



**Christian Mbonampeka, VISA**  
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 but originated in Africa”



**Maurice Madiba, JSE:**  
 “Current conditions  
 create IPO opportunities,  
 with investors seeking to  
 deploy capital”

**Africa Economic Compass:**  
 MCB assesses Middle East  
 conflict’s impact in  
 sub-Saharan Africa

# BIZWEEK AFRICA

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**Kenneth Matomola,**  
*Chairperson of CISNA*

**The region must  
 demonstrate  
 that effective  
 mechanisms  
 to combat  
 financial crime  
 are in place**

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Nairobi

# Africa Forward: The final Africa summit of French President Emmanuel Macron

The Africa Forward summit in Nairobi next month will bring together heads of state and 1,500 business leaders, as Paris seeks to anchor a more commercially driven relationship with Africa while pushing for reforms in global finance and security cooperation.



11th - 12th May, 2026  
Nairobi, Kenya

France will co-host the final Africa-focused summit of President Emmanuel Macron in Nairobi next month, in a bid to consolidate France's shift towards a more investment-driven and commercially anchored relationship with the continent.

Branded "Africa Forward: Africa-France Partnerships for Innovation and Growth," the two-day gathering on 11-12 May, co-hosted with Kenya, is being positioned as both a diplomatic and economic milestone. It also comes at a time when France is seeking to

recalibrate its role in Africa amid intensifying global competition and changing political dynamics.

Details shared during a media lunch in Mauritius by French Ambassador Frédéric Bontems point to a summit structured as much around boardrooms as statecraft.

The opening day will be dominated by a business forum reflecting President Macron's stated preference to engage directly with corporate leaders. Around 1,500 senior executives are expected,

with roughly one-third drawn from African countries and two-thirds from France, in a configuration that underlines Paris's intention to mobilise its private sector more assertively on the continent.

The forum will be opened by France's Foreign Affairs Minister and closed by Mr Macron, signalling the political weight attached to private sector partnerships as a driver of growth.

This emphasis on business marks a continuation of a strategy first articulated in President Macron's 2017 Ouagadougou speech, but with a sharper focus on execution. French officials increasingly frame Africa not as a recipient of aid, but as a partner in co-investment, innovation and industrial development.

The second day will shift to political dialogue, with between 30 and 35 African heads of state expected to attend. Discussions are set to centre on reform of the international financial architecture

– a theme that has gained urgency among African policymakers seeking fairer access to capital – alongside security issues that remain a persistent concern in several regions.

A series of thematic roundtables will run in parallel, targeting sectors where French and African interests intersect. These include the blue economy, health, artificial intelligence and digital transformation, and agriculture. The blue economy session could be co-chaired by Mauritius and Senegal, reflecting the strategic relevance of ocean-based industries for island and coastal states.

The Nairobi summit is also intended to feed into the agenda of the G7 meeting that France will host in June, giving it a broader geopolitical dimension. Paris is expected to use the outcomes to shape discussions on development finance, energy transition and global economic governance.



## Indian Ocean Conference urges collective stewardship

The ninth edition of the Indian Ocean Conference opened in Mauritius on Thursday, bringing together political leaders, policymakers and experts to examine the future of governance and cooperation across a region increasingly shaped by geopolitical strain.

Held at the InterContinental Resort Mauritius, the gathering is organised by Mauritius in collaboration with the India Foundation under the theme "Collective Stewardship in Indian Ocean Governance."

Among those attending the

opening ceremony were Mauritius' Prime Minister Navinchandra Ramgoolam, India's External Affairs Minister Subrahmanyam Jaishankar, and the President of the India Foundation, Ram Madhav. Oman's Foreign Minister, Sayyid Badr Bin Hamad Bin Hamood Al Busaidi, addressed the conference virtually.

Speakers converged on a central message: the Indian Ocean has evolved into a critical artery of global trade and energy flows, linking production hubs, resource-rich regions and major consumer markets.

In his address, Dr Ramgoolam described the ocean as a "strategic zone" whose stability hinges on cooperation rather

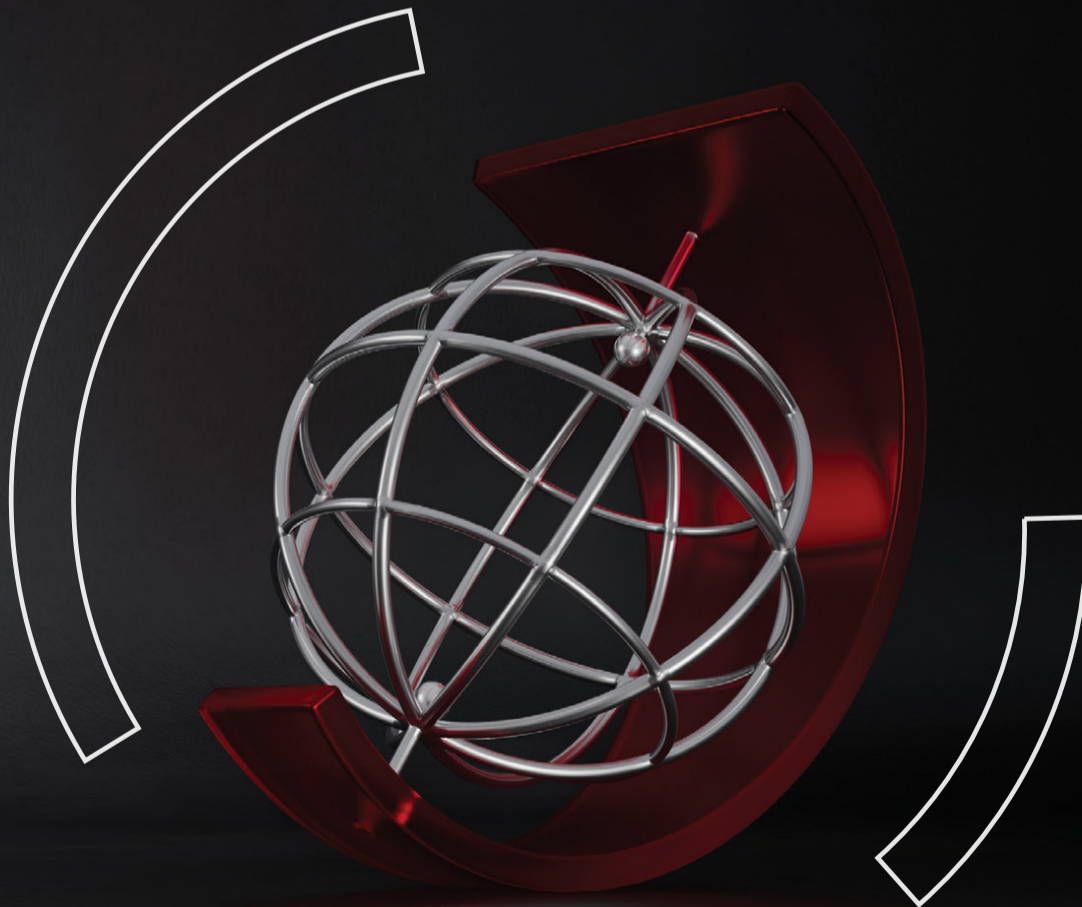
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than rivalry. He urged a shift from national positioning towards a broader regional outlook, arguing that peace and stability depend on shared responsibility among littoral states. He emphasised that freedom of navigation remains a cornerstone of international law, warning that maritime security must encompass protection against piracy, terrorism and environmental risks affecting vital sea lanes. *“The future stability of the Indian Ocean,”* he said, *“will depend on whether its states recognise their shared interests and act with strategic clarity.”*

**“No single country can secure this maritime space alone” –**

**India’s External Affairs Minister, Subrahmanyam Jaishankar**

India’s External Affairs Minister, Subrahmanyam Jaishankar, highlighted the widening spectrum of risks facing the region, pointing in particular to the spillover effects of conflicts in the Middle East. A prolonged escalation, he noted, is already disrupting economic and security dynamics across Indian Ocean states. *“No single country can secure this maritime space alone,”* he said, calling for a cooperative framework grounded in transparency and respect for international law. He framed the conference theme – collective stewardship – as a response to

an increasingly interconnected and volatile environment, urging countries to move beyond narrow calculations towards a shared vision of stability and prosperity.

Interventions from other participants echoed these concerns. Oman’s Foreign Minister stressed the Indian Ocean’s role as a conduit for economic partnership, reaffirming his country’s commitment to collaborative engagement. For his part, Ram Madhav, the President of the India Foundation, pointed to the broader geopolitical implications of ongoing Middle East tensions, expressing hope that the conference would

contribute to practical solutions to mitigate their impact on the region.

The conference, which has become a regular platform for dialogue among Indian Ocean states, aims to strengthen coordination on maritime security, governance and sustainable development. With trade routes under pressure and geopolitical rivalries intensifying, participants stressed that maintaining an open and stable Indian Ocean will require sustained cooperation, institutional trust and adherence to international norms.

**Mauritius to Host 2026 U.S.-Africa Business Summit**

Mauritius will host the 2026 edition of the U.S.-Africa Business Summit from 26 to 29 July, bringing together political leaders, investors and business executives from across Africa and the United States.

The event is organised by the Corporate Council on Africa in partnership with the Government of Mauritius. It is expected to attract more than 2,500 participants, including heads of state, ministers, senior U.S. government officials, and representatives from major corporations, financial institutions and small and medium-sized enterprises.

The U.S.-Africa Business Summit is held annually and focuses on promoting trade, investment and commercial partnerships between the United States and African economies. It provides a structured platform for dialogue between the public and private sectors, with an emphasis on identifying investment opportunities and facilitating business transactions.



📅 July 26–29 2026

📍 Mont Choisy Le Golf, Mauritius

The programme for the 2026 summit will include plenary sessions, sector-specific panels, country-focused forums and business-to-business meetings. These sessions are designed to address key sectors such as energy, infrastructure, digital technology, healthcare, agriculture and finance. Dedicated “pathways to financing” sessions will connect project sponsors with investors and development finance institutions.

An exhibition component will allow companies and institutions to showcase products, services and investment projects. In parallel, private meetings and networking sessions are scheduled to support direct engagement between participants.

Previous editions of the summit have led to the announcement of investment commitments and commercial agreements.

According to the organisers, the 2025 summit held in Luanda resulted in more than \$4bn in deals and commitments across sectors, including energy, infrastructure and digital services.

The selection of Mauritius as host country reflects its role as an international financial centre and its established links with African markets. The country offers a regulatory and legal framework aligned with international standards, and has positioned itself as a platform for investment into Africa, particularly in financial services, cross-border structuring and project financing.

Hosting the summit is expected to provide Mauritius with increased international visibility and opportunities to engage with global investors and policymakers. It also aligns with ongoing efforts to diversify the economy and strengthen its role in regional and international trade networks.

For African countries, the summit provides an opportunity to present investment-ready projects, promote national development priorities and engage with U.S. businesses and institutions. Country delegations typically include government officials and representatives from investment promotion agencies and the private sector.

The United States’ participation includes representatives from government agencies, development finance institutions and private companies.

The summit serves as a platform to support U.S.-Africa commercial engagement and to encourage private sector-led investment. The 2026 edition is expected to continue this approach, focusing on facilitating partnerships and advancing project development across priority sectors. Outcomes are likely to include announcements of new investments, partnerships and initiatives aimed at strengthening economic cooperation between the United States and Africa.



**Dr Ibrahim Richard appointed as Secretary General of the Indian Ocean Commission**

The Council of Ministers of the Indian Ocean Commission (IOC) convened an extraordinary session on Tuesday, April 7, marking a leadership transition

at the helm of the organization. Council members took note of the end of the mandate of Edgard Razafindravahy, effective on April 7, 2026, and expressed their appreciation for his commitment to advancing regional cooperation. Following deliberations and upon a proposal by Madagascar, the Council of Ministers appointed Dr Ibrahim Norbert Richard as

Secretary General of the IOC with immediate effect. A career diplomat holding a doctorate in law and former Deputy Secretary General of the Organisation of African, Caribbean and Pacific States (OACPS), Dr Richard succeeds Mr Razafindravahy for the remainder of the mandate, which runs until 2028.



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**Maurice Madiba,**  
Head of Primary Markets  
and Capital Markets at the  
Johannesburg Stock Exchange  
(JSE)

## “Current conditions create IPO opportunities, with investors seeking to deploy capital”

- “While a risk-off environment typically leads investors to move into bonds, US Treasuries and gold, we are also seeing a growing emphasis on sustainability, with investors seeking opportunities within that segment.”

- “The JSE concluded a market simplification exercise, reducing its listing requirements from approximately 400 pages to about 190 pages, and using clearer, more accessible language for both investors and issuers.”

Africa is drawing renewed attention from investors during this period of geopolitical tensions reshaping capital flows and volatility weighing on emerging markets. For Maurice Madiba, Head of Primary Markets and Capital Markets at the Johannesburg Stock Exchange (JSE), periods of uncertainty tend to open opportunities rather than close them off. He points to the renewed global demand for commodities, partly driven by supply constraints, which is supporting investment interest across the continent. That shift is creating sizeable financing needs in areas such as infrastructure, logistics and the energy transition; sectors where capital markets are expected to play a more prominent role.



Maurice Madiba believes that African markets can deepen by linking growth more closely to sustainable finance and by gradually overcoming their fragmentation. The JSE has already taken steps in that direction, with instruments such as a gender-linked bond, a sukuk issuance, and initiatives tied to voluntary carbon markets. The aim is to keep ESG considerations relevant, even as global conditions become more uncertain. He would now like to see the sustainable segment of the JSE’s bond market grow from under 2 per cent to above 5 per cent over time.

**Have you observed a shift in investor priorities away from ESG and sustainable finance towards more defensive or traditional assets during this period of global uncertainty?**

Usually, the risk-on/risk-off dynamic means we are always prone to the volatility and fluctuations that come with it. At this juncture, we have seen investors trying to understand ESG in a much more meaningful way. At the JSE, for example, within the sustainable finance and sustainability segment, we have recorded a significant increase in issuances in that space.

Although it still represents less than 2 per cent of our total debt market in terms of nominal value outstanding, there has been

“In times of uncertainty, when investors are holding cash, the key question is where to allocate it next”

notable growth in the number of bond issuances within that segment.

While a risk-off environment typically leads investors to move into bonds, US Treasuries and gold, we are also seeing a growing emphasis on sustainability, with investors seeking opportunities within that segment.

**How can stock exchanges ensure that sustainable finance remains a priority even when global markets are dominated by short-term risk considerations?**

We must continue to innovate. At the JSE, there have been several firsts within the sustainability segment. We listed the first gender-linked bond in our market, as well as the first Sukuk bond on the continent. We are also engaged in trading initiatives and have partnered to develop voluntary carbon markets, including the trading of carbon credits. More recently, we have seen the

## Shipping routes are being reconsidered, with the Cape of Good Hope gaining renewed strategic importance.

structuring of products with sustainability-linked objectives, which is encouraging.

Ensuring that capital continues to be channelled into ESG and sustainability-related activities requires exchanges to remain dynamic and agile, keeping pace with global developments. It is also an opportune time for companies to enter the market.

For those considering an initial public offering, current conditions may present opportunities, as investors are actively seeking avenues to deploy capital. As we have observed, many IPOs, both in our market and across Africa, have been significantly oversubscribed. The same applies to sustainability-linked issuances.

In times of uncertainty, when investors are holding cash, the key question is where to allocate it next. Capital markets provide that avenue, and this is reflected in the healthy pipeline we are seeing, both in our market and across several African markets.

### In times of heightened volatility, what mechanisms can stock exchanges deploy to maintain confidence and transparency in ESG-labelled instruments?

We must continually assess the validity and credibility of our listing requirements. Upholding investor confidence is one of our primary objectives as an exchange, as a central pillar of capital markets infrastructure.

Recently, the JSE concluded a market simplification exercise, reducing its listing requirements from approximately 400 pages to about 190 pages, and using clearer, more accessible language for both investors and issuers. This reflects the importance of being at the forefront of policy innovation and review, ensuring that listing requirements maintain their quality while evolving to meet the demands of a changing investor landscape.

### Do crises such as the current geopolitical tensions highlight the need for transition finance, particularly in energy, for African economies?

The next growth phase is likely to be driven by transition finance. In South Africa, we are a high carbon emitter. Arguably, the highest on the African continent. This is largely due to our abundant natural resource base, particularly coal, which has historically



underpinned a stable energy supply.

However, we have also experienced the consequences of a rapid transition that was not adequately aligned with national needs, resulting in prolonged blackouts and load shedding. As we move forward, there remains a strong commitment to a just transition. Transition finance therefore presents a significant opportunity, not only for our market, but for many others, to scale up sustainable finance and create long-term impact for future generations.

### How can African stock exchanges collaborate to create deeper, more resilient capital markets capable of withstanding global shocks?

There is considerable strength to be found in unity. African capital markets, including the JSE, remain highly fragmented. For instance, green finance taxonomies are often developed independently, with each country establishing its own framework. This is understandable, as each country faces distinct challenges. Kenya's climate-related priorities differ from those of South Africa, Morocco or Nigeria. Each market must respond to its specific context.

However, from a broader perspective, Africa requires greater integration and harmonisation. This is essential to attract large flows of capital from institutional and foreign investors, who may otherwise focus on a single market, such as South Africa, while overlooking others with equally significant financing needs, particularly in sustainability-related sectors.

### Looking ahead, do you see the current global instability as a setback or an opportunity to reposition Africa as a destination for sustainable and impact-driven investments?

I tend to agree with the view often attributed

to Warren Buffett: when others are fearful, opportunities arise. This environment presents Africa with a significant opportunity to accelerate industrialisation and strengthen its position as a global trade player. The African Continental Free Trade Area (AfCFTA) agreement has been signed and is gradually taking shape. It offers the potential to catalyse both intra-African and global trade.

Importantly, this must be done in a way that is sustainable, both environmentally and socially. A large share of Africa's population remains outside urban areas, living in close interaction with natural systems and therefore highly exposed to climate-related risks.

Issues such as drought resilience, water supply and infrastructure are critical. For example, Johannesburg, where our exchange is based, is a water-scarce city, highlighting the urgency of such challenges.

Many of the continent's issues are closely linked to both environmental and social factors. As Africa works to reduce poverty and unemployment, there is an opportunity to undertake a process of internal reflection, strengthen regional integration, and enhance its role in global trade.

Geopolitical shifts also create new dynamics. Shipping routes are being reconsidered, with the Cape of Good Hope gaining renewed strategic importance. At the same time, assets such as the Suez Canal and projects like the Grand Ethiopian Renaissance Dam illustrate the interconnected nature of infrastructure, energy and regional development.

While complexities remain, the priorities for sustainable finance are clear: deeper integration within Africa, and a stronger positioning of the continent as a credible and influential participant in global trade.

## The next growth phase is likely to be driven by transition finance.



“

**Digitalisation  
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**Kenneth Matomola,**  
Chairperson of CISNA & CEO, Namibia Financial  
Institutions Supervisory Authority

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Chairperson of CISNA & CEO, Namibia Financial Institutions Supervisory Authority

## “The region must demonstrate that effective mechanisms to combat financial crime are in place”

The first Bi-Annual Meetings of the Committee of Insurance, Securities and Non-Banking Financial Authorities (CISNA) were hosted by the Financial Services Commission in Mauritius from 30 March to 1 April. Regional regulators were convened to advance the harmonisation of non-bank financial frameworks across the Southern African Development Community (SADC). In this interview with Bizweek Africa, Kenneth Matomola, Chairperson of CISNA and CEO of the Namibia Financial Institutions Supervisory Authority, speaks on the complexities of aligning national legislation with regional model laws, the importance of monitoring progress to ensure inclusive financial development, and the urgency of addressing AML/CFT and Fintech risks. He also outlines his priorities to deepen regulatory cooperation and highlights the growing role of Mauritius as a platform for regional dialogue and capacity-building in the financial sector.

K.V.

**CISNA has been instrumental in advancing the harmonisation of non-bank financial regulation, including the development of model laws. What are the main challenges member states face in adopting and implementing these frameworks at the national level?**

As you know, each country has its own unique way in which laws are made. They are passed through national structures such as Parliament, and therefore, it takes a bit longer to pass those laws. But ideally, all countries have agreed to ensure that their laws are aligned with best practices. That makes it easier to overcome those challenges, while taking into account the national specificities of each country.

**The decisions taken during these bi-annual meetings are ultimately elevated to the SADC Committee of Ministers and can become binding benchmarks across the region. How do you assess the potential impact of this year's deliberations on financial inclusion and market stability across SADC?**

The purpose of the regulations is to ensure the stability and soundness of financial institutions

within the region. To achieve this, there is a need for monitoring and evaluation matrices so that progress can be tracked, because not all countries are at the same level of development. Some markets are more developed, while others are not. We do not want to leave anyone behind, so we need to come up with a mechanism. We are doing this through the assistance of the SADC Secretariat. At today's meeting (Editor's Note: 1st April), we will also discuss how far this matrix has been developed and how far we are in terms of adopting these model laws, because they have already been agreed upon at SADC and at the ministers' level.

**This meeting marks the active engagement of newly established Technical Committees covering areas such as Fintech, Sustainable Finance, and AML/CFT. In your view, which of these areas poses the most urgent regulatory challenge for the region today, and why?**

The two most urgent areas are, first, the AML/CFT Technical Committee, because we have seen that many countries in our region have been placed on the grey list, while some have exited it, and more mutual evaluations will still be taking place in the near future. Therefore, the region must demonstrate that effective mechanisms to combat financial crime are in place. This working group collaborates with ESAAMLG to ensure that we are ready to combat financial crime.

The second very important area is Fintech, especially as we move further into the digital world. Digitalisation is here, and there are risks associated with it. The Fintech working group is therefore crucial to ensure that we are able to manage the cyber risks and other risks associated with digitalisation.

**As Chairperson, what are your key priorities for CISNA over the next cycle, particularly in terms of deepening collaboration among regulators and responding to rapid changes such as digitalisation and evolving financial risks?**

As Chairperson, my role is to ensure that I coordinate with colleagues within the region so that no one is left out and everyone is involved, because there is so much we can learn from each other. A lot is happening in different jurisdictions, but we need to coordinate that and elevate it to the regional level.

My view is that I will continue engaging with my peers to support the work of CISNA and to bring synergies, because together, as a team, we can do much more. It is through this that we can change the narrative, change how the subcontinent is viewed, and ultimately ensure that the region influences global standards, so that we become a voice in setting standards for the financial sector.



**With Mauritius hosting both the CISNA Secretariat and these high-level meetings, how does this positioning contribute to strengthening regional cooperation and reinforcing Mauritius' role as a financial centre within SADC?**

I think Mauritius has taken a very bold step in hosting the CISNA Secretariat. Hosting these events helps create closer dialogue between the Mauritian authorities and other member authorities. It allows them to tap into what the continent can offer.

This can also be used in such a way that there could be partnerships, with joint capacity-building initiatives carried out together by the Mauritian authorities and CISNA. In that way, we can deepen collaboration and also strengthen Mauritius' position as a financial hub for the region.

CISNA

# Harmonising the financial regulatory frameworks for non-banking financial institutions across the SADC region



The first Bi-Annual Meetings of CISNA were convened in Mauritius from 30 March to 1 April for regulators from across Southern Africa to take stock of the progress in how non-bank financial systems are governed across the region. From harmonised laws to emerging priorities such as Fintech and sustainable finance, discussions in Ebene highlighted a gradual shift towards more integrated and resilient financial markets.

The First Bi-Annual Meetings of the Committee of Insurance, Securities and Non-Banking Financial Authorities (CISNA) were hosted in Mauritius from 30 March to 1 April 2026. Regulators from 14 SADC countries and 26 member authorities were present. At stake was nothing less than the harmonisation of financial rules governing insurance, pensions, capital markets and microfinance across a region of more than 360 million people.

