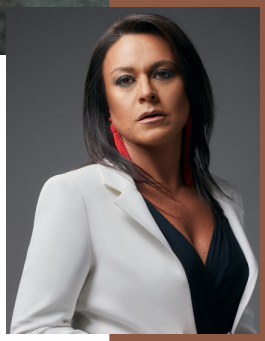
- Focusing on the Customer Experience First.
- Creating a Seamless Experience, as most consumers prefer now a combination of online, mobile, and in-store shopping.
- Managing User Data.
- Engaging with

A Customers Across all Channels. Of course, having a reliable payments solution that allows the customers of a retail business to shop 'anywhere and anytime' will increase revenues and make the business more profitable. However, and since retailers will need to invest in systems and integration that enables a single view of payments and consumer activity, there are many challenges that OmniChannel payments programs face: Challenges can go from receiving funds and having the right people and the well-organized sales, to data integration and data protection, fraud management and regulatory compliance.

So, what will happen in the future? Consumers will rely more and more on a mix of physical and digital channels for discovery, researching and purchasing. Retailers will go for OmniChannel retail solutions, but will need to implement a comprehensive approach including location, quality of products, brand positioning, customer support and

interactions, and personalization; i.e. an overall shopping experience.

Partnerships between merchants and payment technology providers will be crucial in the migration towards OmniChannel. Retailers should take more advantage of rules and regulations and consider them as an opportunity, rather than an impediment, to re-evaluate their technology implementation and masterplan. They need to understand their payments technology partners' plans and align with them in order to ensure sales growth locally, regionally and globally.



Nadine Ghosn Eid is a Compliance Professional based in Beirut with 26 years of banking experience, including 16 years of experience in the Payments and Cards Industry, as well as in AML, financial crime, regulatory compliance, and data protection.

In addition to a Master's Degree in Money and Banking and Certification in Anti-Money Laundering, Securities, Financial Derivatives, Banking Ethics, and FSA Regulations, she has an extended financial experience in the Middle Eastern, African, American, and European markets.

More recently, this experience has included working since May 2019 as Senior Manager, then as Director - Head of Compliance at areeba (a Regional Financial Technology company specialized in the payment cards and electronic services, and in offering issuing and acquiring services to banks, other financial institutions, merchants and retailers).

Prior to areeba, Nadine worked with CSCBank sal (a regional leader in the card and electronic payment processing industry) for 14 years, of which the last three years have been also as Head of Compliance.

About Areeba

Areeba is a financial technology company driven forward by the innovative approach of changing the way payments are made. It creates smarter, faster, and seamless means of payment for banks, financial institutions, merchants, governments and individuals in order for them to take their businesses further. Areeba embraces the current fast-paced technological revolution and rapidly evolving trends, to ultimately offer its customers a unique range of innovative payment services and loyalty programs, locally and regionally.

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