## Building the regulatory backbone of Africa

For Kenneth Simataa Matomola, Chairperson of CISNA, the importance of the gathering lies in its collective momentum. *“Over the first two days of our programme, the three subcommittees and six working groups convened for detailed discussions on key projects and regional initiatives,”* he said at the opening ceremony. *“These sessions offered a vital platform for exchange of views, sharing experiences, and advancing collaborative solutions to strengthening the non-banking financial sector in the region.”*

What may appear as technical exchanges are, in reality, the building blocks of a continental ambition: creating a coherent, stable and trusted financial ecosystem across borders. CISNA, established under the SADC Protocol on Finance and Investment, is one of the region’s most strategic but least visible institutions. Its mandate of harmonising regulatory and supervisory

frameworks places it at the heart of Africa’s financial integration agenda.

As Kenneth Matomola reminded delegates, the vision is that of *“a financially stable region with harmonised regulatory and supervisory frameworks for non-banking financial institutions.”*

Four years into its current strategic plan, CISNA is beginning to show measurable progress. *“Our efforts have yielded positive results,”* Chairperson Matomola noted. *“Significant achievements have been made in areas of legal framework harmonisation, while moderate progress has been recorded in market development and capacity building.”*

**Significant achievements have been made in areas of legal framework harmonisation, while moderate progress has been recorded in market development and capacity building.**

The distinction is telling. While laws and model frameworks can be aligned within defined timelines, building markets and strengthening institutional capacity is a longer-term endeavour, particularly across economies with differing levels of development. Yet, the direction of travel is clear: a gradual convergence towards shared standards that can unlock cross-border investment, deepen capital markets and improve financial inclusion.

## AML/CFT signals a shift

This year’s meetings also reflect the changing nature of financial systems across Africa. The introduction of technical committees on sustainable finance, Fintech, consumer protection and AML/CFT signals a shift from traditional regulatory concerns to forward-looking priorities.

These themes mirror broader continental dynamics, where digital financial services are expanding rapidly, climate finance is gaining urgency, and regulators are under increasing pressure to balance innovation with stability.

By hosting the CISNA Secretariat, Mauritius has positioned itself as an institutional anchor for regional financial governance. This position was further reinforced in October 2025, when the Financial Services Commission was granted a permanent seat on the CISNA Governance Council with full voting rights. *“This decision recognises the important role of the host country and enhances continuity and transparency in our decision-making process,”* Kenneth Matomola emphasised.

For Mauritius, this is both a responsibility and an opportunity, strengthening its positioning as a bridge between African markets and international capital.

## Managing transition, sustaining momentum

The meetings also took place against a backdrop of internal transition within the CISNA Secretariat, following the departure of key senior officials. While acknowledging operational challenges, the chairperson struck a pragmatic tone: *“The Secretariat continues to function effectively, although less optimally.”* With a new Secretary-General set to assume office on 14 April 2026, and additional managerial appointments finalised, the organisation appears poised to regain full operational capacity.

Beyond structures, strategies and governance, the CISNA project ultimately rests on collaboration between regulators, institutions and countries. *“Never doubt that a small group of thoughtful, committed people can change the world. Indeed, it is the only thing that ever has,”* Kenneth Matomola reminded those present in his address at the first Bi-Annual Conference.

**Aivo Andrianarivelo,**  
Gouverneur de la Banque centrale de Madagascar

## “Sans données fiables, les économies insulaires resteront des zones à risque pour les investisseurs ”

Dans un entretien accordé à Bizweek Africa, le gouverneur de la Banque centrale de Madagascar, Aivo Andrianarivelo, revient sur les prérequis nécessaires à la construction d'un marché crédible de la finance durable dans les économies insulaires, en particulier à Madagascar. L'échange porte aussi sur l'intégration des risques climatiques dans l'action des banques centrales, sur les effets des tensions géopolitiques internationales et sur les attentes du secteur privé face au nouveau contexte politique malgache. Entre déficit de données, poids de l'informel et dépendance énergétique, les enjeux sont multiples. Le gouverneur était de passage à Maurice dans le cadre d'une conférence sur la finance durable organisée par l'International Finance Corporation, à Port-Louis, le 7 avril.



**Dans le contexte des économies insulaires comme Madagascar, quels sont les prérequis essentiels pour bâtir un marché crédible de la finance durable?**

Il faudrait instaurer la confiance. Or, la confiance ne s'obtient pas automatiquement. Bien sûr, la visibilité est essentielle. À ce titre, il est indispensable de disposer de données économiques crédibles afin que les investisseurs, avant même de s'engager dans ces pays insulaires, puissent en appréhender l'environnement. Ils doivent avoir une connaissance précise de la situation économique, car en l'absence de données fiables, ces pays, comme Madagascar d'ailleurs, sont systématiquement classés en zone à risque par les investisseurs. Et si rien n'est entrepris pour sortir de ce cercle vicieux, il sera difficile d'attirer des investisseurs étrangers.

Je pense également que le cas de Madagascar n'est pas isolé. Maurice a déjà engagé certaines réformes et attire aujourd'hui des flux importants de capitaux. L'environnement économique y est jugé fiable, ce qui constitue une avancée notable pour l'île Maurice. C'est un exemple que nous devrions suivre à Madagascar.

Bien sûr, dans le contexte de l'océan Indien, Madagascar est le plus vaste territoire, mais aussi celui qui est le moins doté en matière de technologies, d'accès à Internet et d'infrastructures numériques. Néanmoins, les efforts entrepris par la Banque centrale actuelle visent précisément à développer des taxonomies et à renforcer la collecte de données. Nous avons notamment lancé un projet de monographie régionale afin de couvrir l'ensemble du territoire et de recueillir des données fiables à l'échelle nationale.

# Le pétrole se fait rare, et toute ressource qui se raréfie finit, in fine, par devenir plus coûteuse



Cependant, quelles que soient les données collectées, cela ne suffit pas. Il est également nécessaire de disposer d'un environnement financier solide, d'une inclusion financière effective, ainsi que d'institutions en lesquelles la population et les investisseurs puissent avoir confiance.

C'est dans cette optique que j'ai évoqué précédemment le fait que 60 % de nos entreprises productives évoluent encore dans l'informel. Dès lors, plusieurs conditions doivent être réunies : premièrement, leur formalisation ; deuxièmement, la crédibilité des dirigeants, qui doivent démontrer leur capacité à porter et à développer des projets ; et troisièmement, l'existence d'un véritable marché.

Ces trois composantes, ces trois piliers, pourraient constituer un levier déterminant pour les entreprises et pour l'économie malgache. En effet, comme l'a souligné le vice-gouverneur de la Banque de Maurice, il est essentiel que ces entreprises, une fois financées, génèrent un impact réel sur l'économie. C'est là tout l'enjeu de cette démarche.

## **Quel rôle les banques centrales doivent-elles jouer dans l'intégration des risques climatiques au sein de la politique monétaire et de la stabilité financière ?**

Je pense avant tout que nous devons agir comme un levier. Les banques centrales ne peuvent pas se comporter comme des acteurs directement opérationnels ; elles doivent plutôt jouer un rôle d'impulsion, d'activation. C'est là leur mission fondamentale. Il est également essentiel

d'intégrer les enjeux liés au changement climatique dans nos analyses de politique monétaire. C'est sur ces deux volets que nous intervenons : d'une part, en intégrant l'impact du changement climatique dans nos données macroéconomiques ; d'autre part, en facilitant cette intégration. C'est dans cette perspective que j'ai évoqué la mise en place de deux fonds de garantie destinés à atténuer les risques, à soutenir et à accompagner les entreprises malgaches.

## **Dans un contexte international marqué par des tensions géopolitiques, notamment au Moyen-Orient, comment ces chocs externes affectent-ils la stabilité macroéconomique et les capacités de financement des économies insulaires ?**

Évidemment, la guerre en Ukraine a déjà eu un impact significatif, dans la mesure où une part importante des approvisionnements de l'Afrique provient de la Russie ou de l'Ukraine, ou transitent par ces pays.

À cela s'ajoutent les tensions dans le Golfe et au niveau du détroit d'Hormuz, qui affectent directement le secteur énergétique. Nous subissons donc un double impact lié à des conflits qui ne nous concernent pas directement. C'est là tout le problème, et c'est pourquoi l'Afrique doit impérativement renforcer sa résilience afin d'atténuer les effets de ces crises.

Pour Madagascar en particulier, nous avons encore l'avantage que nos approvisionnements ne transitent pas directement par le détroit d'Hormuz, mais se situent à sa périphérie. Toutefois, un

ralentissement ou un arrêt de la production dans les pays riverains de ce détroit aurait inévitablement des répercussions sur les approvisionnements. Le pétrole se fait rare, et toute ressource qui se raréfie finit, in fine, par devenir plus coûteuse.

Ce phénomène n'est pas isolé : l'ensemble des produits pétroliers est appelé à renchérir, avec des effets en cascade sur l'économie. Si ces impacts ne sont pas encore pleinement visibles aujourd'hui, ils le seront inévitablement demain.

## **Madagascar connaît un nouveau contexte politique. Quelle est, selon vous, la situation du point de vue économique ?**

Pour l'instant, le secteur privé reste dans l'expectative. Comme vous le savez, lors de la formation du premier gouvernement, le Premier ministre avait posé les bases de la politique de développement de l'État.

Aujourd'hui, avec l'arrivée et l'installation d'un nouveau Premier ministre, la population, comme les acteurs économiques, attendent des signaux clairs. Ce nouveau gouvernement modifiera-t-il certaines orientations, ou s'inscrira-t-il dans la continuité de la politique définie en octobre ? À titre personnel, je ne peux préjuger des décisions à venir. Toutefois, il me semble que la politique de l'État devrait s'inscrire dans une logique de continuité plutôt que de rupture. Dans la mesure où il s'agit du même régime politique, le nouveau Premier ministre devrait privilégier la poursuite et le renforcement des actions déjà engagées par le précédent gouvernement.

# Africa Economic Compass: MCB assesses Middle East conflict's impact on sub-Saharan Africa



The MCB Group Ltd has launched the inaugural edition of its Africa Economic Compass, introducing a new flagship publication as part of a broader overhaul of its economic research output. The initiative is designed to deliver more structured, coherent and accessible insights into regional and global economic dynamics, at a time when external shocks are increasingly shaping Africa's outlook.

The first edition is set against a backdrop of heightened geopolitical tensions in the Middle East and provides a detailed assessment of their potential spillover effects on sub-Saharan Africa. According to MCB's analysis, the conflict could have three principal consequences for the region: a slowdown in growth – initially projected at around 4.5 per cent in 2026 in line with IMF forecasts – renewed inflationary pressures in economies where food and energy weigh heavily in consumption baskets, and increased currency volatility amid persistently tight global financial conditions. These

risks have been amplified by sharp movements in oil prices, with Brent crude briefly approaching \$120 per barrel before easing below \$100 following the announcement of a temporary ceasefire.

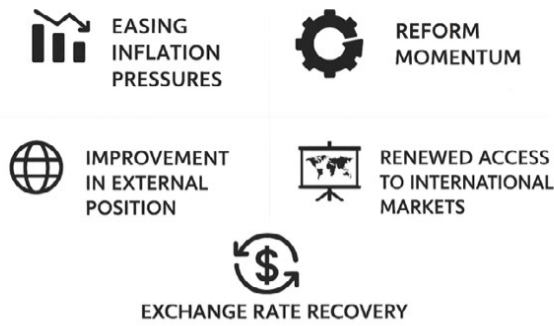
To deepen its assessment of these vulnerabilities, MCB's economic research team has developed a proprietary analytical tool, the Macroeconomic Pressure Index (MePI), which tracks underlying macroeconomic stress across African economies. The index integrates indicators related to growth, public finances, external balances and debt dynamics, enabling country-level evaluations based on domestic fundamentals. This approach provides a more nuanced and forward-looking view of risks, positioning the MePI as a practical decision-making tool in an increasingly volatile environment.

The publication also offers a granular analysis of the continent through dedicated case studies on Egypt, Nigeria and Kenya, illustrating the diversity of economic trajectories and vulnerabilities

across key markets. In addition, it includes a thematic chapter on the transformation of cross-border payments in Africa – an ecosystem undergoing rapid change driven by digitalisation and new payment systems, with flows expected to grow by around 10 per cent annually over the next five years.

Through the Africa Economic Compass, MCB reaffirms its ambition to provide rigorous, data-driven and forward-looking analysis to inform stakeholders engaged on the continent. As Vicky Hurynag, Head of Strategy, Research & Development, notes, in a more fragmented and uncertain global environment, robust and data-led insights are essential to understanding African dynamics and identifying opportunities despite volatility. The report is the product of a coordinated effort by the bank's economic research team, which combines continuous monitoring of macroeconomic trends, financial markets and structural shifts with model-based analysis to strengthen understanding of Africa's evolving economic landscape.

**Africa entered this year in a stronger position....**



**...but the Israel-Iran war could disrupt momentum via these channels**

| Energy Channel           | Trade & Logistics                | Financial Conditions     | Policy & Macro Impact       |
|--------------------------|----------------------------------|--------------------------|-----------------------------|
| Higher oil prices        | Higher freight & insurance costs | Wider sovereign spreads  | Higher inflation pressures  |
| Energy price volatility  | Supply chain delays              | Reduced capital inflows  | Currency depreciation risks |
| Rising fuel import bills | Higher import costs              | Tighter global liquidity | Slower monetary easing      |

**AFRICA'S FIRMER MACRO FOOTING IS BEING TESTED BY THE RAMIFICATIONS OF THE IRAN WAR**

African economies entered 2026 on comparatively stronger macroeconomic footing, with inflation beginning to moderate in several countries, external balances improving and a number of frontier markets regaining access to international capital markets. However, the recent escalation of tensions in the Middle East has introduced a fresh layer of uncertainty to the global outlook at a time when markets had begun to anticipate a gradual shift towards monetary easing. Oil markets reacted swiftly, with Brent crude briefly peaking close to USD 120 per barrel. At the time of writing, prices have retreated below USD 100 following the announcement of a temporary ceasefire, though volatility remains elevated.

For Africa, the ongoing war is most likely to materialise as an adverse terms-of-trade shock transmitted primarily through higher energy prices. While many Sub-Saharan African economies enter this episode with stronger macro buffers and are better placed to absorb a period of elevated oil prices and a firmer US dollar, structural vulnerabilities remain. The region's heavy reliance on imported refined fuel - much of it sourced from the Gulf - means that higher oil prices could worsen trade balances, raise fuel import bills and slow the ongoing disinflation process across the region's many net oil-importing economies. Early policy responses are already emerging, as governments move to manage the immediate inflationary and fiscal impact of higher fuel costs. South Africa and Egypt have both allowed fuel prices to rise while Ethiopia has relied on

fuel subsidies and authorities in Mozambique have committed to keeping retail fuel prices unchanged until the end of April given that they have enough reserves. Meanwhile, Madagascar has declared a 15 day national state of energy emergency in response to mounting energy supply constraints. Beyond these direct effects, heightened geopolitical uncertainty could weigh on global risk appetite, potentially widening sovereign spreads, increasing capital flow volatility and renewing pressure on regional currencies. Indirect spillovers could also emerge if higher energy costs begin to slow activity in key partner economies, weighing on demand for African exports, while rising airfares are already signalling emerging pressure on tourism flows. Moreover, supply chain disruptions and higher fertiliser costs could aggravate the region's vulnerabilities.

**THE WAR IS SET TO HAMPER THE THE REGION'S ECONOMIC GROWTH OUTLOOK**

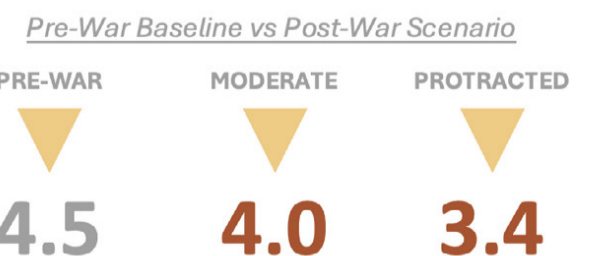
Prior to the onset of the war, we expected the Sub-Saharan African region to grow at 4.5% in 2026 – broadly in line with the IMF's January 2026 WEO forecast of 4.6% - under our assumption of Brent crude averaging around USD 60-62/barrel. As previously stressed, the escalation represents an external shock for the region, notably through higher and more volatile energy prices and a deterioration in global financial conditions, thus exacerbating pressures on growth, external balances and currencies in more vulnerable economies. In recent years, Gulf economies have strengthened their economic footprint driven by growing investment and remittance flows. These inflows have supported infrastructure development, energy projects and external financing across several African economies, particularly in North and East Africa. The onset of the Iran war, however, raises the risk of delays or reprioritisation of some Gulf backed

investments, while weaker remittance flows could weigh on consumption in countries with strong financial ties to the region, such as Egypt and Kenya. That said, the impact of the war is likely to be uneven. Economies operating under fixed exchange rate regimes, such as those in the CFA franc zone, are likely to experience a more contained short term inflation pass through, while commodity exporters may benefit from higher energy prices, partially offsetting the broader regional drag. Given the volatile and highly uncertain nature of the situation, we have adopted a scenario based approach to assess how a sustained oil price shock could affect Sub Saharan Africa's growth trajectory relative to the pre escalation baseline. This allows us to distinguish between temporary volatility and a more persistent shock, and to capture the uneven impact across economies with differing energy exposure, exchange rate regimes and external financing structures. We present our forecasts for SSA's growth under two scenarios: one in which the conflict results in moderate disruptions, and another where disruptions are more extensive and last longer.



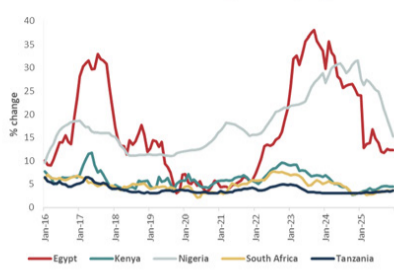
| Scenario        | Key Assumptions  | Brent Price Outlook   |
|-----------------|--|---|
| Moderate case   | <ul style="list-style-type: none"> <li>Negotiations progress gradually and a resolution is reached between late April and mid-May</li> <li>Only a partial normalisation of traffic in Strait of Hormuz, with flows remaining below pre-war levels</li> <li>Shipping cost remain elevated</li> </ul>                                    | <ul style="list-style-type: none"> <li>Crude oil risk premium to remain high even after flows resume, reflecting supply and tanker-route uncertainty</li> <li>2026 average: USD 80- 85/bbl</li> </ul> |
| Protracted case | <ul style="list-style-type: none"> <li>Ceasefire talks collapse, triggering a resumption of hostilities until late September to early October, with economic disruptions extending through end-2026</li> <li>Significant damage to energy infrastructure</li> <li>Sustained disruptions to maritime flows and supply chains</li> </ul> | <ul style="list-style-type: none"> <li>Brent to remain in triple-digit territory through 2026</li> <li>2026 average: Around USD 120/bbl</li> </ul>  |

**SSA GDP Growth (%), 2026**



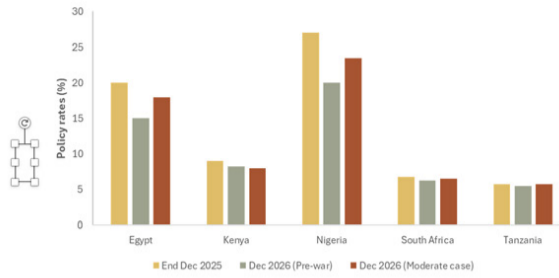
Source: MCB Research

Disinflation was underway across main markets, but renewed risks are likely to slow progress

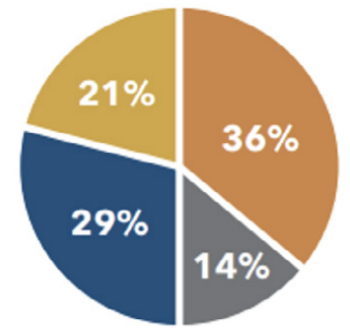


Sources: MCB Research, IMF, Bloomberg and UNCTAD

... with war-related spillovers likely to slow the pace of rate cuts



## The sub-Saharan Africa's consumer price index

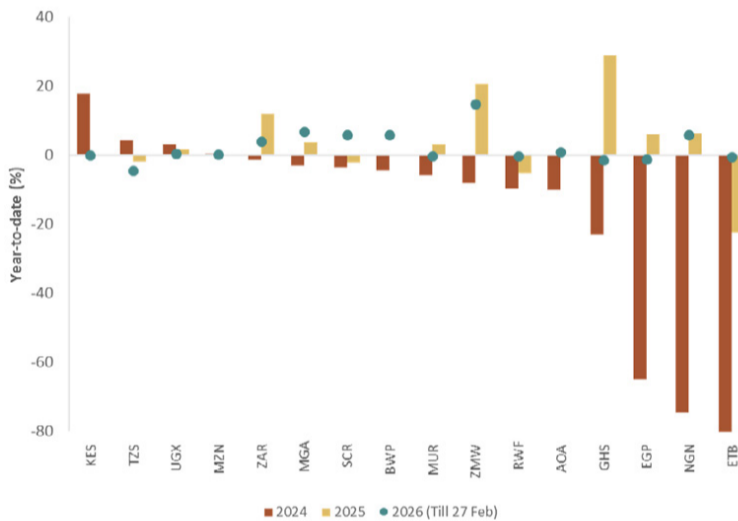


## RISING INFLATION PRESSURES

Geopolitical tensions are reshaping Africa's inflation outlook, with tanker freight rates climbing sharply and insurance costs rising as war risk premia for vessels transiting the Persian Gulf increased. Fertiliser prices are also rising amidst supply disruptions in the Strait of Hormuz, through which around one-third of the global seaborne fertiliser trade passes. This is likely to impact costs in agriculture, particularly in East African economies such as Tanzania,

Kenya and Mozambique, which rely heavily on imports of fertilisers from the Gulf region. While recent IMF estimates suggest that a 10% increase in oil prices raises global headline inflation by around 0.4 percentage points, the impact in Sub-Saharan Africa is likely to be significantly larger given the structure of consumption, where food and energy account for roughly 50% of the CPI basket, allowing for faster and stronger pass-through. Overall, this could slow or partially reverse the disinflation process and prompt central banks to proceed

more cautiously with monetary easing. Should the conflict be prolonged, central banks will be faced with a delicate balancing act regarding policy direction, with interest rates hikes possible to prevent inflationary pressures from becoming entrenched.



Note: YTD changes are expressed against the USD. Negative values denote depreciation against the USD, while positive values indicate appreciation

Sources: MCB Research and Bloomberg

## PRE-CONFLICT: SUPPORTIVE ENVIRONMENT FOR AFRICAN FX

African currencies broadly held firm against the USD since the start of the year, benefiting from a softer dollar backdrop. This external tailwind was reinforced by domestic policy measures, with earlier monetary tightening helping to ease inflation, while stronger FX reserve buffers and ongoing reform efforts have further helped to anchor currency stability. In parallel, steady remittance inflows and resilient commodity export revenues improved FX liquidity in a number of markets, supporting a gradual return of portfolio and foreign direct investment. As a result, currencies such as the Kenyan shilling, Ghanaian cedi and Nigerian naira have shown signs of stabilisation.

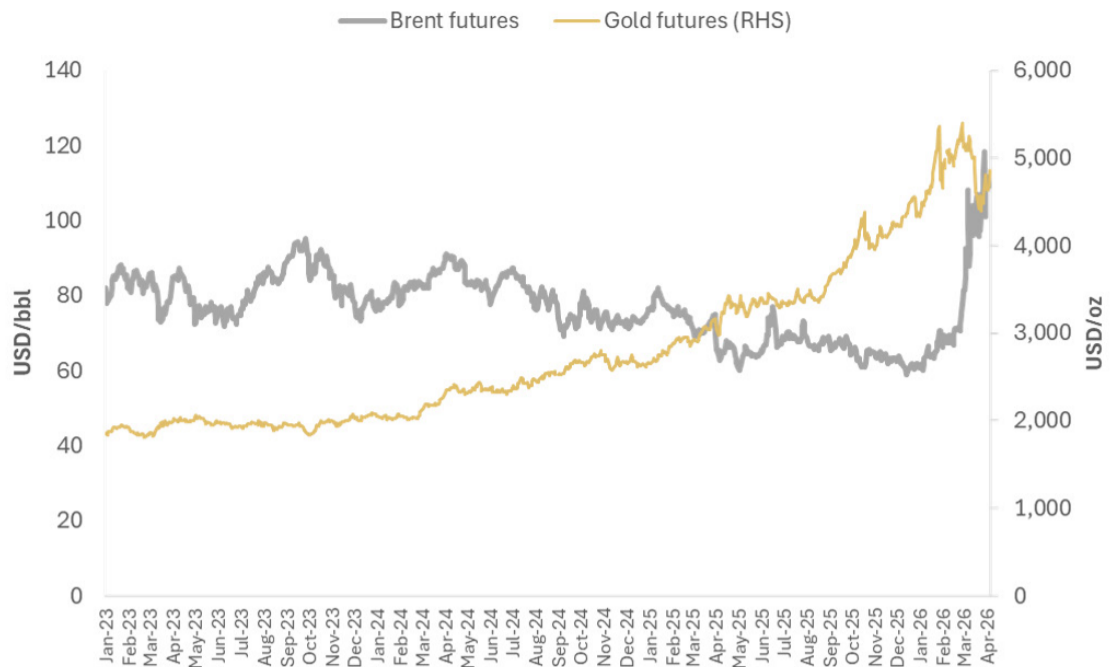
## POST CONFLICT: HIGHER OIL PRICES AND RISK AVERSION SHIFTING AFRICAN FX DYNAMICS

As the war unfolds, African currencies are already coming under pressure. Under our moderate case, we see African currencies facing short-term volatility, with pressures expected to eventually ease. However, in our protracted case, we expect a more sustained and broad-based depreciation, as outlined in the table below.

| Currency                 | Macro context   | Pre-war prognosis  | Protracted case  |
|--------------------------|---|--|--|
| Egyptian Pound (EGP)     | <ul style="list-style-type: none"> <li>Large external financing needs</li> <li>Reliant on Suez Canal revenues, tourism and Gulf financing</li> </ul>                            | <ul style="list-style-type: none"> <li>EGP to gradually gain from higher tourism, remittance flows and normalisation of Suez canal traffic</li> </ul>      | <ul style="list-style-type: none"> <li>EGP to face depreciation pressure given proximity to the war and threat to FX sources</li> </ul>                                  |
| Kenyan Shilling (KES)    | <ul style="list-style-type: none"> <li>Heavy fuel import dependence on Middle East</li> <li>FX reserves at supportive levels</li> <li>High external debt obligations</li> </ul> | <ul style="list-style-type: none"> <li>KES to remain stable on improving diaspora remittances and foreign participation in LCY government bonds</li> </ul> | <ul style="list-style-type: none"> <li>KES to weaken moderately as higher fuel import costs widen the current account deficit and risk sentiment deteriorates</li> </ul> |
| South African Rand (ZAR) | <ul style="list-style-type: none"> <li>Fiscal consolidation underway</li> <li>Dependent on portfolio flows</li> </ul>   | <ul style="list-style-type: none"> <li>ZAR to see gradual gains underpinned by improved reform momentum</li> </ul>   | <ul style="list-style-type: none"> <li>ZAR to remain volatile with a weakening bias amidst risk-off sentiment and capital outflows</li> </ul>                            |
| Ghanaian Cedi (GHS)      | <ul style="list-style-type: none"> <li>Notable progress on debt restructuring and IMF support</li> <li>Heavy reliance on UAE for gold market</li> </ul>                         | <ul style="list-style-type: none"> <li>GHS to remain broadly stable on improved investor confidence and support from gold price</li> </ul>                 | <ul style="list-style-type: none"> <li>GHS to see mild depreciation on the back weaker investor demand and pullback in gold prices</li> </ul>                            |
| Nigerian Naira (NGN)     | <ul style="list-style-type: none"> <li>Improved FX liquidity on the back of reforms</li> <li>Reduced refined oil imports as Dangote steps up</li> </ul>                         | <ul style="list-style-type: none"> <li>NGN to see mild appreciation on reduced import bill as Dangote increases production</li> </ul>                      | <ul style="list-style-type: none"> <li>NGN to face pressure on the back of USD strength but capped by Central Bank intervention</li> </ul>                               |
| Angolan Kwacha (AOA)     | <ul style="list-style-type: none"> <li>Subdued oil production (as existing wells mature and operational issues persist)</li> <li>FX reserves at supportive levels</li> </ul>    | <ul style="list-style-type: none"> <li>Central bank intervention to anchor AOA stability</li> </ul>  | <ul style="list-style-type: none"> <li>AOA to face mild pressure on higher import bill (country imports 80% of refined oil)</li> </ul>                                   |
| Zambian Kwacha (ZMW)     | <ul style="list-style-type: none"> <li>Copper exporter</li> <li>Progress on debt restructuring</li> </ul>   | <ul style="list-style-type: none"> <li>ZMW to stabilise following appreciation last year on supportive copper price</li> </ul>                             | <ul style="list-style-type: none"> <li>ZMW to weaken moderately as higher fuel import costs offset gains from copper exports</li> </ul>                                  |

## HIGHER COMMODITY PRICES AND THE RACE TO CRITICAL MINERALS COULD CREATE SOME WINNERS IN THE REGION

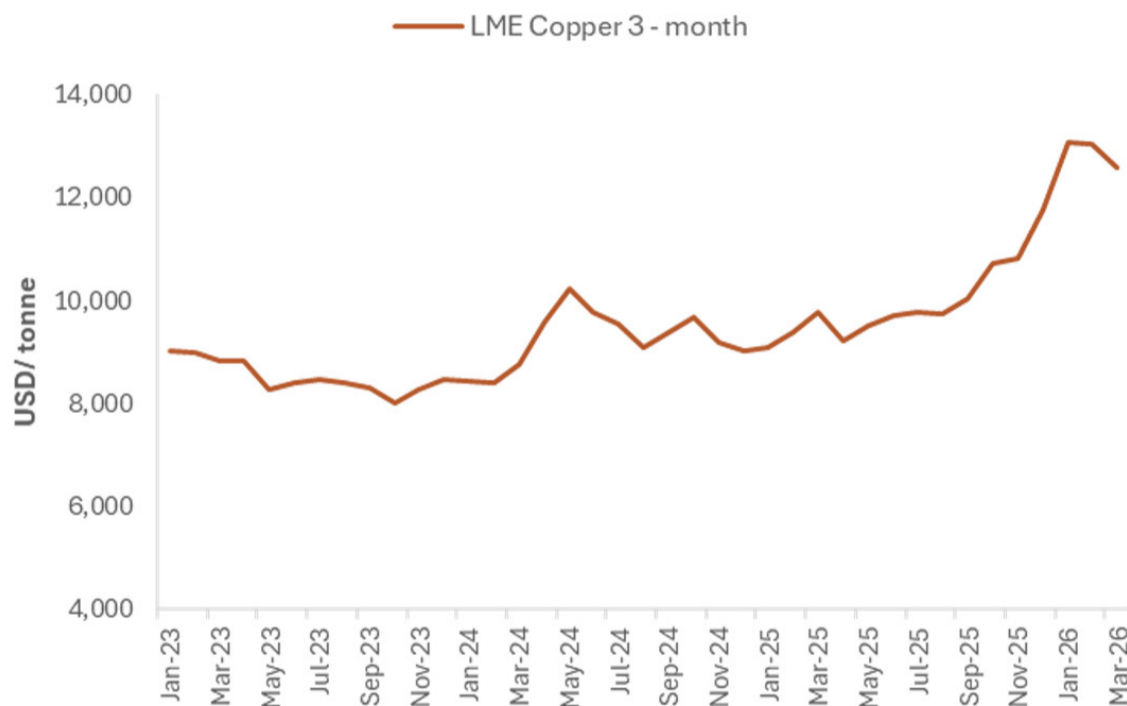
With oil prices already elevated, the near-term impact varies across African economies—supporting exporters such as Nigeria, and to a lesser extent Angola given subdued production. Dangote refinery is emerging as a regional supplier, with increased demand from African countries. Meanwhile, gold started the year at elevated levels following a sustained rally. In the immediate wake of the war, heightened volatility prompted profit taking and position trimming, resulting in a pullback in prices as some investors shifted toward liquid assets amidst a firmer US dollar. In our moderate case, we expect prices to recover gradually and settle around USD 5,500 – 6,000 by year end. This will likely support export revenues for producers such as Ghana, South Africa and Tanzania, although gains depend on domestic value retention. South Africa captures more value through its refining capacity, while Ghana



Nigeria to emerge as a regional oil supplier while gold producers gain unevenly across value chains

exports much of its artisanal output to hubs such as Dubai, and Tanzania is gradually

expanding local refining but continues to export part of its unrefined production.

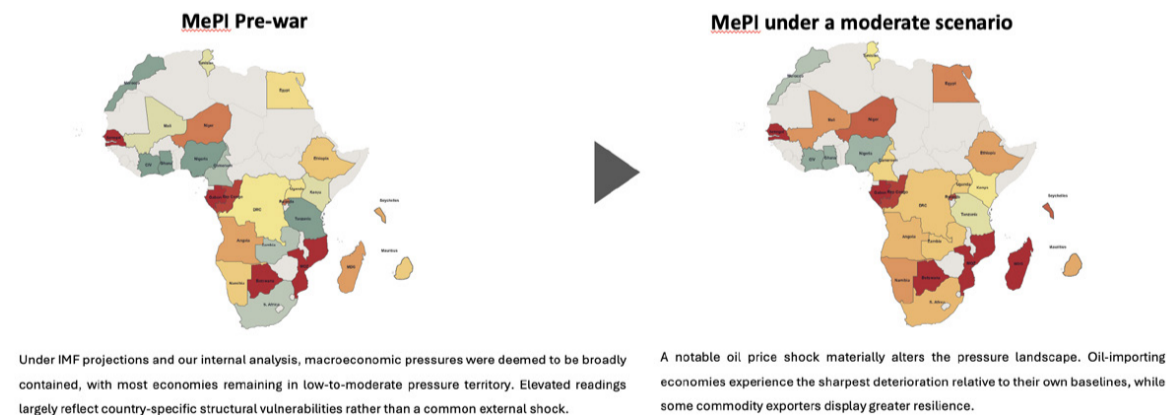


Rising copper demand to create tailwinds for the DRC and Zambia

Copper prices remain firm at around USD 12,000–12,800 per tonne, supported by tight supply and strong demand from electrification and renewable energy infrastructure projects. The London Metal Exchange forward curve also points to slightly higher prices in the coming months, signalling continued market tightness. In this context, African producers are well positioned to benefit. The DRC generates roughly 3 million tonnes annually, while Zambia produced about 890,000 tonnes in 2025 and aims to raise output to 3 million tonnes per year by 2031. Ultimately, we believe the gains will depend on producers' ability to improve mining infrastructure, expand output and strengthen local processing to retain more value domestically.

## INTRODUCING OUR MACROECONOMIC PRESSURE INDEX: A FORWARD-LOOKING TOOL FOR GAUGING THE ECONOMIC SIGNALS

In an environment marked by elevated uncertainty, multiple external shocks and persistent domestic constraints across African economies, we have developed a Macroeconomic Pressure Index (MePI) to gauge underlying macroeconomic pressures. Put simply, MePI is designed to show whether economic pressures in a country are building up or easing over time, based on that country's own underlying fundamentals. The MePI combines a set of core macroeconomic indicators - covering public finances, external balances, economic growth and debt, amongst others - into a single, standardised measure of macroeconomic pressure. The index draws on projections from the IMF's World Economic Outlook alongside our own



Under IMF projections and our internal analysis, macroeconomic pressures were deemed to be broadly contained, with most economies remaining in low-to-moderate pressure territory. Elevated readings largely reflect country-specific structural vulnerabilities rather than a common external shock.

A notable oil price shock materially alters the pressure landscape. Oil-importing economies experience the sharpest deterioration relative to their own baselines, while some commodity exporters display greater resilience.

internal analysis, and is calibrated to reflect each country's structural characteristics. This ensures that the assessment is relative to a country's own economic realities, rather than based on a one size fits all benchmark. The maps below illustrate projected MePI readings for year 2026 across

27 African economies both prior to the war and under our moderate war scenario (see page 7 for detailed assumptions). Green shaded regions denote lower-than-average pressure, yellow moderate pressure, and orange/red indicate elevated pressure.

**About Africa Economic Compass**  
Africa Economic Compass is the result of the coordinated efforts of MCB Group's economic research team. The team has recognised expertise in analysing local, regional, and international macroeconomic dynamics. It conducts continuous monitoring of sectoral developments, financial market trends, and the structural forces shaping African and global economies. Through a rigorous, data-driven approach enhanced by economic models, the team contributes to strengthening the understanding of economic challenges in an environment that is constantly evolving. If you have questions about the findings or would like to dive deeper into the data, you can reach out to our team on [research@mcigroup.com](mailto:research@mcigroup.com)

# Egypt faces increased challenges as key sources of foreign currency come under pressure

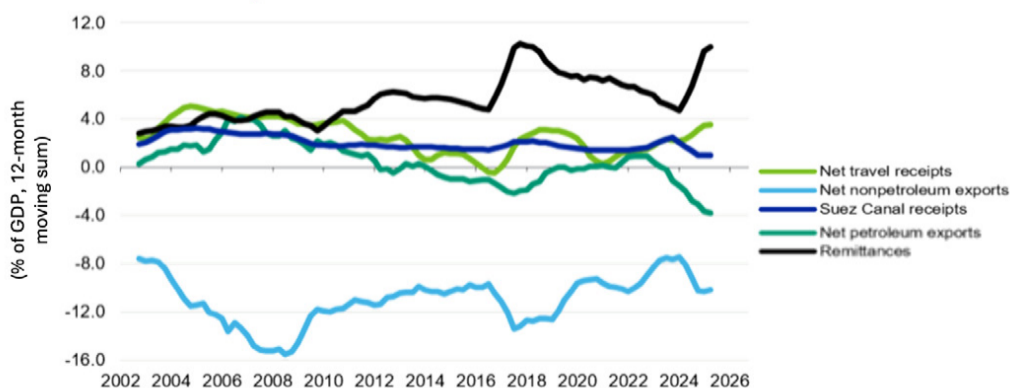


At a time when Egypt was beginning to regain macro stability following IMF-backed reforms and sizeable inflows from GCC partners, tensions in the Middle East have introduced downside risks. Since the onset of the war, the Egyptian pound weakened beyond EGP 50/USD, with roughly USD 7 billion in portfolio outflows reported, although this remains below the USD 20 billion that exited the country during the 2022 Russia-Ukraine shock. Heightened regional tensions could weigh on tourism flows and keep Suez Canal revenues subdued amidst ongoing disruptions to Red Sea shipping. While some mitigation may come from the SUMED pipeline, its capacity of around 2.5 – 2.8 million b/d means any uplift is likely to be modest and insufficient to offset weaker canal revenues.

At the time of writing, Suez Canal traffic has declined by about 50% since the war began, and if the experience of the Houthi attacks is any guide, the current conflict will keep receipts subdued. Tourism had been a bright spot, with arrivals rising by around 21% last year, but ongoing regional tension is likely to weigh on travel – both through potential travel advisories from key source markets in Europe and the Gulf and also through reduced air connectivity should current disruptions to regional air traffic persist or intensify. Remittances remain the most stable source of foreign currency, rising by 40.5% year on year in 2025, although their outlook remains closely tied to economic conditions in Gulf economies, where a large share of Egyptian expatriates are employed.

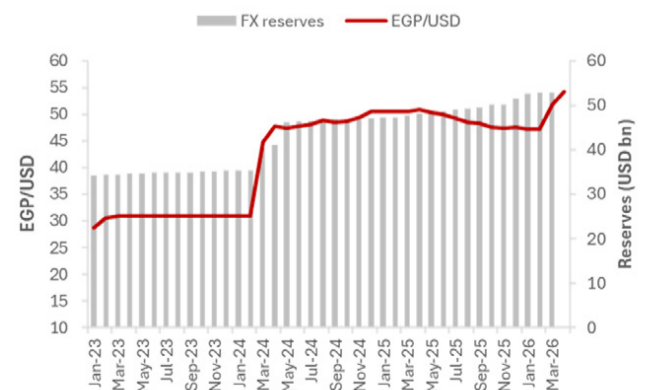
The March 2024 shift to a flexible exchange rate regime led to a sustained depreciation of the EGP, before the currency began to firm in the second half of last year as investor confidence and capital inflows improved. The pound traded largely within the EGP 47–48/USD range in 2025, but the recent conflict has reversed these gains, with the currency approaching EGP 55/USD amidst portfolio outflows. In our moderate case, sentiment could recover quickly and support a return towards pre war levels, while under a protracted scenario further depreciation is likely. Even so, with FX reserves at USD 52.7 billion - around 30% higher than at the start of the Ukraine war - the Central Bank retains sufficient buffers to manage volatility.

Top FX sources likely to face pressure amidst spillovers from the conflict



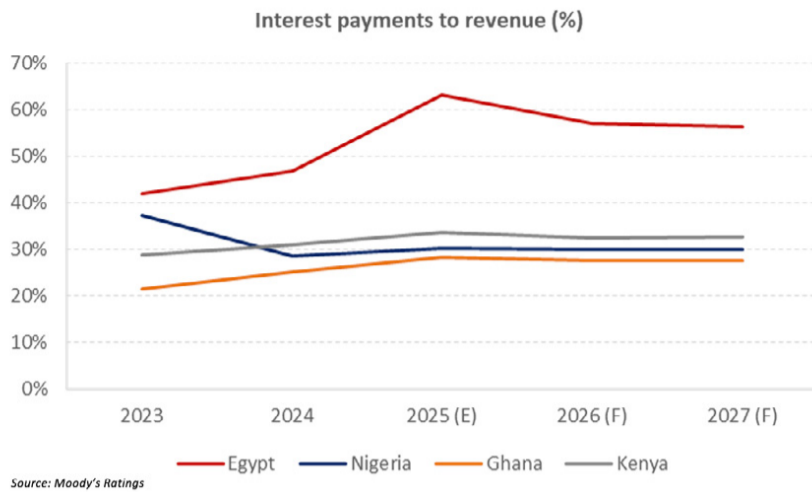
Source: Moody's Ratings

Egyptian pound to face increased depreciation risk in a scenario of sustained tensions

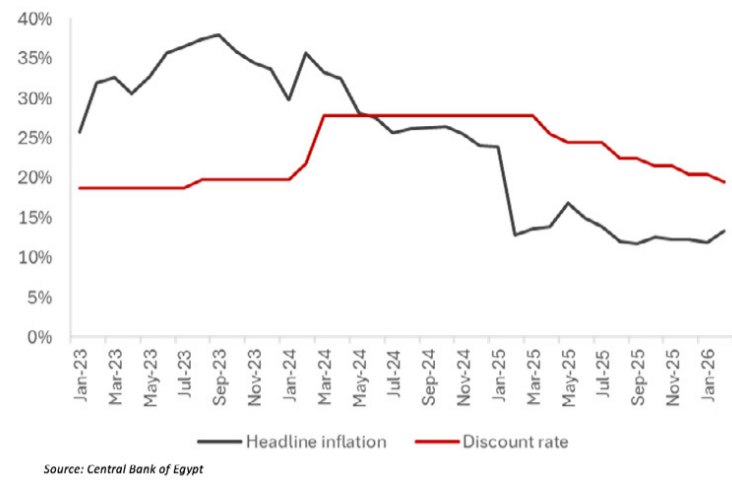


Sources: Central Bank and Bloomberg

### Egypt's interest burden continues to warrant attention



### Energy shock complicates the CBE's easing path



### WAR RELATED SPILLOVERS ALSO COMPLICATING THE DISINFLATION TREND WHILE FISCAL RISKS PERSIST

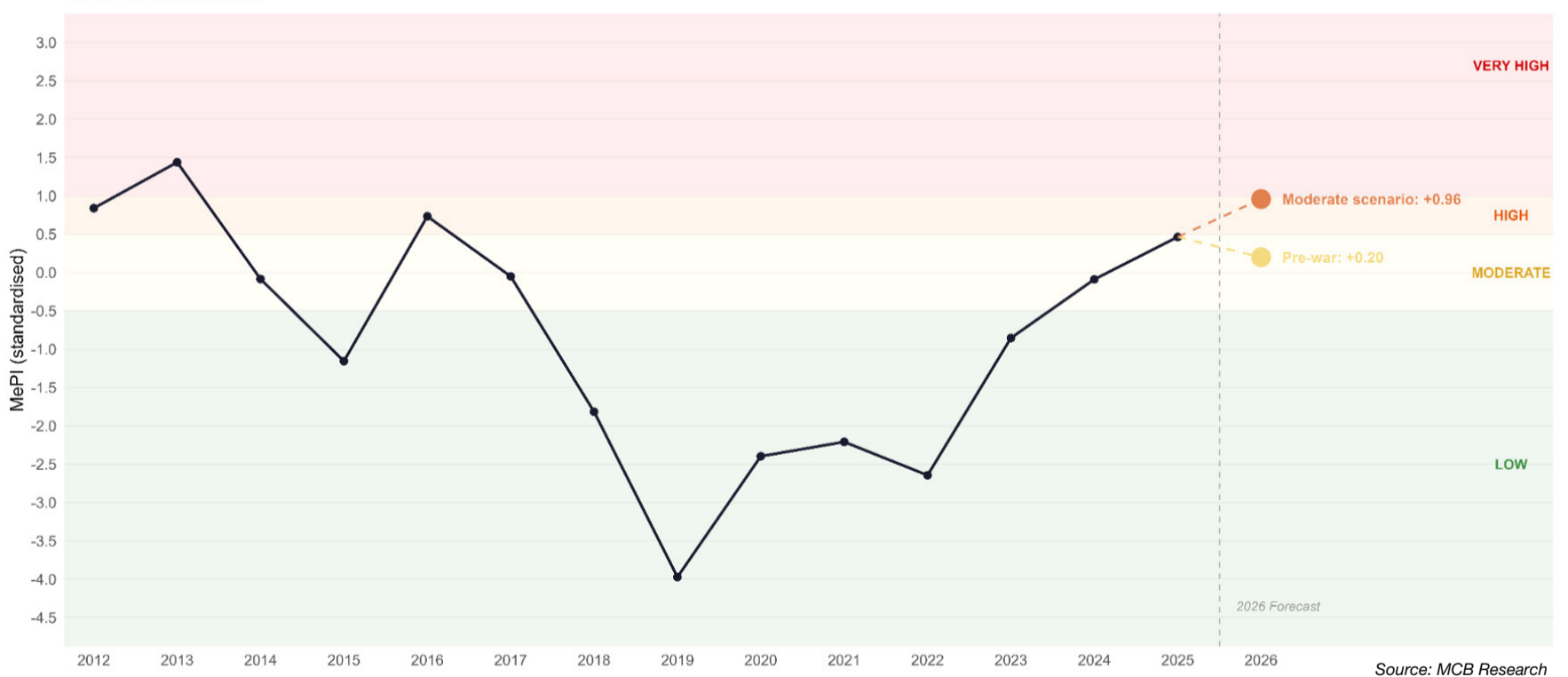
Prior to the onset of the war, Egypt's easing inflation had enabled the Central Bank of Egypt (CBE) to begin a gradual rate-cutting cycle. However, the recent surge in global energy prices may reverse this trajectory. The government has already raised domestic fuel prices by around 14–17%, citing higher oil and shipping costs, a move that could slow the pace of disinflation. Meanwhile, elevated debt-servicing costs - reflecting structurally weak revenues and the still high interest burdens - continue to weigh on Egypt's credit profile.

Inflation had been on a steady downward path prior to the recent escalation in regional tensions. Reflecting this trend, the CBE cut policy rates by 100 basis points (bp) to 19% on 12 February, and we expected the easing cycle to continue, with the policy rate reaching 15% by end 2026. However, the outlook has since shifted. Currency depreciation and rising LNG, energy, and shipping costs linked to the conflict are now expected to push inflation higher. This could delay further monetary easing and prompt the CBE to proceed more cautiously and adopt a wait and see stance. Under our moderate case, we expect a 100 bp cut in the second half of the year, bringing the policy rate to 18% by year end, as inflation pressure lingers.

While Egypt's debt-to-GDP ratio remains above 80%, the more pressing concern lies in debt affordability. The interest-to-revenue ratio - estimated at 60–70% - remains exceptionally high, reflecting a narrow revenue base, elevated domestic interest rates and reliance on short-term local-currency debt. In the current context of increased inflationary pressures, the scope for further monetary easing is likely to narrow, keeping interest rates higher for longer and limiting relief on debt-servicing costs. As a result, a meaningful improvement in debt affordability will depend largely on stronger revenue mobilisation, with a return to the 40% interest-to-revenue levels seen in 2023 unlikely over the medium term.

### Macroeconomic Pressure Index — Egypt

Pre-war vs. Moderate scenario



### RISING MACROECONOMIC PRESSURE SIGNALS

Prior to the onset of the war, Egypt's easing inflation had enabled the Central Bank of Egypt (CBE) to begin a gradual rate-cutting cycle. However, the recent surge in global energy prices may reverse this trajectory. The government has already raised domestic fuel prices by around 14–17%, citing higher oil and shipping costs, a move that could slow the pace of disinflation. Meanwhile, elevated debt-servicing costs - reflecting structurally weak revenues and the still high interest burdens - continue to weigh on Egypt's credit profile.

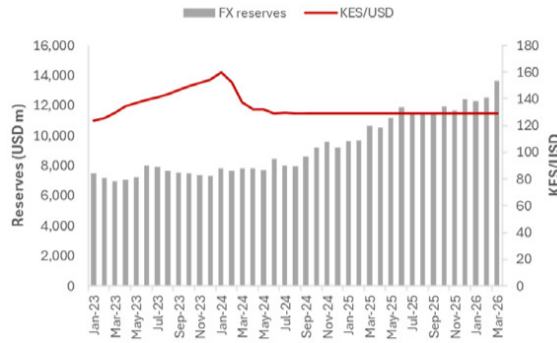
has since reintroduced significant external headwinds, tempering the near term outlook. As mentioned, disruptions to key foreign currency inflows - most notably Suez Canal receipts, alongside heightened risks to tourism and portfolio flows - are unfolding at a time when the economy remains reliant on external financing amidst a

persistent domestic savings shortfall. At the same time, recent increases in fuel and electricity prices are feeding directly into inflation, intensifying cost of living pressures and complicating macroeconomic management. While the primary balance has been kept in surplus since 2019 and revenue mobilisation

continues to improve, elevated debt servicing costs - with interest payments absorbing a large share of government revenue - continue to constrain fiscal space. Taken together, the durability of both the fiscal and external positions appears more fragile, with regional tensions likely to erode buffers further and worsen the risk profile.

# Kenya's recent stabilisation gains are being threatened by energy shocks and climate events

Kenya has moved from a period of acute refinancing stress in 2023–24, marked by Eurobond-related default fears and weak external buffers, to a more sustainable fiscal footing. Successful Eurobond refinancing and strong remittance flows have restored market access and rebuilt reserves, with Moody's upgrade to B3 in January 2026 reflecting reduced default risk and improved financing flexibility. However, the Iran–Israel conflict introduces a new risk: around 60% of Kenya's fuel imports originate from the Middle East - largely from the UAE - and attacks on energy infrastructure highlight the potential for supply disruptions and higher oil-driven inflation pressures. In addition, recent severe flooding, notably in and around Nairobi, has imposed growing economic costs through damage to transport infrastructure, disruptions to logistics and aviation and losses to businesses and households, adding near term pressure on growth, inflation and public spending needs.

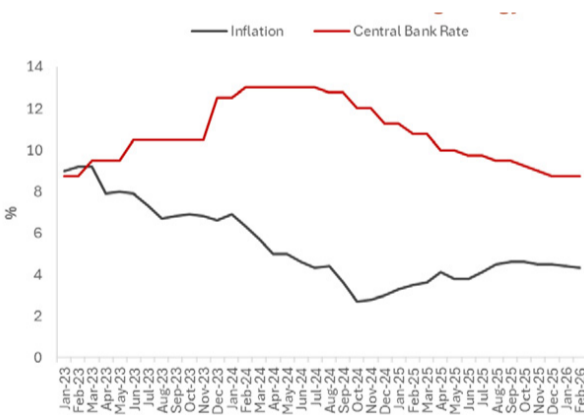


## External liquidity has strengthened, reflected in higher FX reserves and more stable exchange rate

The Kenyan shilling has traded in a relatively narrow band of KES 129.2-129.3/USD for much of 2025 following the sharp depreciation experienced in 2023. This stability reflects an improving current account position, supported by diaspora remittances alongside foreign participation in local-currency government bonds. Since the onset of the conflict, we noted a small dip in the KES towards the USD 130/USD level. In our moderate case, the KES is expected to trade around 129/USD noting that the Central Bank is in a better position to defend the currency.

are also pursuing alternative funding channels, including the Kenya Pipeline Company Privatisation and a potential diaspora bond, to broaden financing sources. However, the war-related spillover is now testing these pre war improvements, prompting the authorities to introduce measures to cushion households from the impact. In this context, the government plans to review the 16% VAT on fuel and deploy KSh 17 billion from the Fuel Stabilisation Fund, steps aimed at tempering the pass through of higher international prices. While these measures provide targeted relief, they could add pressure to an already constrained budget envelope.

In this context, the trajectory of a successor IMF programme has become increasingly important, with the authorities' inability to complete the final review of the previous arrangement—amidst domestic resistance to tax measures and the need to recalibrate consolidation—highlighting the complexity of advancing adjustment at a time when external vulnerabilities have been amplified by the conflict. Securing a renewed IMF engagement will be essential to anchor credibility as the war heightens fiscal risks and complicates the trade off between household support and consolidation, even if an agreement is unlikely to be reached prior to the 2027 elections.



## Recent moderation in inflation to reverse amidst adverse weather conditions and rising energy risks

Prior to the war, we expected around 75 bps of cumulative easing in 2026, with 25 bps already delivered in February. As the effects of the conflict and recent floods unfold, we now see headline inflation averaging slightly above the midpoint of the CBK's target range (5% ± 2.5%), with additional pressure from higher global energy prices and renewed external volatility. Given this backdrop, we see limited room for further easing this year and expect the CBK to take a cautious, data driven approach, delivering only one additional 25 bp cut towards the end of the year under our moderate case.

### Spotlight on liability management efforts

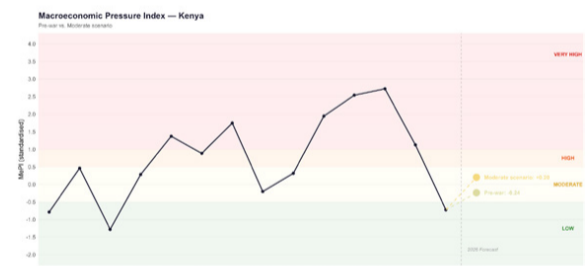
| Date     | Amount      | Purpose / Notes   |
|----------|-------------|---|
| Feb 2024 | USD 1.5 bn  | Issued to refinance part of the USD 2 billion Eurobor maturing June 2024                        |
| Feb 2025 | USD 1.5 bn  | Proceeds to buyback USD 900 m maturing in 2027  |
| Oct 2025 | USD 1.5 bn  | Aimed at buying back the USD 1 billion 2028 note  |
| Oct 2025 | USD 3.5 bn  | Chinese loan restructured from USD to Yuan, translating in an annual saving of USD 215 million  |
| Feb 2026 | USD 2.25 bn | Budget support and liability management through partial buybacks of the 2028 and 2032 Eurobonds |

External amortisation **USD 2.5 – 3.0 billion annually** over the remainder of the decade (Estimates as per Moody's Ratings)

Sources: Ministry of finance, Moody's Central Bank of Kenya and Bloomberg

## Keeping fiscal discipline and refinancing needs under scrutiny

Kenya's near-term refinancing risk has eased, reflecting proactive debt management and renewed external financing, which have strengthened liquidity and reduced immediate rollover pressures. This shift has supported investor confidence and contributed to a recent sovereign rating upgrade, marking a clear improvement from the acute refinancing concerns seen in 2023–2024. The authorities

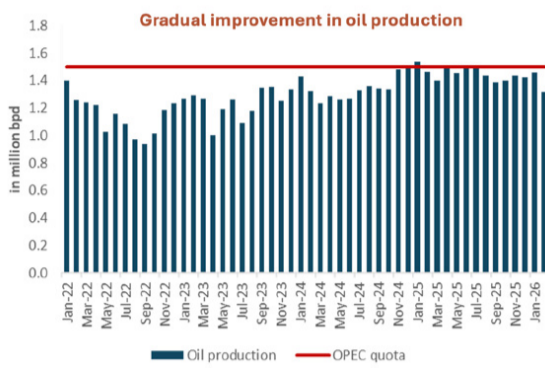


Source: MCB Research

## Macroeconomic pressures appear broadly balanced at this stage

Kenya is confronting the impact of the war from a relatively stronger position, supported by FX reserves build-up and recent liability management operations which has helped enhance fiscal dynamics. Ongoing consolidation efforts have contributed to improve the primary balance position. However, the conflict is increasingly feeding into the macro outlook, with higher fuel and fertiliser costs adding to inflationary pressures and weighing on the external position. These strains come against a backdrop of elevated amortisation needs, while measures under consideration to cushion households from war related shocks are likely to weigh on the fiscal outlook. Overall, these factors are contributing to heightened pressures, although they remain at moderate level, as gauged by the MePI.

# In Nigeria, higher oil prices & domestic refining provide near term support



Nigeria's economy is transitioning towards macroeconomic stabilisation following a decisive policy reset under President Tinubu. Exchange rate liberalisation, fuel subsidy removal and tighter monetary policy have helped restore external balance and rebuild credibility, as reflected in recent sovereign rating upgrades. Nigeria appears well-positioned from the rise in oil prices triggered by the war, as higher oil prices support export revenues while the ramp up of domestic refining - led by the Dangote refinery - reduces reliance on imported fuel and helps ease FX pressures.

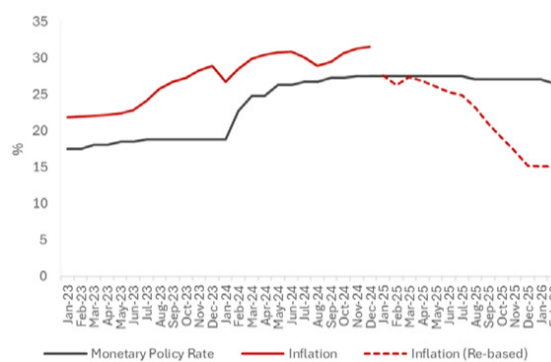
Nigeria's oil sector is showing clearer signs of normalisation after years of underperformance, supported by improved pipeline security and more stable operating conditions. As crude output gradually recovers, a more structural shift is unfolding downstream: the Dangote refinery is reducing Nigeria's dependence on imported refined fuels. Recent expansion plans reinforce this trajectory. Dangote has secured USD 750 million in agreements with partners in China and India to expand refining and petrochemical capacity over the coming years.

The recent rise in global oil prices has improved Nigeria's near term fiscal outlook, with our moderate case now assuming USD 80 – 85/barrel, above both our earlier USD 60–62/barrel view and the 2026 budget oil assumption. More recently, the Nigerian Upstream Petroleum Regulatory Commission highlighted that daily crude oil production rose above the OPEC quota, reflecting efforts to meet increased demand amidst the ongoing war. If this proves durable against a backdrop of elevated oil prices, the authorities would be better positioned to meet the 4.5% of GDP fiscal deficit target—an outcome that appeared much less plausible under our pre war prognosis. All in all, Nigeria's fiscal dynamics remain shaped by a structurally narrow revenue base, with interest payments absorbing over 30% of government revenue. The 2026 budget includes measures to strengthen non-oil revenue mobilisation, including higher capital gains taxes and a minimum effective

tax rate on multinationals. If implemented effectively, these reforms - alongside stronger oil receipts—could help gradually improve fiscal buffers, although sustained progress will depend on consistent policy execution, especially in a context of election next year.

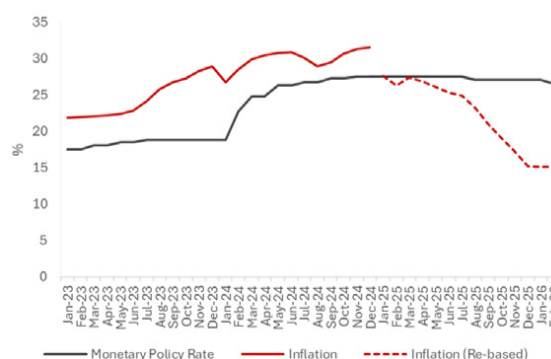
## INFLATION AND FISCAL RISKS WARRANT CONTINUED CAUTION

### The war alongside election-related spending could disrupt the disinflation trend seen of late



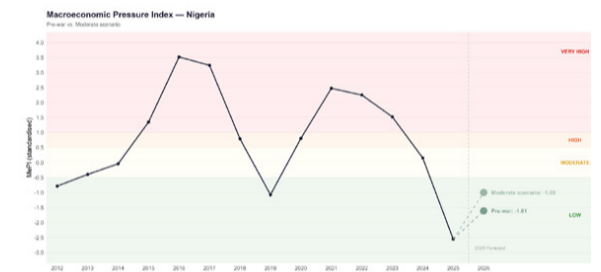
Prior the war, the decline in inflation had strengthened the case for a gradual easing cycle, supported by improved FX stability and tight monetary conditions. Reflecting this, the Central Bank has cut policy rate from 27% to 26.5%, at its February meeting. However, the scope for additional cuts will likely remain limited, as pressure from higher fuel price (up by 40% amid the war) feeds through inflation figures. Prior to the conflict, expectations were for the policy rate to fall to around 20% by end-2026. We now see upside risks to this outlook, reflecting war-related spillover alongside increased fiscal spending ahead of the 2027 general elections which could slow the disinflation process. As a result, we expect the Central Bank to adopt a more cautious approach and slow the pace of rate cuts, with policy rate at 23.5% by year-end.

### Naira to remain resilient supported by higher oil prices and improved FX reserves



The naira entered the year with improving FX liquidity, supported by exchange-rate reforms and a gradual return of portfolio inflows. However, some pressures emerged as the USD strengthened in the wake of the war, prompting the Central Bank to intervene in the market, with the naira trading around 1,380/USD at the time of writing. Meanwhile, the ramp-up of the Dangote refinery – now beginning to export refined products to other African markets –marks a structural shift in Nigeria's external position. Beyond reducing fuel import demand, this is starting to generate FX inflows and improve trade dynamics, thereby easing pressure on reserves over time. In our moderate case, stabilising sentiment should allow the naira to trade below 1,350/USD.

### Macroeconomic pressures appear contained for now



Nigeria's near-term outlook is favourable, with the MePI pointing to broadly positive conditions, largely reflecting tailwinds from higher oil prices alongside reform momentum. Stronger domestic savings provide a structural buffer that was largely absent during earlier episodes of pressure, while the external position has improved materially as the ramp-up of domestic refining capacity begins to ease both the import bill and FX pressures. Investment levels remain firm, adding further stability. The main area to watch remains fiscal dynamics: interest payments - absorbing over 30% of government revenue – are the single largest source of upward pressure and have risen markedly in recent years. While the reform momentum and oil tailwinds provide a solid foundation, the interest burden remains the binding constraint. Meaningful progress on revenue mobilisation will therefore be critical to keeping macroeconomic pressures contained over the medium term.

# “Mauritius is not a tax haven; it is a capital haven”



**M**auritius and South Africa should deepen cooperation across finance, trade, skills, capital markets and investment structuring to strengthen their economic corridor. This was the central message during a panel discussion hosted by the South African Chamber of Commerce (SACC) of Mauritius on Catalysing Growth: Deepening Mauritius-South Africa Economic Relations, Trade and Investment. The event was held at Le Suffren Marina and Resorts, and saw the participation of Bilal Adam, President of the SACC and CEO of Stewards Investment Capital; Mahen Govinda, Officer in Charge at MITCO; Laura Vaudin, Chief Operating Officer of Investec Bank (Mauritius); and Mphile Sibandze, Executive Director at RisCura Africa.

During a recent panel discussion organized by the South African Chamber of Commerce (SACC) of Mauritius, the island was presented as a strategic platform for structuring capital, preserving business continuity, managing currency and jurisdictional risk, and channelling investment into the continent alongside South Africa’s deeper industrial and financial base. Throughout the discussion, panellists argued that the Mauritius-South Africa relationship should be treated not as a rivalry, but as a complementary corridor in which South Africa provides scale, capital needs, skills and market depth, while Mauritius offers treaty access, multilingual capability, a trusted financial-services framework, logistical positioning and a stable route for deploying capital across Africa.

The initiative, which formed part of a broader effort to deepen bilateral economic relations between Mauritius and South Africa, featured Bilal Adam, Chief Executive Officer of Stewards Investment Capital; Mahen Govinda, Officer

in Charge at MITCO; Laura Vaudin, Chief Operating Officer of Investec Bank (Mauritius); and Mphile Sibandze, Executive Director at RisCura Africa. Dhananjay Ramful, the Mauritian Minister of Foreign Affairs, Regional Integration and International Cooperation, also addressed the gathering through a keynote speech.

A central theme of the discussion was Mauritius’s role as a business-continuity and disaster-recovery jurisdiction in an increasingly unstable world. Bilal Adam opened part of the exchange by suggesting that Mauritius could be seen as “a cost-effective business continuity plan and disaster-recovery location for many industries.”

A point later reinforced by Mahen Govinda through a practical case study. Referring to the regional fallout from the crisis in the Middle East and the concerns of clients in the UAE, Mahen Govinda recounted the experience of a client structured with Abu Dhabi Global Market that had also obtained a securities dealer’s licence in Mauritius four years ago.

“They came to know about Mauritius during the AFC roadshow. The best decision they could

have taken four years ago was to actually come and take that licence in Mauritius,” he explained.

For the Officer in Charge at MITCO, that example pointed to a broader change in how international financial firms are positioning themselves. “Major investment dealers, investment advisers or asset managers need to be present in multiple financial centres to serve their clients, who are actually high-net-worth individuals,” he said, arguing that the “wealth corridor” stretching from the UAE down to South Africa is expanding, and that Mauritius

should capture at least part of that opportunity.

He also argued that Mauritius often underestimates its own value, despite the fact that professionals on the island routinely deal with clients across Asia, Africa, Europe and the United States in multiple languages and across diverse business cultures. In that sense,

he said, Mauritius has already developed the capability to structure businesses globally and add value far beyond its size.

That international role, however, depends heavily on people. Mahen Govinda explained that Mauritius benefits from its location, its client base and its workforce, but still faces limits in

**The major issue you hear from fund managers and venture-capital institutions is that they can invest, but it is very difficult to exit.**

talent availability. In his view, the South Africa-Mauritius corridor should therefore be used to tap into a wider regional pool of expertise in investment, technology and other sectors. *“Both countries should work together because I think we complement each other. We do not compete against each other,”* he said.

Laura Vaudin took that argument further, stressing that Mauritius’s contribution to the corridor is not only financial, but also linguistic, operational and institutional. She noted that language is a tangible competitive advantage for the island, particularly for firms seeking to expand into French-speaking African markets such as Côte d’Ivoire. More broadly, she described South Africa as one of the principal foreign direct investment feeders into Mauritius, while Mauritius in turn provides a robust structuring platform. *“Mauritius, as you clearly said, provides an absolute stronghold for structuring, with all the benefits of double-taxation treaties, of IPPAs, of a great time zone, being logistically well placed and, of course, the free flow of capital without exchange-control limitations. This, for investors, is a dream,”* she argued.

For the Chief Operating Officer of Investec Bank (Mauritius), that combination explains why multinational corporates have continued to use Mauritius as a base from which to access the African continent. She pointed to pharmaceutical companies, aviation groups and telecommunications firms, alongside private wealth clients who see Mauritius as a secure jurisdiction with established wealth managers. At the same time, she argued that South Africa provides an *“unbelievable source of resources”* and skilled talent, while Mauritius continues to struggle with both the small size of its labour pool and the retention of graduates on the island. Investec, she said, runs graduate programmes in partnership with Mauritian universities, but still finds that many young professionals believe opportunities abroad are better.

That is why, she explained, the corridor must also be understood as an intellectual-property and skills corridor. Investec not only draws on expertise from Johannesburg, Cape Town and the UK in specialised areas such as aviation finance, derivative funding, fund finance and foreign-exchange funding, but also brings young talent into Mauritius and places them alongside Mauritian staff to upskill local teams. *“So, the symbiotic relationship for skill development is very, very important,”* she said, adding that while many South Africans are attracted to Mauritius as a place to raise families, the challenge is to ensure that they stay.

Mphile Sibandze, for his part, framed the relationship through an analogy that became one of the discussion’s defining images: South Africa as the engine, Mauritius as the gearbox. South Africa, he said, has the population scale, sophisticated banking system, developed capital markets and mature regulatory framework; Mauritius, though much smaller,

plays the indispensable role of transmitting that power into international markets. *“If Mauritius positions itself as indispensable to South Africa, then a lot can be achieved between these two,”* he said. *“Mauritius provides a platform to actually structure those transactions and deploy capital in South Africa, and also in the broader Africa.”*

That role, he suggested, is particularly relevant at a time when South Africa is trying to mobilise large sums of capital to address infrastructure and wider economic challenges. Referring to an investment summit held that week, he noted that the South African government was seeking to raise two trillion rand for priorities, including infrastructure, after years marked by load-shedding and other bottlenecks. Mauritius, he argued, could help package some of those opportunities by listing them through its own market, whether as green bonds, blue bonds or other issuances linked to sectors such as transport. In addition, he said, Mauritius offers investors a way to manage South African currency volatility by structuring and transacting in dollars.

Bilal Adam extended that analysis by arguing that Mauritius can also serve as a mechanism to tranche and allocate developed-market capital into Africa more safely and efficiently. He pointed out that capital allocations into the continent often face a mismatch between the scale of global capital and the absorptive capacity of individual African markets. In that context, Mauritius can act as a platform through which capital is structured and directed across the continent. He also underlined the opportunity created by a greater global appetite for alternative assets, citing the expansion in US 401(k) investment allowances to permit 20% allocations to private equity and private debt, as well as BlackRock’s move under Larry Fink to incorporate a 20% alternative allocation into portfolio structures. In his view, this represented a major opening for Africa, with Mauritius serving as the conduit.

Yet the panel was equally clear that structural constraints continue to hold Mauritius back. Mahen Govinda said that one of the biggest issues is not the ability to invest, but the ability to exit. *“The major issue you hear from fund managers and venture-capital institutions is that they can invest, but it is very difficult to exit,”* he said. That problem, he argued, is aggravated by the limited liquidity of African listed-equity markets, making many listed companies resemble unlisted ones in terms of exit options. Mauritius, in his view, has a major opportunity through the Stock Exchange of Mauritius, which already allows multi-currency listings, but has not yet become the liquid African platform that investors need.

Bilal Adam echoed that point by noting how expensive and distant offshore listings can be for African companies. Referring to two Nigerian fintech unicorns listed on Nasdaq, Mahen Govinda had argued that Mauritius should be a closer alternative, yet its stock exchange

## Mauritius provides a platform to actually structure those transactions and deploy capital in South Africa, and also in the broader Africa.

remains illiquid. Bilal Adam added a personal example, saying that Stewards itself was in the process of listing on Nasdaq and had been going *“up and down with the SEC for months,”* with the hope that an announcement would come by year-end. The remark reinforced the wider point that access to deep, credible capital markets remains essential if Mauritius wants to become a more effective African exit platform.

Ease of doing business was another concern. Mahen Govinda said the island had lost part of the advantage it once had under the Business Facilitation Act era, when occupation permits and company incorporation could be obtained in three days. Complaints over delays in licensing, he warned, now risk eroding the jurisdiction’s competitiveness. But he also argued that Mauritius could recover that advantage because the ecosystem still exists. Recalling a phrase used by an investor at a conference in Cape Town some 15 years ago, he insisted that *“Mauritius is not a tax haven; it is a capital haven.”* A phrase he said captured the true strategic role of the jurisdiction.

The discussion then moved to sovereign credit quality, which all speakers treated as fundamental. Laura Vaudin warned that for Mauritius, which has a current rating of Baa3/BBB, the retention of investment-grade status is paramount. According to an IMF assessment, a one-notch downgrade could raise the cost of funding by between 50 and 150 basis points, making Mauritius less attractive as a funding platform for financial institutions and corporates.

*“Two massive, essential items for capital inflows and investments, as we know, are investment grade and good governance,”* Laura Vaudin said. *“So, if you do not have either one of those, we could potentially have a problem on the island.”*

She also warned that the cancellation of the S&P contract by Mauritius could complicate syndicated-loan structures whose terms require two investment-grade ratings. More broadly, she said, the experience of grey listing had shown how quickly correspondent banks can become nervous when a jurisdiction’s standing



weakens, whether by reducing flows, asking for more KYC, AML and CFT information, or reacting more abruptly. “As an island and as an offshore jurisdiction, we cannot survive without correspondent banks,” she said. “So, we need to be very careful with maintaining our investment-grade status.”

Bilal Adam reinforced that warning by saying that Mauritius was now “the last investment-grade sovereign in Africa,” and that losing that status would have a major negative impact on the country’s ability to raise deposits, structure transactions and retain investor confidence. Some investment indices, he added, can only hold investment-grade bonds and countries, meaning that a downgrade could trigger automatic capital outflows. “If you suck the capital out of the Mauritius balloon of air, everyone is going to feel that,” he explained, underlining that sovereign-rating pressure would not remain confined to the world of finance, but would ripple through the broader economy.

Even so, Laura Vaudin struck an optimistic note on the island’s resilience. Mauritius, she argued, had shown agility during Covid, when banks had rapidly adapted during lockdown, and she expressed confidence that the government would once again sustain the country through what she described as a global crisis now spilling into an energy crisis. “Mauritius is a very agile economy, and it is an agile place,” she said. “I have no doubt in my mind that Mauritius is a resilient jurisdiction, and will deal with it well, as we did with Covid.”

That resilience was also tested in dealing with

energy and food security. Bilal Adam, who noted that the crisis committee and the banking committee had already met, said that the island was reacting responsibly, while also stressing that every corporate and major financial

**Both countries should work together because I think we complement each other.**

institution needed its own business continuity plan. Laura Vaudin added that the island’s call to conserve energy required a collective response from government, households and institutions alike.

Mahen Govinda, however, argued that the present crisis also exposed longer-term weaknesses. While agreeing that Mauritius had historically navigated shocks with agility, he explained that the country had not done enough over the past 10 to 15 years on

renewable energy, despite its abundant sunlight and the falling cost of photovoltaic systems and batteries. He warned that without energy, there can be no manufacturing, tourism or financial centre. He also pointed to food security as another strategic issue, noting that while Mauritius imports staples such as rice, it has a long agricultural history and can find alternatives, including revitalising domestic production where possible.

For him, the broader lesson was that the current crisis should not only be managed, but should also force the country to rethink its long-term development path. “We need to learn the lessons, and we need to move towards sustainable practices,” he said. “There was a fantastic concept between 2005 and 2010: Maurice Ile Durable. We have to bring that back. It is another driver of the economy. Sustainability is a pillar of an economy.”

Mphile Sibandze ended on a similarly forward-looking note. For global capital, he said, decent returns, impact and sovereign credibility remain among the key considerations, and Mauritius has already built something valuable that should be protected and enhanced. Because capital can easily move elsewhere, he argued, preserving the country’s attractiveness is critical. In that sense, the panel’s wider message was consistent: Mauritius’s future place in the South Africa corridor will depend not on tax alone, but on whether it can remain investment-grade, easy to do business with, capable of retaining talent, resilient in crisis and relevant to the allocation of capital into Africa.

**Christian Mbonampeka,**  
Country Manager, Indian Ocean Islands and Djibouti at Visa

## “Mobile money was not copied, but originated in Africa”

Between innovation and risk, digital payments are redefining the contours of financial systems. In this interview with Bizweek Africa, Christian Mbonampeka, Country Manager for Indian Ocean Islands and Djibouti at Visa, reflects on security challenges, regulatory dynamics, and how Africa can position itself beyond being a simple adopter of global payment technologies.

**D**igital payments are increasingly becoming part of a country's financial infrastructure. From your perspective, how should governments and regulators view payment networks: as private services or as strategic infrastructure for the digital economy?

A global payment network should definitely be seen as a strategic partner at the service of the global economy. This means that, while governments are looking to protect consumers and uphold certain sovereignty requirements, they must also balance this with the reality that such networks operate globally and cannot localise everything they do. Economies of scale also drive convenience in terms of cost for the end consumer.

**Much of the conversation around digital payments has centred on convenience and innovation. How important is security architecture, particularly technologies such as tokenization, in protecting the integrity of financial systems?**

With the increasing demand for digital payments, security-centred product design must be at the core of building any payment solution. As we have seen today, tokenization is a major step forward because it has reduced fraud considerably. However, at the same time, the channels through which consumers access these products must also be secure. For example, today, OTP is no longer as secure as it once was. In-app authentication is therefore becoming essential. Wherever the consumer accesses the product, they should also be authenticated within that channel.

**Are we entering a period where cyber resilience becomes as important for economies as traditional financial stability?**

Absolutely. I think one thing the



industry has been doing is creating standards in cybersecurity. However, what I do not see today is any global standard initiative comparable to what exists in traditional financial regulation. In my opinion, cybersecurity should have standards that must be followed by anyone operating in that space.

**Global supply chains and financial systems are increasingly affected by geopolitical tensions and economic fragmentation. How do these developments influence the way payment networks design secure and resilient systems?**

Obviously, payments continue regardless of geopolitical situations, as people still need to pay and to be paid. However, we may observe shifts in payment behaviour, including panic-driven transactions, which can create the false impression that payment volumes increase during geopolitical instability, which is not necessarily true. In reality, geopolitical instability does affect payments. This means institutions and countries must ensure they participate in global networks that

remain relevant even when certain parts of the world are disrupted. Striking the right balance between local and global systems is therefore essential.

**Many African countries and economies are accelerating digital financial transformation. How can secure digital payment ecosystems help strengthen economic resilience in countries that are still navigating structural vulnerabilities?**

When you look at the speed of infrastructure development and access to technology, it is closely linked to the speed and reach of networks. A proper assessment of countries that are still struggling should take a 360-degree approach – understanding whether basic networks, access to smartphones, and even reliable power supply are in place. From

there, measures and initiatives can be designed to address all the weaknesses identified in the market.

**Building robust digital payment ecosystems also requires strong regulatory understanding. How important are knowledge-sharing and capacity-building initiatives between payment networks, regulators, and central banks?**

That is a very good and timely question. Today, we had a session with the Bank of Mauritius that focused entirely on capacity-building. We realised that the pace of new solutions entering the market, especially digital ones, is so fast that regulators cannot keep up unless solution providers work closely with them and help expand their understanding. It

is therefore crucial for global payment networks to stay close to regulators and actively support capacity-building initiatives.

**Looking ahead, what strategic choices will determine whether Africa and the Indian Ocean become leaders in digital financial innovation rather than simple adopters of global payment technologies?**

When you look at African countries, some have developed their own solutions. We all know the story of mobile money. It was not copied, but rather originated in Africa. Now, as global solutions like tokenization are introduced from elsewhere, the key is to ensure they are adapted to local realities. It is not about copying what exists elsewhere, but about making these technologies work within the specific channels and usage patterns of consumers in Mauritius and across Africa.

So, my key takeaway is this: do not take the consumer somewhere else – meet the consumer where they are. Ensure that the solutions provided are secure, faster, and simpler.

## “Tokenization has reduced fraud considerably.”



### Absa Mauritius launches the first multi-currency virtual card

Absa Bank (Mauritius) Limited, in partnership with Visa, its global payments partner, launched Mauritius’ first Multi-Currency Virtual Card last month. Built for a more connected and digital-first lifestyle, the new virtual card allows customers to instantly create, load and use a card directly through the Absa Mobile Banking App. With support for EUR, GBP, MUR, ZAR and USD, users can pay in

the currency they need, reducing conversion fees and making international spending simpler and more transparent.

Speaking at the launch, Oumesh Mungroo, Interim Chief Business Officer at Absa Bank (Mauritius) Limited, emphasised the importance of the innovation for today’s consumers: “Banking today must move at the pace of our customers’ lives. Whether they’re shopping online, travelling or managing international subscriptions, they expect payment solutions that are instant, secure and easy to manage.

With the Multi-Currency Virtual Card, we’re bringing simplicity, flexibility and digital convenience together in one solution. Customers can create and start using their card within minutes, directly from the Absa Mobile App.”

Christian Mbonampeka, Country Manager, Indian Ocean Islands and Djibouti at Visa, added that “this launch reflects a shared commitment to making digital payments simpler, safer and more relevant to today’s connected lifestyles. By enabling customers to manage and spend in multiple currencies through a virtual

card, Absa Mauritius is addressing a real and growing need, while Visa’s network ensures transactions remain secure and trusted wherever customers choose to pay.”

The virtual card can be funded instantly from a customer’s account and used immediately for online purchases, international payments and subscription services, enabling a seamless, borderless experience.

International Finance Corporation

# Creating Markets for Sustainable Finance: Dialogue for Regulators

Central bank officials from Tanzania, Seychelles and Mauritius set out how they intend to move sustainable finance from principle to execution during a regulatory dialogue hosted by the International Finance Corporation in Port Louis. The one-day session, entitled Creating Markets for Sustainable Finance: Dialogue for Regulators from Indian Ocean Island States, examined climate risk, sustainable finance taxonomies, market development and the policy tools needed to scale green and blue finance.



**A**frican economies are seeking to turn sustainable finance from a policy ambition into an investable market reality, with central bank officials arguing that the next phase will depend not only on frameworks and commitments, but on data integrity, disclosure, incentives, supervisory follow-through and the ability of financial institutions to price climate-related risks properly. That was on the agenda at the one-day session on Creating Markets for Sustainable Finance: Dialogue for Regulators from Indian Ocean Island States organised by the International Finance Corporation (IFC) in Port Louis, Mauritius.

The event gathered financial sector regulators, private-sector representatives, stock exchanges and key stakeholders from Indian Ocean Island States and the African continent that are in the process of developing their sustainable finance markets. Across the panel, the message was clear: for island and coastal economies, climate vulnerability is no longer a peripheral environmental issue, but a macro-financial, developmental and competitiveness concern that increasingly touches financial stability itself.

Moderated by Brinda Dabysing, Senior Financial Sector Specialist at the World Bank Group, the first high-level panel featured Emmanuel Julian Akaro, Director of Financial Markets at the Bank of Tanzania; Brian Commettant,

First Deputy Governor of the Central Bank of Seychelles; and Rajiv Hasnah, First Deputy Governor of the Bank of Mauritius. The broader event also brought together senior officials from central banks and capital market regulators in Madagascar, Kenya, Tanzania, Seychelles, Zanzibar and Mauritius to share their experiences in addressing climate risk and building sustainable finance taxonomies.

Tanzania offered an interesting perspective during the debates; one where the market has already begun to show traction, even as policy infrastructure continues to evolve. Emmanuel

**Emmanuel Julian Akaro,**  
Director of Financial Markets  
at the Bank of Tanzania

## The next priority is to finalise Tanzania's sustainable finance taxonomy by 2027

Akaro presented Tanzania as a large, fast-growing and climate-exposed economy of almost one million square kilometres, with 49% of its land classified as arable, nominal GDP of about \$87 billion, growth of roughly 6%, and a rapidly expanding population. He said the Bank of Tanzania oversees a broad financial ecosystem, including 42 banking institutions, of which 35 are commercial banks, as well as social security schemes, leasing companies, mortgage finance firms and thousands of microfinance service providers. Since 2022, the Bank of Tanzania has been at the forefront of efforts to develop sustainable finance. That year it issued its first mandatory guidelines on climate risk-related financial risk management, later revised in 2025 to incorporate disclosure requirements. It also issued additional sustainability guidelines in 2025 relating to sustainable finance products and disclosures, while working closely with the Tanzania Bankers Association on industry-led sustainable finance principles.

Those efforts have coincided with a measurable rise in issuance. Over the last four years, Emmanuel Akaro explained, Tanzania has seen four major issuances in the sustainable finance market, through which banks and issuers raised around TZS 515 billion, equivalent to “roughly over \$200 million dollars.” These included green bonds, social bonds and water

infrastructure bonds. Even more striking, he added, was the level of investor demand: the instruments were issued with a subscription rate of around 315%, demonstrating that appetite exists even where market infrastructure remains incomplete.

That said, Tanzania's market has developed despite a lack of a fully developed taxonomy. Emmanuel Akaro noted that issuers have often had to rely on international taxonomies developed in markets that do not always align well with Tanzanian conditions. That has raised costs and complexity. The next priority, he said, is therefore to finalise the country's sustainable finance taxonomy by 2027, while a sustainable finance framework is expected to be finalised by June this year. The latter, he said, should allow Tanzania to begin mobilising sustainable funds from local and international investors by 2026.

The Director of Financial Markets at the Bank of Tanzania also pointed to the role of monetary and regulatory tools in supporting the market. "This may include variable rates and structural minimum reserve ratios," he said, before elaborating that the central bank is looking at a more flexible statutory minimum reserve ratio rather than a constant ratio across all institutions. The idea would be to vary the reserve requirement according to a bank's degree of participation in sustainable financing.

He said Tanzania had already used similar mechanisms during the Covid period, when commercial banks channelling loans to agriculture received some dispensation in relation to statutory minimum reserve compliance. The central bank is now considering whether sustainable finance bonds could be accepted as eligible collateral within

its liquidity support framework, and whether such bonds could also be excluded from the computation of reserve requirements to strengthen the incentive for issuance.

Beyond those tools, Emmanuel Akaro said that the Bank of Tanzania has introduced a Climate Desk to improve collaboration with market stakeholders and to help promote sustainable finance issuance. He also added that the central bank has built sustainable finance follow-up and inspection elements into its strategic plan, with the aim of ensuring that the institutions it regulates are aligned with best practice. Capacity building, he concluded, remains a parallel priority, so that all players in the ecosystem can move together.

### **Brian Commettant,**

First Deputy Governor of the Central Bank of Seychelles

## **"Our financial sector is no longer being an intermediary of capital"**

For Seychelles, the discussion was framed more explicitly around adaptation, resilience and blue economy finance. Brian Commettant underlined that for a small island state made up of 115 islands and an Exclusive Economic Zone of just under 1.4 million square kilometres of sea, marine and climate-related risks are deeply embedded in the country's development outlook. "We are highly exposed to climate-based coastal and marine risk," he said, adding that the financial sector is central "to both resilience building and long-term sustainable growth".

The First Deputy Governor of the Central Bank of Seychelles structured his country's approach around three strategic priorities. The first is safeguarding financial stability by integrating climate-related financial risks into the regulatory and supervisory framework, so that financial institutions are better able to assess exposures in sectors such as tourism, fisheries, coastal infrastructure, agriculture and other climate-sensitive activities. He said that in 2025, the Central Bank of Seychelles issued key supervisory instruments covering risk management, disclosures and exposure reporting, and developed a banking-sector climate-risk analysis framework. In parallel, the central bank has begun compiling its first set of banking-sector climate exposure data to better understand systemic vulnerabilities and the extent to which banks are financing adaptation and mitigation in the Seychelles context.

The second priority is mobilising capital towards sustainable green and blue growth. Given the strategic importance of the ocean economy, Brian Commettant stated that blue finance was "naturally a major opportunity

for Seychelles." He pointed to the country's experience with the world's first sovereign blue bond, issued in 2018, and said that Seychelles continues to support financing solutions for sustainable fisheries, marine biodiversity, renewable energy, energy efficiency and ocean resilience, including through domestic lending channels. He added that national definitions for sustainable climate, green and blue finance are already laying the groundwork for an upcoming sustainable finance taxonomy that should help reinforce market integrity.

The third priority is to ensure that resilience is inclusive. For the First Deputy Governor of the Central Bank of Seychelles, that means supporting SMEs, artisanal fisheries, farmers and vulnerable communities so that they can participate in new blue and green value chains. Sustainable finance, in that sense, is not merely about financial instruments, but about directing climate finance in ways that support broader national development goals. "Our financial sector is no longer being an intermediary of capital," he said. "It is a strategic endeavour of climate resilience, ocean sustainability, and future economic competitiveness."

Later in the discussion, he expanded on what it means to translate a policy agenda into functioning market standards. He said Seychelles had already established national definitions for sustainable climate, green and blue finance, but now needed to operationalise them through a practical taxonomy, with eligibility criteria, sector classifications, use-of-proceeds guidance and disclosure expectations. For small island states, he argued, that standardisation is essential to reduce greenwashing risk, strengthen market confidence, attract cross-border capital and ensure compatibility with emerging international frameworks and investor expectations.

He also emphasised the role of blended finance and catalytic risk-sharing instruments, noting that many resilience and adaptation projects are economically sound but remain constrained by risk allocation and affordability. This is why, he said, Seychelles' Climate Finance Resource Mobilisation Strategy places such emphasis on blended finance, de-risking mechanisms and stronger public-private partnerships. The blue bond experience, in turn, had highlighted the



importance of technical capacity, robust bond principles and credible project pipelines.

Brian Commettant stated that one of Seychelles' most immediate priorities is to close climate data gaps across both the financial sector and the wider economy. A comprehensive data-gap analysis, initiated late last year, is expected to be completed in May this year, with a focus on climate exposure reporting, data-sharing arrangements, data quality, physical risk mapping, hazard and vulnerability datasets, emissions baselines and resilience-oriented project indicators.

He also acknowledged that climate-risk integration is still relatively new to the banking sector. In a follow-up exchange, he noted that although Seychelles is highly vulnerable to climate shocks, climate risk had not historically been embedded in the day-to-day banking activity of loan assessment. That includes the treatment of collateral, where climate events can materially change asset values after loans have been disbursed. "It has been something that has been well received by the banking community," he said of the central bank's guidance, while adding that the country still lacks a complete dataset to support the banks' own risk assessments and reporting. For that reason, the central bank is continuing to work with financial institutions, environmental agencies and meteorological services to share information, bridge gaps and support the broader financial stability objective.

**Rajiv Hasnah,**  
First Deputy Governor of the Bank of Mauritius

# “What we see as the key constraint is the execution and implementation”



For Mauritius, the discussion quickly centred on the mismatch between climate exposure and market scale. Rajiv Hasnah framed the issue in stark terms, describing it as *“more of an existential matter as well going forward”*, and warning that for a small country such as Mauritius, the climate question can no longer be treated as secondary. *“Mauritius contributes only 0.01% of the global greenhouse gas emission, and yet we face the footprint of climate risk,”* he said. *“This is unfortunate, and obviously we have to move forward from that.”*

The First Deputy Governor of the Bank of Mauritius pointed to the policy foundations already in place, including the Climate Change Act 2020 and Mauritius’s NDC 3.0, and noted that some \$5.7 billion in investment had been identified over the next decade if the country is to meet its climate commitments. He also referred to a recent World Bank report identifying how part of that investment requirement could be financed through private capital. Yet, despite growth in green finance by banks, he noted that sustainable finance remains limited in scale. *“It still represents only 2.5% of the overall banking credit within the banking system in Mauritius,”* he said, adding that while there had been *“significant advancement and progress in the right direction,”* there remained *“significant room for progress and improvement going forward.”*

That, in his account, requires a structured approach. Thus the 5 pillars identified: Regulation and policymaking, incentive mechanism, capacity building, advocacy, and enforcement, compliance and supervision, supported by a continuing feedback loop until the market reaches the desired level of maturity. The government, he noted, has already enacted the Climate Change Act, and the Bank of Mauritius has issued several guidelines that will continue to be updated as the market evolves and as national requirements deepen.

But the central problem, he suggested in a later exchange, is no longer the absence of broad direction. It is execution. *“What we see as the key constraint is the execution and implementation,”* he said. *“For you to be able to do that from a sustainable finance perspective, the most critical aspect that comes into play is data.”* A viable sustainable finance ecosystem, he argued, will require the *“right data architecture,”* including reliable historical information, better disclosures and sufficient transparency to support pricing, risk assessment and investment decisions.

In practical terms, that means changing how both investors and businesses think about return. For Rajiv Hasnah, the objective is not simply to add a green label to finance, but to build *“a culture of sustainable finance or a culture of sustainability.”* The longer-term aim, he

added, is for *“every single decision maker, be it a private agent, be it a business, be it an individual,”* to move beyond a narrow focus on financial return alone and to incorporate the wider impact of investment decisions.

That transition, in his view, depends on closing the gap between financial return and economic return. *“Economic return is not the same thing as financial return,”* he said, stressing that positive externalities still tend to be undervalued in conventional capital allocation. For Mauritius, that challenge is sharpened by its limited fiscal space and by the opportunity cost attached to resource allocation. As a result, incentive mechanisms will need to come not only from domestic banks or the government, but also from multilateral and international partners.

The First Deputy Governor of the Bank of Mauritius also tied the country’s challenge directly to its long-term climate targets, noting that NDC 3.0 envisages a 40% reduction in greenhouse gas emissions against the business-as-usual scenario, and 60% renewable energy for electricity generation by 2035. Meeting those goals, he argued, will require regulatory enforcement, public-private partnerships, and a better alignment of incentives across the system.



# “It’s not something that you say today, you publish a guideline, and then that’s it”

*“So, in a nutshell, where we are from a central bank perspective, the priorities are truly of a national order. Central banks are the facilitator.”*

From the Mauritian perspective, market credibility will therefore depend on infrastructure as much as on vision. In response to a follow-up question on whether the Bank of Mauritius was considering national data systems, Rajiv Hasnah explained that the process had already started. He referred to a partnership involving the Ministry of Public Infrastructure and Environment and the Bank of Mauritius to build the right data infrastructure. But he also argued that data architecture cannot be separated from capacity building, since the challenge is not just to collect information, but to know how to assess it and use it in investment decisions.

To illustrate his point, he cited the example

of a company seeking to upgrade a factory. The business plan may still be built around financial return, he noted, but the real question is whether environmental impact is genuinely embedded in the investment decision. *“If you are not able to have it embedded in the mindset, in the decision making, then the whole process is flawed,”* he said. In his view, decision-makers need to understand how to quantify the public good they are creating, and how that can be linked back to monetisation and incentives. *“It will have to be a combination of all of these,”* he said, referring to the role of banks, government and international institutions in building the right incentive structure.

Rajiv Hasnah went further still, arguing that the culture shift required for sustainable finance ultimately has to go beyond the financial system itself. *“This is something that you have to start at school,”* he said, arguing that environmental awareness and sustainability should be embedded early if countries want future investors, executives and citizens to make different long-term choices. He pointed to Mauritius’s own changing climate patterns, including less distinct tourism seasons, rising sea-level risk, pressure on coral reefs and drought-related concerns, as evidence that the financial implications of climate change are already visible in the wider economy.

He also widened the lens to the African continent, saying that discussions with other African central bank governors had reinforced the view that much of the financial resource needed to bridge the

climate funding gap may already exist within African banking systems. The challenge, he suggested, is to create the right conditions for that capital to be mobilised and reallocated. *“It’s a question of being able to have the right incentive, such that resources can be mobilized, and allocated or reallocated, to where they should be allocated,”* he explained.

Taken together, the panel showed a region grappling with the same challenge of how to move from broad recognition of climate risk to the construction of functioning, credible and scalable sustainable finance markets.

Mauritius emphasised data architecture, incentive design and the broader cultural shift needed to turn sustainability into a decision-making norm. Seychelles highlighted the urgency of resilience, blue finance, market standards and climate data in a small island setting, where adaptation is central. Tanzania, meanwhile, showed that where policy, supervision and market appetite begin to align, sustainable finance issuance can emerge even before the full institutional architecture is complete.

What united the three perspectives was the recognition that sustainable finance cannot be built through guidelines alone. It requires continuous adjustment, market engagement and institutional learning. As Rajiv Hasnah put it, *“it’s not something that you say today, you publish a guideline, and then that’s it... it’s an ongoing commitment, ongoing dialogue, engagement, feedback loop, adapting the market requirements...”*

**Nilen Vencadasmy,**  
Managing Partner – Juridis Law Firm

**“We are witnessing a shift in how investors are deploying capital into Africa”**

As Interlaw’s Africa tour puts renewed focus on cross-border legal services, Nilen Vencadasmy, Managing Partner of Juridis Law Firm, explains why Mauritius remains relevant as an investment platform into Africa. In this interview, he outlines what investors are expecting today, how Juridis supports cross-border transactions in practice, and where he sees opportunities for Mauritius and the firm over the next five years.



**As transactions become more complex and span multiple jurisdictions, there is a clear need for networks that are able to operate in a coordinated and consistent manner.**

**Juridis is actively participating in Interlaw’s Africa tour. What is the strategic significance of this initiative?**

This visit reflects a shift in how Interlaw is engaging with the African market. There is a clear intention to deepen its footprint across key jurisdictions, particularly in Sub-Saharan and Eastern Africa, and to do so in a way that is much more structured and commercially driven.

What we are seeing on the ground is that transactions involving Africa are becoming more complex. They often involve layered holding structures, multiple regulatory regimes and stakeholders located across different jurisdictions. In that environment, clients are not simply looking for local legal input; they need coordinated advice that can be delivered across borders in a consistent and efficient manner.

From our perspective at Juridis, this is highly relevant to the type of work we handle. Many of our mandates involve multi-jurisdictional elements – whether in the context of acquisitions, group restructurings or shareholder disputes – where parties, assets or financing arrangements are spread across several countries, including in Africa. In those situations, the ability to quickly identify reliable counterparts on the ground, align them around a common strategy, and ensure that execution remains coherent throughout the process is critical.

This is where a network like Interlaw adds real value. It is not simply about having contacts in different countries; it is about having established relationships with firms that share similar standards and can work together effectively under time pressure. For our clients, that translates into greater certainty, better coordination and ultimately a smoother execution of their cross-border projects.

**You will be meeting clients in Nairobi, Lagos and Zanzibar. What are clients expecting today?**

What we are observing is a clear shift in client expectations. Investors operating across African markets are becoming far more execution-focused. They are less interested in theoretical advice delivered in isolation and more concerned with how efficiently a

transaction or structure can be implemented across different jurisdictions.

In practical terms, clients want clarity, speed and alignment. They expect their advisers to anticipate regulatory constraints, coordinate timelines across jurisdictions and ensure that there are no disconnects between how a structure is designed and how it is ultimately implemented on the ground. This is particularly important in Africa, where legal, regulatory and commercial environments can vary significantly from one country to another.

Our approach has been to respond to this need for integration. The combination of Juridis Law Firm and our associated management company, Altus Management Services, allows us to move beyond advisory work and support clients through the full lifecycle of their projects, from structuring to implementation and ongoing administration. At the same time, through Interlaw and our broader network of partner firms, we are able to ensure that this approach extends consistently into each relevant jurisdiction.

Ultimately, what clients value most today is continuity. They want to feel that their advisers are not only technically competent, but also capable of managing complexity across borders in a way that is practical, coordinated and aligned with their commercial objectives.

#### **In the current global context, why does Mauritius remain relevant as an investment platform into Africa?**

Historically, a substantial portion of investment into Africa has been channelled through Mauritius, which has positioned itself as a financial gateway to the continent. According to the Economic Development Board of Mauritius, nearly \$40 billion of investments into Africa have been structured through Mauritius in recent years. Moreover, Mauritius has consistently ranked among the largest sources of intra-African investment, often acting as an intermediary jurisdiction through which global capital is deployed into African markets.

At the same time, competing routes have emerged, particularly through financial centres in the Middle East such as Dubai and Abu Dhabi, which have increasingly positioned themselves as hubs for Africa-focused capital, leveraging proximity, sovereign wealth capital and deep liquidity pools. While these centres have gained prominence – particularly in sectors such as infrastructure, energy and private equity – Mauritius retains a differentiated role, anchored in its legal framework, treaty network and long-standing structuring expertise.

In the current geopolitical context, this competitive dynamic is becoming more pronounced. What we are witnessing today is a fundamental shift in how investors think about deploying capital into Africa. It is no longer simply a question of efficiency or tax optimisation. The focus has clearly moved towards security, predictability and substance. In a world marked by geopolitical

## **Mauritius can firmly establish itself not just as a traditional gateway, but as a preferred and resilient platform in this new global investment landscape.**

tensions, conflicts and increasing regulatory scrutiny, investors are reassessing where they anchor their investment structures. They are looking for jurisdictions that offer not only technical advantages, but also political stability, legal certainty and institutional credibility. Singapore is certainly high up in their priorities, but Mauritius remains particularly well positioned.

Mauritius offers a combination of features that are becoming increasingly valuable in the current environment. It is politically stable and widely regarded as one of the safest jurisdictions globally, particularly in times of geopolitical instability. Its regulatory framework is aligned with international standards, including OECD and FATF requirements, which provides comfort to institutional investors. At the same time, it benefits from a hybrid legal system, drawing from both civil and common law traditions, supported by an independent judiciary and the ultimate recourse to the Judicial Committee of the Privy Council as the apex appellate body. These are not abstract considerations; they are central to how investors assess risk today.

This evolution is creating a window of opportunity. Mauritius can position itself as a credible and complementary platform; one that combines regulatory robustness with operational efficiency and a strong track record in structuring African investments. The key point is that investor confidence is increasingly driven by trust, substance and governance. Mauritius has all the fundamentals to respond to that demand. The opportunity, in my view, is immediate. But it requires visibility. We need to be more present, more vocal and more deliberate in communicating the strengths of the jurisdiction. If that is done effectively, Mauritius can firmly establish itself not just as a traditional gateway, but as a preferred and resilient platform in this new global investment landscape.

#### **How does Juridis support investors in practice?**

In practice, our approach is built around

integration. Our priority is to ensure that there is no disconnect between how an investment is structured and how it is ultimately implemented across jurisdictions. Through Juridis Law Firm, we design the legal and regulatory framework – whether in the context of an acquisition, the establishment of a holding platform, or the structuring of governance and shareholder arrangements. This is done in close coordination with our partner management company, Altus Management Services, which is involved from the outset to ensure that the structure is not only robust on paper, but also practical, implementable and aligned with regulatory and operational realities. Altus plays a central role in bringing these structures to life through incorporation, regulatory interfacing, corporate administration, governance and ongoing compliance. This continuity between design and execution is essential, particularly in cross-border contexts where many risks arise from misalignment between strategy and implementation.

At the same time, our integration within Interlaw allows us to extend this model beyond Mauritius. We work with trusted firms across jurisdictions to ensure that local advice is fully aligned with the overall structure and that execution remains consistent across borders. For clients, this means engaging with a single, coordinated platform rather than multiple disconnected advisers. In transactional work, this model becomes particularly valuable. We are able to remain involved throughout the full lifecycle of a deal, from structural advice and due diligence to execution and post-completion integration. For clients, this translates into fewer execution risks, better coordination between stakeholders and a more efficient closing process.

#### **What are your perspectives for the next five years?**

Our objective is to further consolidate our position as a platform connecting Mauritius and Africa for cross-border investment and transactional work. This involves continuing to build depth in the type of mandates we handle, strengthening our relationships across key African jurisdictions, and enhancing the integration between our legal and corporate service offering.

At the same time, we see significant value in deepening our engagement within Interlaw, particularly in the context of its growing focus on Africa. What is emerging is a broader shift in how cross-border legal services are delivered on the continent. As transactions become more complex and span multiple jurisdictions, there is a clear need for networks that are able to operate in a coordinated and consistent manner.

In that respect, initiatives such as this Africa tour are indicative of a wider evolution. The ability to combine strong local expertise with effective cross-border collaboration will increasingly define how legal services are delivered in Africa. Our intention is to remain closely aligned with that trajectory and to contribute actively to its development over the coming years.

## Africa Growth Strategy

# Interlaw Steps Up Its Expansion on the Continent

Interlaw, the global network of independent law firms, is organising a high-level tour from 6 to 16 April across Harare, Nairobi, Dar es Salaam and Lagos, aimed at reinforcing ties with existing member firms and engaging prospective partners. The mission, led by Global Chairman Michael Pattinson and supported by Mauritius-based Juridis Law Firm, comes as Africa takes on a larger role in international investment and demand rises for coordinated legal support across jurisdictions.

At a time when global investment flows are being reshaped and Africa is increasingly recognised as a key growth frontier, the international legal network Interlaw is accelerating its expansion across the continent. From 6-16 April, a high-level delegation led by its Global Chairman, Michael Pattinson, is undertaking a strategic tour across Africa. The visit includes key jurisdictions such as Harare, Nairobi, Dar es Salaam and Lagos, combining meetings with existing member firms and engagements with prospective partners in high-growth markets.

This tour reflects Interlaw's deliberate shift towards a more structured, forward-looking Africa strategy, one that recognises both the continent's economic dynamism and the increasing sophistication of cross-border investment flows.

Founded over four decades ago, Interlaw is one of the world's leading global networks of independent law firms, bringing together top-tier firms across more than 150 cities worldwide. The network is built on a selective membership model, ensuring that each jurisdiction is represented by a firm with strong local expertise and international capability. Interlaw operates as an integrated platform, enabling member firms to collaborate closely on cross-border mandates, share best practices, and deliver consistent, high-quality legal services to multinational clients.

According to Interlaw Global Chairman Michael Pattinson, "Africa is no longer viewed as an opportunistic market; it has become central to the long-term strategies of many of our clients. What we are witnessing is a structural shift in global investment patterns, with capital increasingly directed towards high-growth, high-potential jurisdictions across the continent. As a network, we must be positioned to support that evolution in a meaningful and coordinated way. This tour is therefore not simply about strengthening relationships; it is about building a

*truly integrated African platform within Interlaw."*

*"We are focused on identifying and working with firms that share our standards of excellence, our collaborative mindset, and our commitment to delivering seamless cross-border services. The objective is to ensure that wherever our clients operate in Africa, they benefit from the same level of quality, responsiveness and strategic insight."*

Joining the Interlaw delegation is Mauritius-based Juridis Law Firm, represented by its Managing Partner Nilen Vencadasmy, and Senior Partner Johanna Murugan-Crépin, who also serves on Interlaw's Board. The participation of Juridis highlights the growing importance of Mauritius as a strategic anchor within this framework.

*"This initiative reflects a clear and deliberate ambition by Interlaw to deepen its African footprint in a structured manner. The continent is not only attracting increased investment, but also witnessing more complex transactions that require sophisticated, multi-jurisdictional legal support. In that context, the strength of a coordinated network becomes essential. Mauritius naturally plays a pivotal role in this ecosystem. As a jurisdiction, it offers a stable and internationally recognised platform for structuring investments into Africa. As a member of Interlaw, Juridis is uniquely positioned to bridge that platform with leading firms across the continent, ensuring that clients benefit from both local expertise and international coordination. Our involvement in this tour reflects that dual role,"* Johanna Murugan says.

Beyond the institutional dimension, this initiative reinforces the growing relevance of Mauritius as a platform for investment into Africa. In an increasingly complex global environment marked by geopolitical shifts and regulatory scrutiny, Mauritius continues to offer a compelling value proposition: political



stability, a hybrid and predictable legal system, alignment with OECD and FATF standards, an extensive network of double taxation treaties, and flexible corporate structuring options.

Juridis has been actively driving elements of Interlaw's Africa strategy, including through a strategic visit to South Africa last year aimed at strengthening regional relationships and identifying new opportunities for collaboration.

"Investors are increasingly focused on execution capability, particularly in transactions spanning multiple African jurisdictions. This is where integrated legal and corporate service models, combined with strong international networks, are becoming critical differentiators," notes Johanna Murugan.

**Africa is no longer viewed as an opportunistic market; it has become central to the long-term strategies of many of our clients."**



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#### FDI flows up... and down

Africa has seen a notable rise in investment inflows in recent years, albeit with some volatility. According to UN Trade and Development (UNCTAD), foreign direct investment into the continent surged by 75% in 2024 to reach a record \$97 billion, representing around 6% of global FDI flows. This growth came despite a broader global slowdown in investment, highlighting sustained investor interest in African markets. However, early data for 2025 suggests a more cautious environment, with inflows declining in the first half of the year amid geopolitical uncertainty and higher global interest rates.

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**Dimbiniaina Rakotojoelimaria,**

Directeur Structured Finance and Capital Markets – BRED Madagasikara

## “Les Sustainability-Linked Bonds représentent la prochaine étape sur laquelle la région peut s'appuyer ”

Crédits carbone forestiers, échanges dette-nature, crédits carbone bleus, Sustainability Bonds... En quelques années, Madagascar a multiplié les premières dans un pays dépourvu de marché financier structuré. Dimbiniaina Rakotojoelimaria, Directeur Structured Finance and Capital Markets chez BRED Madagasikara, explique comment les banques peuvent structurer des instruments de finance durable dans un environnement encore dépourvu de marché financier organisé. Il détaille les principaux freins et opportunités à Madagascar et, plus largement, dans les États insulaires de l'océan Indien, à un moment où les besoins de financement climatique deviennent plus pressants. Il plaide notamment pour davantage de partage d'expertise, de leviers fiscaux et de financements concessionnels afin d'accélérer l'essor de la finance durable dans la région.



### Du point de vue d'une banque commerciale, quels sont les principaux défis dans la structuration de produits de finance durable à Madagascar ?

De notre point de vue, les principaux défis, surtout à Madagascar, concernent avant tout l'absence de marché financier et de marché de capitaux. Contrairement à d'autres pays de la région comme Maurice ou l'Afrique du Sud, nous ne disposons pas de marché boursier. Il est donc très difficile pour nous de procéder à des émissions de dette ou de lancer des produits de financement durable.

Cette absence de marché financier s'accompagne d'un vide juridique : il n'existe pas de loi ni de décret sur les marchés financiers, pas d'autorité de régulation de marché, pas de banque de règlement, pas de dépositaire central, pas de 'custodian'. Toute l'infrastructure financière reste donc à construire. C'est un défi majeur pour nous, notamment pour l'émission de Sustainability Bonds et de Green Bonds.

Par conséquent, les coûts de transaction liés aux instruments de finance durable sont très élevés, précisément en raison de l'absence de ce cadre légal et de ce marché financier.

Il y a également l'absence de taxonomie verte, pourtant indispensable pour définir ce qu'est un instrument vert au niveau national et pour prévenir le 'greenwashing'. C'est aussi un obstacle majeur pour nous.

Ce que nous avons fait à BRED Madagasikara, lors de l'émission de notre Sustainability Bond, c'est de nous conformer aux standards des marchés internationaux, notamment ceux

de l'International Capital Market Association (ICMA), aux Green Bond Principles, au Social Bond Principles et aux Sustainability Bond Guidelines.

Cette voie est praticable, mais elle exige des compétences locales, un savoir-faire et une capacité à structurer et à mettre en œuvre ces mécanismes de financement durable, ce qui constitue également un défi.

Enfin, il faut mentionner la faible liquidité du marché, sa taille réduite et l'insuffisance de la demande institutionnelle. Le marché secondaire n'existe tout simplement pas. Ce sont là des défis considérables pour le marché malgache.

### Comment les institutions financières peuvent-elles contribuer à développer un portefeuille de projets « bancables » dans le domaine de la finance durable ?

Un projet « bancable », c'est avant tout un projet rentable, mais c'est aussi un projet générateur d'impact. Les banques commerciales et les institutions financières peuvent contribuer à structurer et à développer des projets bancables principalement à travers des mécanismes de dérisquage, de garantie et de rehaussement de crédit, afin de réduire le risque associé à ces projets et d'en améliorer la rentabilité.

Elles ont également un rôle pédagogique à jouer auprès des acteurs financiers, en faisant du partage de connaissances au sein du marché financier malgache et régional.

D'autres instruments permettent également d'améliorer la bancabilité des projets, notamment le financement mixte, qui consiste à combiner fonds publics et fonds privés afin de

réduire le risque et d'améliorer le profil risque-rendement d'un projet donné.

Il y a aussi les mécanismes de garantie, l'assurance paramétrique, qui déclenche le paiement dès la survenance du sinistre, ainsi que les 'currency swaps', pour atténuer la volatilité des monnaies locales. Ce sont autant d'instruments sur lesquels les institutions financières, qu'il s'agisse de banques commerciales ou d'institutions de financement du développement (IFD), peuvent agir pour améliorer la bancabilité d'un projet.

### Quel rôle le financement mixte et les institutions de développement peuvent-ils jouer pour réduire les risques liés à ces investissements ?

Les IFD interviennent dans le cadre du financement mixte principalement en prenant en charge les premières pertes. Elles participent au capital d'un fonds en position de premières pertes afin d'améliorer le profil de rendement pour les investisseurs privés.

Ce financement en première perte est de nature concessionnelle et, combiné à des dons ou des subventions, il permet aux IFD et aux bailleurs de fonds d'attirer des investisseurs privés vers des projets à impact, tout en améliorant le rendement attendu.

Ces instruments de première perte, tout comme le financement d'amorçage, permettent de lancer un projet. Des fonds catalytiques envoient un signal fort au marché en s'engageant sur un projet, ce qui inspire confiance aux investisseurs privés et les incite à les rejoindre.



De gauche à droite : Nana Asamoah-Manu, Program Lead, 30by30 South Africa (“Scaling Climate Finance through the Financial Sector”), IFC ; Désiré Vencatachellum, Chief Executive Officer, Financial Services Commission, Mauritius ; Vickram Ramful, Head of Listing, Mauritius Stock Exchange ; Maurice Madiba, Head of Primary Markets and Capital Markets, Johannesburg Stock Exchange, Dimbiniaina Rakotojoelimaia, Director, Structured Finance and Capital Markets, BRED Madagasikara; Rony Lam, Chief Executive Officer, MCB Capital Markets. C’était lors d’une table ronde organisée par l’International Finance Corporation (IFC), mardi dernier à Port Louis.

Il y a également la notion d’investisseur d’ancrage.

Dans le cadre du Sustainability Bond que nous avons émis, des IFD sont intervenues en tant qu’investisseurs d’ancrage pour signaler au marché qu’il s’agissait d’un instrument conforme aux normes et standards internationaux, offrant un bon rapport impact/rendement et un bon rapport risque/rendement.

Parmi les IFD les plus actives dans la région, on peut citer IFC, Proparco, plusieurs IFD européennes comme FMO, KfW, DEG, BII, BIO, Guarantco... Elles apportent leur expertise technique, leurs compétences, ainsi que des fonds concessionnels dans le cadre du financement mixte en combinant ressources publiques et capitaux privés.

### Comment les banques locales peuvent-elles s’aligner sur les exigences internationales en matière d’ESG tout en tenant compte des réalités du marché domestique ?

Les banques commerciales sont ancrées dans leur territoire, comme c’est le cas de BRED Madagasikara, dont les quatre grandes priorités sont l’infrastructure, l’énergie, la santé et l’agriculture.

Une banque commerciale comme BRED Madagasikara, enracinée dans son territoire, a vocation à le promouvoir et à développer des produits qui respectent les standards internationaux : ceux de l’ICMA, avec les Green Bond Principles et les Sustainability Bond Guidelines, mais aussi ceux de l’UNEP FI, la branche institutions financières du Programme des Nations Unies pour l’environnement, à travers ses Principes pour un impact positif.

Ces banques, parce qu’elles sont au cœur de la réalité de leur territoire et du quotidien de leurs régions, sont en mesure de développer des produits qui répondent à la fois aux

besoins locaux et aux exigences des standards internationaux.

## La région regorge d’initiatives remarquables : les Sustainability Bonds à Madagascar, plusieurs Green Bonds à Maurice, le Blue Bond aux Seychelles...

### Quelles opportunités voyez-vous pour des instruments innovants comme les prêts liés à la durabilité dans des économies comme Madagascar ?

À Madagascar, plusieurs instruments innovants ont déjà été lancés, notamment les échanges dette-nature. Nous en avons réalisé un en 2002 avec la Fondation pour les Aires Protégées et la Biodiversité de Madagascar (FAPBM).

Nous avons également émis un Sustainability Bond avec BRED Madagasikara. Parmi les autres instruments innovants déployés, on peut citer les crédits carbone

forestiers dans le cadre des mécanismes REDD+ avec la Banque mondiale, ainsi que les crédits carbone bleus avec des ONG telles que WCS et Blue Ventures.

Il existe donc de nombreuses opportunités dans la région pour lancer des instruments financiers innovants. Les Sustainability-Linked Bonds représentent à mon sens la prochaine étape sur laquelle nous pouvons nous appuyer.

### Quels leviers pourraient inciter davantage le secteur privé à s’engager dans des pratiques de finance durable, au-delà des obligations réglementaires ?

Il existe deux leviers principaux. Le premier est le levier fiscal, car la fiscalité agit directement sur les coûts de transaction. Par exemple, pour les Sustainability Bonds et les obligations en général, à Madagascar comme dans l’ensemble de la région africaine, les taxes sur les revenus du capital, comme l’Impôt sur les Revenus des Capitaux Mobiliers (IRCM), qui s’élève à 20 % sur les intérêts et coupons obligataires, constituent un frein significatif. Si l’État malgache décidait de supprimer ou d’alléger ces taxes, cela pourrait considérablement stimuler le développement et la diffusion des

instruments financiers innovants.

Le second levier est le levier financier, à travers les IFD qui peuvent apporter des financements concessionnels.

Au-delà de ces deux leviers, l’engagement du secteur privé passe aussi par la pédagogie et le partage de connaissances : il s’agit de sensibiliser les acteurs financiers à l’importance du financement vert, social et durable, et de leur démontrer la valeur des instruments financiers innovants.

### À l’échelle africaine, quelles bonnes pratiques en matière de structuration financière pourraient être adaptées aux États insulaires de l’océan Indien ?

En matière de structuration financière, deux grandes tendances se dégagent actuellement. La première consiste à se conformer aux normes et standards internationaux, notamment ceux de l’ICMA, les Green Bond Principles, les Social Bond Principles, les Sustainability Bond Guidelines, ainsi qu’aux standards de la Climate Bonds Initiative (CBI) et aux taxonomies nationales et européennes. Cette conformité est essentielle pour attirer les investisseurs internationaux.

La seconde bonne pratique consiste à s’allier aux fonds climatiques, tels que le Fonds Vert pour le Climat (GCF) ou le Fonds pour l’Environnement Mondial (GEF). Ces partenariats permettent de structurer des mécanismes de financement axés sur les résultats, dans lesquels le taux est bonifié lorsque certains indicateurs clés de performance (KPI) sont atteints. Ce sont des approches de structuration innovantes qui méritent d’être davantage explorées.

Pour la région, la priorité absolue serait le partage d’expériences et de compétences. La région regorge d’initiatives remarquables : les Sustainability Bonds à Madagascar, plusieurs Green Bonds à Maurice, le Blue Bond aux Seychelles... Il est essentiel de capitaliser sur ces expériences et de les partager entre acteurs régionaux afin de franchir collectivement un palier supérieur en matière de finance durable.

AGES 2026

# Definitive Roadmap to turn Africa's Climate Ambition into Bankable Reality

Africa's Green Economy Summit (AGES) 2026 which took place from 24–27 February in Cape Town, delivered a powerful, solutions-driven platform focused on scaling green finance, unlocking bankable water and energy infrastructure, accelerating digital innovation, and strengthening food security across the continent. The Summit regrouped over 600 delegates from 42 countries, including investors, policymakers and project developers. The message was clear: Africa's climate ambition is real, and the pathway to implementation is taking shape.



Africa's Green Economy Summit (AGES) 2026 concluded in Cape Town with a resounding call to action, urging the continent to leverage its digital revolution, transform water financing and redesign agriculture to unlock a sustainable, net-zero future. The four-day platform united over 600 delegates from 42 countries, including global investors, project developers and policymakers. The consensus was clear that with sound policies and financial innovation, Africa can convert its climate vulnerabilities into economic opportunity.

The summit opened with a focus on innovative finance for nature, exploring green, blue, and wildlife bonds, including the "Rhino Bond" and emerging biodiversity credits. A key lesson was the importance of engaging communities as core stakeholders, not merely beneficiaries.

Carl Roothman, CEO of Sanlam Investment Group, stressed the urgency of scale: "Africa needs billions of dollars. It's great to dream, but we must act, and at scale." Iain Banner, co-founder of Go Green Africa and AGES, framed the shift as fundamental, as "the green and blue economies are the new operating systems of the modern world."

Government calls for practical collaboration  
For Narend Singh, South Africa's Deputy

Minister of Forestry, Fisheries and Environment, "this is where the rubber hits the road." He emphasised moving from policy to tangible results, citing South Africa's Just Energy Transition Partnership (JETP) and renewable energy procurement programme as examples. Urging African nations to move beyond exporting raw materials, he explained that "a low-hanging fruit is developing local value chains and benefiting minerals here, creating jobs and advancing technology."

A digital imperative for climate action  
Integrating climate goals with digital transformation emerged as a central theme. Siddhartha Raja, Senior Digital Specialist at the World Bank, noted that data centres could act as "anchor loads" to stimulate new renewable energy, but warned that climate resilience must be designed in from the start – from flood-proofing to managing e-waste, which could spawn new recycling industries. Chrissy Meier, of the Digital Impact Alliance, highlighted a critical gap, noting that most African cities have climate plans but lack local data for implementation. She cautioned against AI models trained on non-African data, which risk missing the realities of African communities. Her advice is to "seize the digital to make economies more efficient, inclusive, and greener."

Making water infrastructure bankable

**Africa needs billions of dollars. It's great to dream, but we must act, and at scale.**

A high-level panel tackled the perception that water projects are uninvestable. Obadiah Mungai, of the World Resources Institute Africa, argued that the real issue lies in converting water outcomes into bankable outputs, and that fixing governance and data is the first step to attracting capital.

Louise Stafford, of The Nature Conservancy, cited Cape Town’s post-Day Zero investment in catchment restoration, which proved far more cost-effective than desalination. “There is a bigger risk in business as usual than in investing in water,” she said.

The panel concluded that with robust preparation and blended finance, water resilience can become an attractive asset class.

**Strengthening food security through renewable energy**

Energy instability directly threatens food systems. Without reliable power, irrigation fails and cold chains break. Henry Roman, of the International Water Management Institute, called for a holistic approach to the water-energy-food nexus, showcasing data tools helping farmers optimise water use. Ian de Jager, of I&F Engineering, noted a new trend: farmers becoming energy producers, using small-scale hydropower installations to power operations and sell excess energy. Andrea Campher, of Standard Bank, added

that with the Carbon Border Adjustment Mechanism (CBAM) now in effect, a farmer’s emissions profile is as critical as product quality, as “renewable energy strengthens ESG credibility.”

AGES 2026 has laid the cornerstone for a resilient green economy, proving that when climate goals are woven into the continent’s core systems, ambition transforms into tangible progress. The next summit, which takes place on 17-19 March 2027, in Cape Town, will be an opportunity to gauge that progress.



**About Africa’s Green Economy Summit (AGES)**

Africa’s Green Economy Summit (AGES) is a premier pan-African platform dedicated to accelerating Africa’s transition to a sustainable, inclusive, and climate-resilient economy. Hosted by VUKA Group, AGES brings together policymakers, investors, project developers, innovators and business leaders to unlock green finance, scale bankable projects, and drive actionable solutions across energy, mobility, infrastructure, agriculture, water, waste, and the blue economy. Through high-level content, deal-making opportunities, and strategic networking, AGES turns ambition into action for Africa’s green future.

# COMESA RIA hosted the 2nd Investment Forum to Advance Regional Integration & Mobilise Investment

The COMESA Regional Investment Agency (RIA), in collaboration with the Government of the Republic of Kenya, through the Ministry of Trade, Investment and Industry, and the Kenya Investment Authority (InvestKenya), hosted the 2nd COMESA Investment Forum (CIF) on 26 March 2026 in Nairobi, Kenya. The forum, which was convened under the theme “COMESA: The Single Market Leap,” focused on advancing regional economic integration and investment opportunities within the COMESA region.



The “COMESA: The Single Market Leap” forum, held in Nairobi on 26 March, brought together over 250 policymakers, business leaders, and investors, providing a strategic platform for exploring avenues to augment investments within the COMESA region. It facilitated substantive business-to-business (B2B) and business-to-government (B2G) interactions, fostering connections between projects, entrepreneurs, and prospective investors.

In a statement delivered on behalf of Kenyan President William Samoei Ruto, Abubakar Hassan Abubakar, Permanent Secretary for the State Department for Investment Promotion, emphasised the importance of translating regional integration into tangible investment opportunities.

He stressed that regional integration is imperative, calling for innovative strategies to enhance intra-COMESA trade and investment. “As COMESA, we are ready for business because of improved policies, advancing infrastructure, growing markets, and a talented workforce,” Mr Abubakar said. He therefore urged stakeholders to translate dialogue into tangible outcomes, including partnerships and deals.

COMESA Secretary General Chileshe Mpundu Kapwepwe reaffirmed that the Investment Forum is a key platform for mobilising regional and international

investment. “Despite a record \$65 billion FDI inflow in 2024, Member States should not sit back, but should stay competitive and resilient,” he argued.

The Secretary General highlighted three key strategies: boosting intra-regional trade and investment while attracting foreign investors; leveraging global supply chain shifts by improving investment regimes and environments; and collectively promoting all Member States and strengthening collaboration among investment agencies.

**Despite a record \$65 billion FDI inflow in 2024, Member States should not sit back but should stay competitive & resilient.**

Heba Salama, Chief Executive Officer of COMESA RIA, noted that COMESA’s share of global FDI has grown significantly, reinforcing the region’s position as a leading investment destination in Africa. She emphasized that this growth underscores COMESA’s emergence as a premier investment destination. To sustain this momentum, she outlined four

key priorities: promoting manufacturing and value addition, scaling up digital infrastructure, investing in human capital, and strengthening data and policy frameworks to provide investors with clarity, stability, and predictability.

The forum also saw the launch of the COMESA Interactive Investment Map – a digital platform enabling Member States to showcase investment opportunities and directly connect with investors. The Investor’s Guide to Kenya, which showcases Kenya’s investment opportunities and value proposition, offering a practical perspective for potential investors, was also launched during the event.

Immediately after the Forum, CEOs of COMESA Investment Promotion Agencies (IPAs) convened their annual technical meeting, under the joint chairmanship of COMESA Assistant Secretary General for Programs, Amb. Dr. Mohamed Kadah, and COMESA RIA CEO, Heba Salama. The meeting, which was also attended by UNCTAD, UNIDO, and COMESA Secretariat representatives, saw issues related to investment promotion, capacity building and regional coordination being examined in detail. Participants also deliberated on COMESA’s partnerships with UNCTAD and UNIDO, as well as the forthcoming edition of the COMESA Investment Report, to be launched jointly by UNCTAD and COMESA later this year.



“  
**Central to the summit’s agenda was the transformation of Durban and its surrounding areas into a resilient urban hub that balances economic growth with environmental sustainability**  
 ”

### **Ocean Innovation Africa Summit: Spotlight on a Sustainable Blue Economy**

The Ocean Innovation Africa Summit concluded after three days of discussions and collaboration, from 23 to 25 March 2026, at the Durban International Convention Centre. Drawing maritime industry leaders, policymakers and innovators from across the globe, and moderated by Londy Ngcobo, the summit featured keynote addresses, workshops and panel discussions alongside interactive audience engagement, all aimed at advancing Africa’s ocean economy and tackling key sector challenges.

Central to the summit’s agenda was the transformation of Durban and its surrounding areas into a resilient urban hub that balances economic growth with environmental sustainability. Organisers indeed emphasized the importance of building a blue economy that not only drives investment but also safeguards marine ecosystems. In her keynote address, Charlina Vitcheva, Director-General for Maritime Affairs and Fisheries at the European Commission, stressed the urgent need for stronger intervention to protect the world’s oceans.

Echoing this sentiment, Cyril Xaba, Mayor of eThekweni Municipality, highlighted that the success of the blue economy must translate into tangible socio-economic benefits for communities.

Meanwhile, Nomalanga Sokhela, Head of Marine Industry Development at the municipality, outlined ongoing efforts to implement scalable sustainability projects within the Durban port system. These initiatives are being developed in partnership with community organisations, universities and state-owned enterprises.

### **Call for collective action**

Throughout the summit, participants engaged in discussions on ocean conservation and the responsible use of marine resources, exploring practical solutions to build a more resilient and sustainable blue economy.

One of the highlights included dynamic PechaKucha-style presentations, where entrepreneurs showcased innovative ideas in concise, high-impact formats. Workshops and feedback sessions further encouraged collaboration and knowledge-sharing among stakeholders.

The summit highlighted the importance of collective action, particularly the inclusion of coastal communities, in protecting ocean ecosystems while unlocking sustainable economic opportunities. As the event concluded, it reinforced a shared commitment among stakeholders to drive innovation, strengthen partnerships and advance a more inclusive and sustainable ocean economy across Africa.

Madagascar

# IOC-EU partnership strengthens BNGRC capacities with pre-positioned equipment mobilized during Cyclone Gezani

The Indian Ocean Commission (IOC) and the European Union (EU) officially handed over a set of technical equipment to the National Office for Risk and Disaster Management (BNGRC). That ceremony marked the completion of the logistics component of the regional RDRM program (Resilience Strengthening and Disaster Response Management), led by the IOC with EU funding, and in partnership with PIROI-French Red Cross and the United Nations agency responsible for disaster risk reduction (UNDRR).

While the February 26 ceremony formalized the handover of technical equipment by the IOC and the EU to the National Office for Risk and Disaster Management (BNGRC) of Madagascar, most of the equipment – valued at a total of 1.147 billion MGA (€230,000) – had already been pre-positioned by the end of 2025.

This high-performance IT equipment, communication tools, and a rescue boat have strengthened the BNGRC’s coordination and response capacities. Some of these tools were already deployed as part of anticipatory actions during the Cyclone Gezani alert along the Atsinanana coast, thereby facilitating operational response in the field. The additional delivery of motor pumps further reinforces this structural support aimed at improving rescue and field intervention operations.

### A regional partnership for resilience

For Gina Bonne, Environment & Climate Project Officer at the IOC, this handover illustrates the core philosophy of the RDRM project and IOC-led regional cooperation.

*“Resilience is not built in the urgency of a disaster. It is prepared through the structuring of systems, the development of skills, and the provision of appropriate equipment. This is how a region becomes more prepared, more united, and more resilient,”* she explained.

For his part, the Ambassador of the European Union, Roland Kobia, emphasized that the EU *“is a long-standing partner committed to supporting Madagascar’s services, both in strengthening crisis response capacities and contributing to emergency operations. This equipment support once again illustrates this partnership. It forms part of the EU’s broader actions to support Malagasy authorities in delivering the most effective and operational responses to save lives and property when crises*



*occur, while also helping to anticipate them and prepare the transition from emergency response to reconstruction.”*

### Transfer and sustainability of achievements

As the RDRM project comes to an end, this official handover marks the transfer of equipment to Malagasy authorities, who are now responsible for its operational management and maintenance.

For the BNGRC, this equipment represents a concrete strengthening of national disaster response capacities.

*“This handover is much more than a delivery of equipment: it is a strategic investment in the BNGRC’s ability to anticipate, coordinate, and act quickly, as close as possible to the population. The results observed during Cyclone Gezani – particularly in terms of anticipatory actions and operational coordination – demonstrate the tangible impact of this support, and we are committed to ensuring its rigorous management, maintenance, and sustainability in the public interest,”* stated General Gabriel Ramanantsoa, Director General of the BNGRC.

On behalf of the Ministry of the Interior and Decentralization – the supervisory ministry of the BNGRC – Nalisoa Vohangiarimino Andriantomponera, Secretary General, highlighted the institutional significance of this support:

*“This handover is fully aligned with the national priority of strengthening governance and the State’s operational capacities in risk and disaster management. By enhancing the BNGRC’s coordination, communication, and intervention capabilities, it directly contributes to a faster, better organized, and more coordinated response with territorial authorities, for the benefit of the most exposed populations. The Ministry, alongside the BNGRC, will ensure the proper management and sustainability of these assets so that they deliver lasting results in support of Madagascar’s resilience.”*

Selected in close consultation with the BNGRC to reflect on-the-ground realities, this equipment is not merely a material contribution. It forms part of a broader effort to strengthen disaster preparedness, early warning, and response, in order to better protect populations from climate-related hazards.

## Digital Sovereignty: COMESA launched a significant investigation into Meta regarding updated WhatsApp Business terms

The COMESA Competition and Consumer Commission (CCCC) has launched a high-stakes investigation into Meta Platforms Ireland Limited, signalling a decisive moment in Africa’s push for digital sovereignty.

At the centre of the probe is a far-reaching allegation: that Meta revised its WhatsApp Business terms in a way that systematically excludes third-party artificial intelligence providers while privileging its own Meta AI. If substantiated, the case could redefine how global technology firms operate across the Common Market for Eastern and Southern Africa (COMESA).

### The Gatekeeper Problem

The investigation, initiated under Notice of Investigation 1 of 2026, focuses on changes introduced in October 2025. According to the CCCC, Meta unilaterally amended its WhatsApp Business Solution Terms without stakeholder consultation, effectively creating a closed digital ecosystem. The revised framework allegedly restricts access to the WhatsApp Business API for general-purpose AI providers, forcing businesses to depend exclusively on Meta’s proprietary tools.

Such a *“walled garden”* approach raises classic antitrust concerns. By leveraging the dominance of WhatsApp – widely regarded as essential communication infrastructure for millions of African businesses – Meta is accused of extending its market power into the rapidly expanding AI sector. The CCCC argues that this conduct may breach Regulation 36 of the COMESA Competition and Consumer Protection Regulations, which prohibits the abuse of a dominant position to distort competition, as third-party AI developers – particularly startups reliant on WhatsApp integration – risk being shut out of the market.

### A Defining Moment for Digital Governance

The timing of the investigation is critical. As African firms increasingly adopt AI-driven tools for customer engagement and automation, control over digital platforms is becoming a decisive factor in shaping market outcomes. If WhatsApp remains the dominant channel for business communication, then control over its embedded AI capabilities effectively determines who can compete in the digital economy.

The CCCC’s intervention sends a clear signal: African regulators are asserting themselves as active enforcers of competition rules, rather than passive observers of global tech dynamics. The case underscores a broader principle – that access to fast-growing digital markets must be governed by fair and open competition.

A finding against Meta could lead to substantial fines and compel the company to roll back these restrictive practices across COMESA’s 21 member states. As the investigation unfolds, it may become a landmark test of whether regional regulators can curb the market power of major technology firms and ensure that innovation ecosystems remain open, competitive, and inclusive.

Environmental protection

# Africa Pushes for Sustainable Aviation at Continental Validation Workshop in Pretoria

**More than 70 aviation experts from across the continent met in Pretoria for a four-day continental validation workshop focused on advancing environmental protection in aviation and accelerating the development of Sustainable Aviation Fuels.**

Taking place from 24 to 27 March, the Continental Validation Workshop reviewed key draft instruments linked to aviation environmental protection under International Civil Aviation Organization Annex 16, alongside a policy guideline aimed at supporting the development and deployment of Sustainable Aviation Fuels (SAF) across Africa.

Participants at the event – hosted by the South African Civil Aviation Authority (SACAA) and organised by the COMESA Secretariat, in partnership with the African Civil Aviation Commission and the African Union – were largely drawn from the environmental and sustainable fuels sectors within Member States. They were expected to review and validate the draft frameworks. Once finalised, these will guide countries in the Eastern Africa, Southern Africa and Indian Ocean (EA-SA-IO) region in strengthening regulatory systems for aviation environmental protection and scaling up SAF development.

Opening the workshop, Bernard Dzawanda, Director

of Infrastructure and Logistics at COMESA, highlighted the critical role of aviation in economic development.

*“A resilient and sustainable air transport sector is essential for the economic transformation of our region and continent,”* he said, adding that *“the long-term sustainability of aviation depends increasingly on our collective ability to address environmental concerns and align sector development with global climate objectives. Environmental sustainability is no longer peripheral to aviation policy; it is now central to the future competitiveness, legitimacy and growth of the industry.”*

Poppy Khoza, Director of SACAA, called for stronger collaboration and a unified continental strategy to unlock investment and scale in the sustainable aviation fuel sector.

*“We are here to align on governance, technology and implementation frameworks...this process must translate policy into implementable and bankable actions,”* she said.

Representing the African Union Commission, Eric Ntagengerwa pointed to Africa’s strong potential to lead globally in SAF production, citing its natural resource base and renewable energy capacity.

*“With the right policies and investments, Africa can transform these assets into a thriving green aviation fuel industry,”* he explained.

Delegates at the workshop emphasised that scaling up SAFs and other low-carbon alternatives will be key to reducing aviation emissions, particularly as many African countries are yet to fully adopt Annex 16 Standards and Recommended Practices.

Originally launched under the Support to Air Transport Sector Development (SATSD) programme, which involves 29 countries in the EA-SA-IO region, the initiative has since been expanded into a continent-wide effort led by the African Union Commission, AFCAC and COMESA.

The workshop concluded with the adoption of a roadmap and a set of actionable recommendations to support Member States in implementing Annex 16 provisions and advancing Africa’s low-carbon aviation agenda.

**Environmental sustainability is no longer peripheral to aviation policy; it is now central to the future competitiveness, legitimacy and growth of the industry.**

## AfDB Unveils \$5.65 Million Facility to Expand Off-Grid Power in Africa’s Fragile Regions

The African Development Bank (AfDB) has approved a \$5.65 million facility aimed at accelerating off-grid renewable energy access in some of Africa’s most fragile and energy-deprived regions, the institution said on Wednesday 25 March.

The funding, structured as a reimbursable grant, will pilot a new climate finance instrument designed to unlock investment in underserved markets. The initiative is expected to bring electricity to about 856,000 people across 14 countries, with women making up roughly half of the beneficiaries. In practical terms, the project will deliver around 240,000 new electricity connections and add 71 megawatts of renewable energy capacity.

The financing is being channelled through the Sustainable Energy Fund for Africa and will support the rollout of the Peace Renewable Energy Certificate (P-REC) Aggregation Facility. The mechanism uses renewable energy certificates as a funding tool to back small-scale mini-grid projects in communities with limited or no access to power.

The initiative is being co-financed by the Nordic Development Fund, bringing the total size of the facility to \$11.3 million. It will be managed by Camco

Clean Energy in partnership with Energy Peace Partners, the developer of the P-REC certification model.

Under the scheme, certificates generated from mini-grid projects in conflict-affected and energy-poor areas will be sold to multinational companies seeking to meet sustainability targets while delivering measurable social impact. The facility will sign long-term agreements with developers in frontier markets – including Nigeria, Ethiopia and Uganda – providing them with upfront payments in exchange for rights to the certificates.

Those certificates will then be sold on to corporate buyers, effectively channelling hard currency back to developers operating in markets where access to commercial financing remains limited.

The AfDB said the project aligns with Mission 300, a joint effort with the World Bank to connect 300 million Africans to electricity by 2030. Officials say the initiative represents an innovative approach to climate finance, particularly in regions where traditional investment flows have struggled to reach.

João Duarte Cunha, of the AfDB, said that limited access to capital continues to hamper rural electrification efforts, especially in fragile and conflict-affected countries, adding that the new facility is designed to help bridge that gap.

## Proparco Commits \$15 Million to Pan-African Climate Infrastructure Fund

Proparco has announced a \$15 million investment in a new pan-African fund dedicated to climate infrastructure, reinforcing its growing focus on sustainable development across the continent.

The institution, a subsidiary of the Agence française de développement (AfD), said the commitment makes it one of the first investors in the African Transition Acceleration Fund (ATAF), a vehicle currently targeting a total fundraising of \$200 million. The announcement was made in an official statement released on March 12.

The ATAF fund is designed to finance early-stage climate infrastructure projects across Africa, with a focus on providing equity and quasi-equity investments to around 14 companies or infrastructure development platforms. Managed by African Infrastructure Investment Managers, the fund plans to deploy investments ranging between \$10 million and \$30 million per project.

Funding will primarily target three key sectors linked to the energy transition: clean electricity, decarbonized fuels, and sustainable transport. The objective is to build a robust pipeline of projects and accelerate the rollout of low-carbon infrastructure across the continent.

Tibor Asboth, head of private equity for Africa and the Middle East at Proparco, said that one of the main barriers to energy transition in Africa remains the lack of early-stage capital. He noted that supporting ATAF from its first closing would help structure a financing tool capable of bridging this gap and accelerating the development of bankable climate infrastructure projects.

According to a 2025 report by the International Energy Agency, equity investments in electricity access in Africa averaged \$450 million annually between 2019 and 2023, but were largely concentrated in more mature markets. The agency estimates that around \$15 billion per year will be required to achieve universal electricity access on the continent by 2035, highlighting the scale of the financing shortfall – particularly at the early stages of project development.



## Trade Power and Hidden Leakages

# Illicit Financial Flows in MENA (2013-2022)

The Middle East and North Africa (MENA) region plays a pivotal role in global trade, driven largely by its dominance in hydrocarbon exports and strategic position in international commerce. By 2022, it accounted for 7.4 percent of global merchandise trade and recorded the fastest export growth among WTO regions, fuelled by surging commodity prices. However, the same structural features that underpin this success – extensive free trade zones, high-volume re-export hubs, and limited reporting requirements – also expose the region to significant risks of trade-related illicit financial flows (IFFs). Evidence shows that these vulnerabilities are concentrated in key economies, with the United Arab Emirates and Saudi Arabia leading in trade value gaps, followed by countries such as Morocco, Egypt, and Iran. Collectively, a small group of ten economies accounts for the vast majority of the region's cumulative discrepancies, underscoring the scale and concentration of illicit financial activity embedded within MENA's trade landscape.

Illicit financial flows (IFFs) refer to cross-border movements of money or capital that are illegally earned, transferred, or utilized. According to the UNCTAD-UNODC Conceptual Framework, their primary sources include commercial tax evasion, proceeds from illegal markets, corruption, and terrorism financing. These flows have profound implications for development, as they drain critical public resources needed to finance infrastructure and essential services. Estimates from UNCTAD suggest that countries experiencing high illicit outflows invest approximately 25 percent less in health and 58 percent less in education compared to countries with lower levels of such outflows.

In recognition of these impacts, the international community, under Sustainable Development Goal (SDG) Target 16.4, has committed to significantly reducing illicit financial and arms flows by 2030. Among the various transmission channels, international trade plays a particularly significant role, as it provides a high-volume, routine mechanism through which illicit value can be concealed.

*“The MENA region's total value gap shows a cyclical pattern with two peaks (2017 and 2022) separated by a significant trough around 2020. Specifically, value gaps climbed from ~\$156 B in 2013 to a peak of \$196 B in 2017, then declined through 2018-2020 (reaching a low of \$154 B in 2020) before rebounding sharply to \$214 B by 2022. The 2020 collapse coincided with the COVID-19 shock and global trade slump, consistent with a WTO finding that Middle Eastern export volumes fell steeply during the pandemic”,* suggests the report.

*“Likewise, the subsequent jump in 2021-22 follows the broader global trade recovery. Oil price volatility also likely contributed: for oil-exporting MENA states, the oil glut of 2014-16 and pandemic drop cut trade values, while oil and commodity price recovery in 2021-22 revived both legitimate and illicit flows. This pattern highlights that MENA's trade-based IFFs are sensitive to economic cycles and shocks, but remain large.”*

Trade misinvoicing – defined as the deliberate falsification of the price, quantity, quality, or description of goods on customs invoices and related trade documentation – represents one of the largest measurable components of global IFFs. It operates through four principal mechanisms. First, import over-invoicing enables capital flight by inflating the declared cost of imports, allowing excess payments to be diverted to offshore accounts. This practice is especially prevalent in countries with capital controls or weak currencies. Second, export under-invoicing facilitates similar outcomes by understating export values, enabling unreported revenues to remain abroad, a particularly damaging practice for natural resource exporters due to its direct impact on export and income tax revenues. Third, import under-invoicing is used to evade customs duties and value-added taxes (VAT), thereby depriving governments of tariff revenues. Fourth, export over-invoicing allows firms to generate illicit inflows by inflating export values to exploit subsidies, tax rebates, or other incentive schemes.

Trade-based money laundering (TBML) has been identified by the Financial Action Task Force (FATF) and the Egmont Group as one of the three principal methods for laundering criminal proceeds globally, alongside misuse of the formal financial system and bulk cash smuggling. It is also widely regarded as the most difficult method for financial institutions to detect. The scale of opportunity is considerable: with over 860 million container movements annually – accounting for nearly 90 percent of global trade – fewer than 2 percent of containers are physically inspected. In the Arab region, the United Nations Economic and Social Commission for Western Asia (ESCWA) estimates that trade misinvoicing results in annual losses ranging between \$60.3 billion and \$77.5 billion.

In absolute terms, trade misinvoicing gaps are highly concentrated among a small number of economies. The largest gaps are observed in Gulf oil-exporting countries and major regional trading hubs. The United Arab Emirates ranks highest (approximately \$457 billion), followed by Saudi Arabia (around \$320 billion), reflecting both countries' roles as major exporters and, in the case of the UAE, a global re-export hub. Among non-oil economies, Morocco (approximately \$164 billion) and Egypt (around \$131 billion) also exhibit significant gaps, driven by their relatively large and diversified trade structures. Iran (approximately \$107 billion) ranks prominently as well, partly reflecting sanctions-related trade distortions.

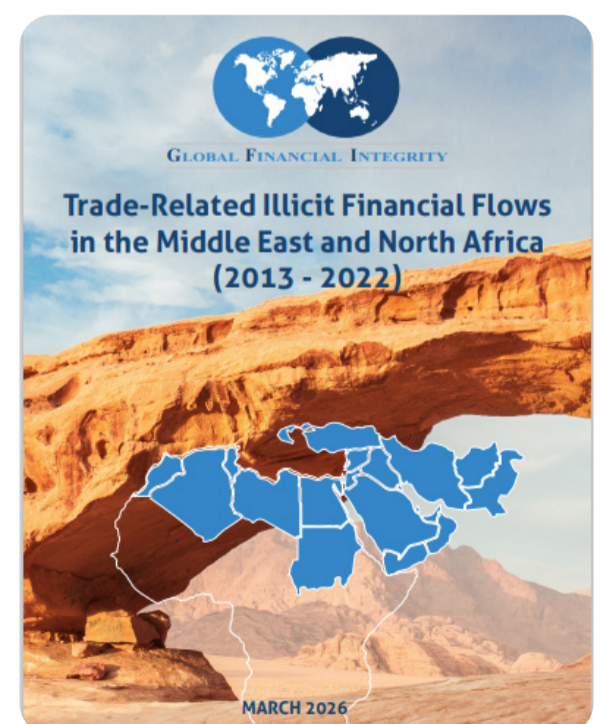
Other notable cases include Kuwait (~\$84 billion), Tunisia (~\$68 billion), Oman (~\$65 billion), and Qatar (~\$54 billion). Collectively, these ten economies account for roughly 90 percent of the region's cumulative trade misinvoicing gaps over the period. This concentration is analytically significant, as it suggests that effective regional risk mitigation efforts will depend disproportionately on policy interventions in a limited number of high-volume trading economies.

**Trade misinvoicing – defined as the deliberate falsification of the price, quantity, quality, or description of goods on customs invoices and related trade documentation – represents one of the largest measurable components of global illicit financial flows.**

*“Two structural features help explain why certain MENA economies have significant trade value gaps. First, the region's hydrocarbon export scale and exposure to price volatility play a central role. Several OPEC members, including Saudi Arabia, the United Arab Emirates,*

*Kuwait, Iran, and Algeria, export large volumes of crude oil and petroleum products, and sharp increases in global energy prices in 2021-2022 significantly inflated nominal trade values. Even without proportional increases in physical volumes, higher prices can mechanically enlarge value-based discrepancies. Second, the presence of major trade hubs, free zones, and re-export ecosystems adds complexity to trade documentation and partner attribution. As highlighted by the Financial Action Task Force, simplified procedures and reduced transparency in some free trade zones may be exploited for money laundering or terrorist financing,”* says the report.

Among non-GCC economies, Mauritania and Lebanon stand out, with gap ratios that are large relative to their comparatively modest trade volumes. Both have governance challenges. Indeed, in TI's CPI, Lebanon has a score of 23 (out of 100) and is ranked 153 (out of 181). Algeria's score was 34 and its rank is 109 in 2025. Mauritania's CPI score is 30 and it ranks 130. Their high gap ratios suggest that, relative to their modest trade volumes, a large slice may be unofficial. Tunisia and Algeria also display elevated shares, underscoring the exposure of certain North African trade corridors to evasion risks.



## POLICY RECOMMENDATIONS

To curb trade-related IFFs, MENA countries and partners should pursue multi-pronged reforms. Key recommendations include the following.

### ■ Modernize Customs and Trade

**Data Systems.** Invest in digital trade monitoring (e.g. the World Bank/UN ASYCUDA platform) to reduce human discretion and improve data quality. Use data analytics and AI to flag anomalies in real time. For example, the World Customs Organization advocates “technology-centric and data-driven risk management” in customs to detect suspicious trade patterns. Adopting single window customs and e-invoicing can shrink paper fraud. Countries should conduct regular audits of their mirror-trade statistics to spot persistent gaps.

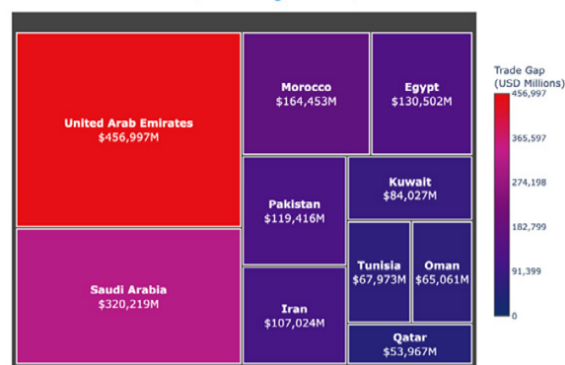
### ■ Strengthen Free-Zone and FTZ

**Oversight.** Free Trade Zones are widespread in MENA (dozens in the GCC) and pose special risks. Authorities should implement the OECD’s Code of Conduct for Clean FTZs, which calls for mandatory registration of zone companies and cross-border information-sharing. Adherence to the OECD FTZ Recommendation (2019), urging transparency and anti-illicit trade measures would signal commitment to clean trade. In practice, this means requiring zone firms to declare ultimate beneficial owners to authorities, enabling verification and inspection. For example, FATF and the EU recommend that imports exiting a free zone should be treated as new imports (with duties due) to prevent tariff avoidance. MENA governments should also consider limiting certain high-risk goods (e.g. precious metals, chemicals) from freely transiting through zones without tighter controls.

### ■ Enhance Beneficial Ownership

**Transparency.** Anonymous shell companies are a major enabler of IFFs. FATF standards (Recommendation 24) require all countries to maintain registries of ultimate beneficial owners of companies and trusts. Many MENA states have begun reforms: for instance, Algeria, Jordan, Morocco and Tunisia now have centralized BO registers, and Saudi Arabia and the UAE have introduced BO reporting. However, TI warns that implementation is still weak in practice (few countries conduct regular risk assessments or ensure public access). MENA governments should complete their BO frameworks: mandate verification of ownership data by corporate registries, ensure real-time access for FIUs and tax authorities, and ideally allow civil society access to BO data. This would help link

Figure 3: Top 10 MENA Countries by Trade Value Gap as a Percentage of Total Trade, 2013-2022 (All Trading Partners)



trade misinvoicing to natural persons. Sanctions on jurisdictions with opaque BO (as FATF has done) also incentivize reform.

### ■ Implement Risk-Based Trade

**Inspections.** Customs agencies should adopt a risk-based approach (FATF Rec. 1) to trade finance and goods. This means identifying high-risk corridors and targeting inspections accordingly. For example, Gulf states could flag high-value shipments of scrap metal or fuel (susceptible to layering), North African states could target luxury consumer goods or electronics, and all could monitor precious metal flows (due to gold trading risks). Cooperation with the private sector (banks, logistics) is key: sharing of trade and shipment data allows better anomaly detection. Where technology permits, develop electronic linkage of import invoices to bank payment records (an audit trail from payment to goods).

### ■ Expand International Cooperation.

Many trade IFF schemes involve cross-border networks. MENA tax and customs authorities should work with international bodies. Countries in the region should ratify and implement the OECD Convention on Mutual Administrative Assistance in Tax Matters (which includes trade data exchange); engage actively in the Global Forum on transparency and, join FATF/MENAFATF initiatives (some MENA states still lack FATF mutual evaluation). Regional information-sharing (GCC Customs Union, Arab Monetary Fund, etc.) can help detect triangular trade misinvoicing. For instance, when a Gulf country reports massively more imports of a commodity from country X than X’s exports report, this should trigger inquiry. UNODC/ESCWA/UNCTAD SDG projects (like Egypt’s IFF measurement project) provide models: several MENA countries should follow Egypt’s lead in building cross-ministry teams (trade, statistics, FIU, central bank) to jointly analyze trade and financial data.

### ■ Strengthen AML/CFT Regimes.

Link trade transparency to anti-money laundering enforcement. FATF

recommends that financial institutions and DNFBPs (Designated Non-Financial Businesses – e.g. freight forwarders, commodity traders) be alert to trade-based money laundering (TBML) typologies. MENA countries should ensure AML laws specifically criminalize trade mispricing and include obligations for customs brokers to conduct due diligence. MENAFATF guidance (e.g. risk indicators for TBML) should be adapted regionally. In practice, banks in MENA (especially in dollar-clearing centers like UAE, Bahrain) must rigorously screen trade finance transactions for inconsistencies. Conduct regular joint exercises between customs and FIUs to identify suspicious trade patterns (for example, repetitive use of the same company as importer and exporter, or shipments not matching known trade profiles). Enhanced customer due diligence on trade-finance customers (including beneficial ownership checks) will also raise the cost of illicit schemes.

### ■ Leverage Trade Data Transparency.

Transparency in official trade statistics can itself deter fraud. Publishing detailed mirror statistics or providing platforms for exporters to self-report helps create public accountability. MENA authorities should improve public access to anonymized trade data (while safeguarding sensitive business information). This includes fully utilizing and updating national SDG monitoring of IFFs under UNCTAD/UNODC frameworks, as Egypt began to do. Encouraging civil society and researchers to analyze trade datasets can uncover abuses.

### ■ Adopt Digital and AI Monitoring Tools.

Emerging technology can aid detection. Machine-learning models can be trained on historical price benchmarks to flag unusually high or low invoice values. Some customs agencies (e.g. India, UAE) are piloting AI risk engines. Blockchain-based trade documentation (e.g. WCO’s Cadena project) might eventually ensure tamper-proof records. MENA governments should consider modernizing legacy systems, possibly with support from the World Bank and WCO, to enable such tools.

### ■ Capacity Building and Integrity.

Finally, none of the above matters without trained, incorruptible officials. Invest in customs and FIU training (e.g. on TBML, beneficial ownership). Use rotation of personnel to prevent collusion and publicize prosecution of cases of trade fraud to build deterrence. Regional bodies (Arab League, GCC forums) could host workshops on trade transparency. Encouraging a culture of compliance will pay long-term dividends.

# Les États membres du COMESA adoptent un cadre d'investissement unifié

## 9th Extraordinary Meeting of the COMESA Council of Ministers

2 April 2026 | Virtual



Le Marché commun de l'Afrique orientale et australe (COMESA), en partenariat avec la Conférence des Nations unies sur le commerce et le développement (CNUCED), a tenu un atelier régional réunissant 17 États membres afin de valider l'Accord révisé sur la Zone d'investissement commune du COMESA (ZICC), marquant une étape importante vers le renforcement des investissements intrarégionaux et l'attraction des investissements directs étrangers (IDE) dans la région COMESA, favorisant ainsi la croissance économique et le développement.

L'atelier virtuel de deux jours, qui s'est tenu les 31 mars et 1er avril 2026, a réuni des hauts fonctionnaires et experts des États membres du COMESA. Il a eu pour objectif de finaliser l'Accord révisé sur la ZICC, un cadre essentiel destiné à promouvoir, protéger et faciliter les investissements dans la région COMESA. Les participants ont également examiné le Manuel sur la mise en œuvre de l'Accord sur la ZICC, un outil destiné à aider les États membres à la mise en œuvre l'Accord révisé, élaboré en partenariat avec l'Institut international du développement durable (IIDD).

L'accord révisé établit un cadre solide pour l'investissement dans la région COMESA, en précisant les obligations des investisseurs et des États, les mécanismes de règlement des différends et les dispositions relatives à la circulation des capitaux et de la main-d'œuvre. Ce cadre consolidé devrait permettre de renforcer la

**Ce cadre consolidé devrait permettre de renforcer la confiance des investisseurs, promouvoir la transparence et positionner la région comme une destination privilégiée des investissements durables.**

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Le secrétaire général adjoint – Programmes du Secrétariat, Dr Mohamed Kadah, a procédé à l'ouverture officielle de l'atelier, en remerciant la CNUCED et l'IIDD pour leur soutien technique dans l'élaboration de l'Accord sur la ZICC et du Manuel de mise en œuvre. « Cet accord reflète fidèlement la vision de la région en matière de développement socio-économique durable, d'intégration régionale et de prospérité, et s'inscrit dans le cadre de l'engagement du COMESA à favoriser un environnement propice à l'investissement », a-t-il déclaré.

Il a également souligné l'importance des partenariats de développement y afférents, ainsi que la nécessité de finaliser, d'adopter et de mettre en œuvre rapidement l'accord.

L'accord révisé et validé est le fruit d'un processus de consultation approfondi, comprenant notamment deux ateliers de validation, qui témoigne de l'engagement du COMESA à créer un cadre d'investissement moderne et unifié. Ce processus reflète la volonté commune des États membres à accélérer le développement induit par l'investissement grâce à des instruments juridiques harmonisés.

L'accord révisé sur la ZICC et le Manuel de mise en œuvre seront soumis aux Organes directeurs du COMESA aux fins d'approbation, puis ratifiés et transposés par les États membres dans leur législation nationale, ouvrant ainsi la voie à sa mise en œuvre.

### La Zone d'investissement commune (ZICC)

Les dispositions du Chapitre 26 du Traité du COMESA encouragent l'augmentation des flux d'investissements du secteur privé vers le Marché commun en faveur du développement. Dans cette optique, les chefs d'État du COMESA ont décidé de transformer la région COMESA en une Zone d'investissement commune (ZICC) et ont concrétisé cette décision en adoptant l'Accord sur la ZICC. La ZICC vise à renforcer l'attractivité et la compétitivité du COMESA afin de promouvoir les investissements directs étrangers et les investissements transfrontières.

(Source : COMESA)

# La valorisation du coton en Afrique peut favoriser une croissance inclusive



Les investissements dans le secteur du coton, du textile et des vêtements peuvent contribuer à transformer le développement économique en Afrique centrale et occidentale. C'est ce qu'ont déclaré les intervenants d'un événement de haut niveau organisé la veille de l'ouverture de la quatorzième Conférence ministérielle de l'OMC à Yaoundé (Cameroun), le 25 mars, ainsi que lors de la cérémonie d'ouverture, le 26 mars.

Ministres, dirigeants d'organismes internationaux, institutions de financement du développement, partenaires du secteur privé et représentants de la FIFA ont mis en avant les possibilités qui s'offrent à l'Afrique pour gravir les échelons de la chaîne de valeur et accélérer la croissance économique.

L'événement de haut niveau a marqué le lancement d'une nouvelle phase dans le cadre de l'Initiative Partenariat pour le Coton (PPC), axée sur la mobilisation des investissements pour accélérer la transformation de la chaîne de valeur coton-textile-habillement.

Aujourd'hui, environ 98% du coton de la région est exporté sous forme de fibre brute, alors que la région a le potentiel de se positionner comme un pôle pour le traitement et la transformation du coton en textiles et vêtements, ont souligné les intervenants.

« Nous sommes sur le point de créer une

**Nous sommes sur le point de créer une industrie textile et de l'habillement moderne en l'Afrique de l'Ouest et en Afrique centrale.**

*industrie textile et de l'habillement moderne en l'Afrique de l'Ouest et en Afrique centrale* », a dit la directrice générale de l'OMC, Ngozi Okonjo-Iweala.

Une analyse du PPC montre qu'un soutien de 5 milliards d'USD accordé à l'investissement et au renforcement des capacités pourrait générer environ 500 000 emplois directs, notamment dans la fabrication textile, le transport et même la création de mode, qui devraient entre autres bénéficier aux femmes et aux jeunes.

L'initiative, qui s'appuie sur le rôle moteur joué par le groupe de pays « Coton-4+ », composé du Bénin, du Burkina Faso, du Mali et du Tchad, plus la Côte d'Ivoire, vise à positionner la région comme un pôle pour la transformation du coton et le développement industriel.

Lors de l'événement, les partenaires du PPC ont également lancé la plate-forme « Africa

*Textile Invest* », un nouvel outil destiné à soutenir les investisseurs en leur offrant un point d'accès unique aux renseignements sur les données nationales, les zones industrielles et une liste de possibilités d'investissement.

« Ce nouveau portail illustre la manière dont nous pouvons traduire la vision du C-4+ en actions concrètes », a dit le directeur général de l'Organisation des Nations Unies pour le développement industriel (ONUDI), Gunther Berger, qui a réaffirmé l'engagement de l'ONUDI à soutenir le développement des capacités industrielles dans l'ensemble de la chaîne de valeur coton-textile-vêtements. Il a également souligné que le développement industriel était le trait d'union entre les ressources naturelles et les marchés mondiaux.

« L'avenir du coton africain réside dans la création de valeur ajoutée », a pour sa part expliqué la directrice exécutive du Centre du commerce international (ITC), Pamela Coke-Hamilton. « Dans le cadre de ce partenariat, nous renforcerons la chaîne de valeur du coton sur l'ensemble du continent, y compris grâce à l'investissement du secteur privé, afin que les agriculteurs et les petites entreprises puissent capter davantage de valeur au niveau local. Cela changera la vie de milliers de personnes. »

(Source : OMC)

# L'Afrique et l'Amérique latine renforcent leurs relations économiques & commerciales



Une réunion de haut niveau consacrée au renforcement de la coopération et des relations commerciales entre l'Afrique et l'Amérique latine s'est tenue le 27 mars, en marge de la quatorzième Conférence ministérielle de l'OMC (CM14). Dans son discours liminaire, la directrice générale Ngozi Okonjo-Iweala a souligné l'importance de cette initiative pour diversifier les échanges et continuer d'améliorer le commerce Sud-Sud.

Lors de cette réunion, il a été souligné que l'Afrique et la région de l'Amérique latine et des Caraïbes représentaient près de 90 pays et plus du quart de la population mondiale, soit près de 2,1 milliards de personnes. Comme l'ont dit les ministres et autres hauts responsables gouvernementaux, le PIB combiné de ces pays – qui dépasse les 10 000 milliards d'USD – laisse entrevoir de grandes perspectives en matière de croissance partagée, de diversification, de renforcement des liens économiques et de coopération sur des objectifs de développement.

Les participants ont proposé d'organiser régulièrement des sommets entre l'Afrique et la Communauté de l'Amérique latine et des Caraïbes (CELAC) afin d'élargir encore les domaines de coopération et de créer davantage de possibilités de dialogue et de partenariat.

« C'est un événement historique visant à resserrer les liens entre l'Afrique et la Communauté des États d'Amérique latine et des Caraïbes », a déclaré Ngozi Okonjo-Iweala, en indiquant que cette initiative permettrait de faire avancer cet objectif. Elle a ajouté que cette dynamique soutiendrait l'augmentation continue du commerce Sud-Sud, lequel représente actuellement 25 pour cent du commerce mondial, contre environ 10 pour cent en 1995.

« Les possibilités d'accroître les exportations de la CELAC vers l'Afrique, qui représentent actuellement 0,3% du commerce mondial, ainsi que les exportations de l'Afrique vers la CELAC, qui sont quasi inexistantes, sont considérables », a ajouté la directrice générale de l'OMC.

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Parmi les domaines dans lesquels la coopération pouvait être renforcée, elle a cité le commerce numérique et les liaisons de transport, comme la future route de transport maritime entre le Ghana et la Colombie. Elle a également dit qu'il faudrait voir comment l'Accord sur la facilitation de l'investissement pour le développement (Accord FID) et d'autres plates-formes au sein de l'OMC pouvaient soutenir cet objectif. Au total, 129 Membres de l'OMC sont partis à l'Accord FID.

Soulignant l'importance du dialogue entre les pays des deux régions dans le cadre de la coopération Sud-Sud, le vice-ministre du commerce de la Colombie, Tito Yepes, a déclaré être présent « pour travailler ensemble à une vision plus cohérente du développement ».

Il a noté que les deux régions avaient commencé à échanger des produits de base et à établir des liens entre les ports colombiens et les ports du Ghana, du Togo et du Nigéria, et étudiaient la possibilité de mettre en place des vols de passagers de la Colombie vers certaines parties de l'Afrique. L'objectif, a-t-il ajouté, est d'étoffer les liens qui existent entre l'Amérique centrale et d'autres parties de l'Afrique, compte tenu de notre patrimoine culturel commun afrodescendant.

L'ambassadeur du Mozambique auprès de l'OMC, Geraldo Goncalves Miguel Saranga, a quant à lui affirmé que « cette plate-forme arrive à un moment décisif et offre une précieuse occasion de coordonner nos efforts pour relever les défis, en particulier dans les domaines du commerce des produits agricoles, de la sécurité alimentaire et du développement durable. Les liens historiques qui unissent nos régions, associés à nos aspirations communes en matière de développement, constituent un terreau fertile pour approfondir notre collaboration ».

Soulignant que l'agriculture restait l'épine dorsale des économies africaines et l'élément clé de la sécurité alimentaire, de l'emploi et de la réduction de la pauvreté, l'ambassadeur a appelé à « intensifier la coopération en renforçant les partenariats, le partage des connaissances et la résilience des chaînes de valeur en vue de construire des systèmes agricoles durables et d'accroître la sécurité alimentaire ».

Cet événement a également permis de revenir sur le Forum économique Afrique-Amérique latine, qui s'est tenu les 20 et 21 mars à Bogota (Colombie).

(Source : OMC)

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